

# Implementation of the legal provisions and the joint statement ensuring the parliamentary scrutiny over decentralised agencies

2018/2114(INI) - 30/01/2019 - Committee report tabled for plenary, single reading

The Committee on Constitutional Affairs adopted the own-initiative report by György SCHÖPFLIN (EPP, HU) on the implementation of the legal provisions and the Joint Statement ensuring parliamentary scrutiny over decentralised agencies.

Agencies play a vital role in the implementation of EU policies at European and national levels, performing a wide variety of tasks to contribute to the implementation of EU policies, such as creating networks or supporting cooperation between the EU and national authorities.

Agencies are primarily accountable to Parliament and the Council, which must ensure that adequate scrutiny mechanisms are in place in the legislative acts governing those agencies and that those mechanisms are subsequently properly implemented.

The 2012 Joint Statement and the Common Approach are the result of the work of the Interinstitutional Working Group on regulatory agencies, which was set up by the Commission, the European Parliament and the Council to assess the coherence, effectiveness, accountability and transparency of agencies.

## *Revised Common Approach*

Members considered that greater efforts could be made to streamline certain provisions (the Common Approach) in the founding regulations of agencies relating to their governance and accountability mechanisms, taking into account the various types of agencies that currently exist and defining the general principles governing the relationship between the institutions of the EU and the agencies.

The report called for a thorough assessment of the implementation of the Common Approach in all its aspects, reviewing in particular the compatibility of the provisions included with Parliament's co-decision and scrutiny powers, while taking account of the need to allow for flexibility in view of the diverse landscape of decentralised agencies.

Members regretted that Parliament, as the lead guarantor of respect for the principle of democracy in the EU, was not fully involved in the procedure to select the new seat of EMA and EBA. They expect the prerogatives of Parliament and Council as co-legislators to be fully respected in future decisions on the location or relocation of agencies.

Parliament should be systematically involved, throughout the legislative process and on equal terms with the Council and the Commission, in defining and assessing the weight of the criteria for the location of all Union bodies and agencies, in a transparent manner.

## *IIA*

Members proposed that, on the basis of a review of the Common Approach, fresh consideration should be given to drawing up an Interinstitutional Agreement (IIA) on agencies and that such agreement should contain provisions on a five-yearly review of the principles governing the establishment and functioning of agencies, drawing upon the expertise of a group of eminent persons.

They considered that this IIA should respect the European Parliament's powers in co-decision procedures and should also cover the relationship between an agency and the institutions of the Member State in which it is located.

### ***Budgetary matters***

Noting that fee-financing of agencies currently amounts to around EUR 1 billion annually, Members expressed concern at the potential conflicts of interest that can arise if agencies have to rely on membership fees as their main source of income.

They stressed the need to take into account the new climate, sustainability and environmental protection priorities within the next multi-annual financial framework (MFF) and the tasks attributed to particular agencies for the implementation of this MFF.

Members noted that agencies' budgets should be prepared in accordance with the principle of performance-based budgeting, taking into account the agency's objectives and the expected results of its tasks. A thematic approach to the budgeting of decentralised agencies is more appropriate in order to better prioritise the agencies' tasks, boost cooperation and avoid overlaps, particularly in the case of agencies working within the same policy field.

Auditing of the decentralised agencies 'remains under the full responsibility of the Court of Auditors. However, auditing carried out by private sector auditors has significantly increased the administrative burden on the agencies and has, as a result of the time spent on the procurement and administration of audit contracts, created additional expenditure, putting their diminishing resources under even greater strain. It is necessary to resolve this issue.