# 2017 discharge: European Banking Authority (EBA)

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PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2017, as part of the 2017 discharge procedure.

Analysis of the accounts of the **European Banking Authority (EBA)**.

CONTENT: the organisational governance of the EU consists of institutions, agencies and other EU bodies whose expenditure is included in the general budget of the Union.

This Commission document concerns the **EU's consolidated accounts for the year 2017** and details how spending by the EU institutions and bodies was carried out. The consolidated annual accounts of the EU provide financial information on the activities of the institutions, agencies and other bodies of the EU from an accrual accounting and budgetary perspective.

It is the responsibility of the Commission's Accounting Officer to prepare the EU's consolidated annual accounts and ensure that they present fairly, in all material aspects, the financial position, the result of the operations and the cash flows of the EU institutions and bodies with a view to granting discharge.

**Discharge procedure**: **the final step of a budget lifecycle is the discharge**. It is the decision by which the European Parliament '**releases**' the Commission from its responsibility for management of a given budget by marking the end of that budget's existence. It is granted by the European Parliament on the recommendation of the Council.

The decision is based in particular on the European Court of Auditors reports, in particular its annual report, in which the Court provides a Statement of Assurance (DAS) on the legality and regularity of transactions (payments and commitments).

The procedure results in the granting, postponement or refusal of discharge.

The final discharge report including specific recommendations to the Commission for action is adopted in plenary by the European Parliament and are subject to an annual follow up report in which the Commission outlines the concrete actions it has taken to implement the recommendations made.

All EU institutions and other agencies, bodies and joint undertakings are subject to their own discharge procedures.

**The European Banking Authority**: the EBA, which is located in London (UK), was established by Regulation (EU) No 1093/2010 of the European Parliament and of the Council and has the aim of protecting the public interest and contributing to the stability and efficiency of the banking system in the short, medium and long term for the economy of the European Union.

**As regards the accounts**, the EBA budget execution in 2017 was 96%, which the EBA considers to be an acceptable result in the context of the **Brexit impact** on staffing and on-going exchange rate volatility. The political uncertainty negatively affected both the EBA recruitment plan and retention of existing staff, and thus budgetary expenditure on staff. It should be noted that the EBA expends 66% of its budget on staff costs.

**Commitment appropriations**:

- available: EUR 38 million;
- made: EUR 37 million.

**Payment appropriations**:

- available: EUR 41 million;
- paid: EUR 35 million.

For further details on expenditure, please refer to the 2017 consolidated annual accounts of the European Banking Authority.