Basic information

2010/2150(DEC) DEC - Discharge procedure	Procedure completed
2009 discharge: EU general budget, European Data Protection Supervisor **Subject** 8.70.03.07 Previous discharges	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	RIVELLINI Crescenzio (PPE)	23/03/2010
	Shadow rapporteur AYALA SENDER Inés (S&D) DE MAGISTRIS Luigi (ALDE) STAES Bart (Verts/ALE) SØNDERGAARD Søren Bo (GUE/NGL)	

Committee for opinion	Rapporteur for opinion	Appointed
LIBE Civil Liberties, Justice and Home Affairs	The committee decided not to give an opinion.	

European Commission

Commission DG	Commissioner
Budget	ŠEMETA Algirdas

Key events

Date	Event	Reference	Summary
20/07/2010	Non-legislative basic document published	SEC(2010)0963	Summary
07/10/2010	Committee referral announced in Parliament		
22/03/2011	Vote in committee		Summary
04/04/2011	Committee report tabled for plenary	A7-0117/2011	
10/05/2011	Decision by Parliament	T7-0162/2011	Summary

10/05/2011	Results of vote in Parliament		
10/05/2011	Debate in Parliament		
10/05/2011	End of procedure in Parliament		
27/09/2011	Final act published in Official Journal		

Technical information

Procedure reference	2010/2150(DEC)
Procedure type	DEC - Discharge procedure
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	CONT/7/04028

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE450.684	19/01/2011	
Committee report tabled for plenary, single reading		A7-0117/2011	04/04/2011	
Text adopted by Parliament, single reading		T7-0162/2011	10/05/2011	Summary

Council of the EU

Document type	Reference	Date	Summary
Document attached to the procedure	05891/2011	03/02/2011	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	SEC(2010)0963	20/07/2010	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofA	Court of Auditors: opinion, report	N7-0083/2010 OJ C 303 09.11.2010, p. 0001	09/09/2010	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act	
Decision 2011/0563 OJ L 250 27.09.2011, p. 0107	Summary

2009 discharge: EU general budget, European Data Protection Supervisor

2010/2150(DEC) - 10/05/2011 - Final act

PURPOSE: to grant discharge to the European Data Protection Supervisor for the financial year 2009.

NON-LEGISLATIVE ACT: Decision 2011/563/EU of the European Parliament on discharge in respect of the implementation of the European Union general budget for the financial year 2009, Section IX - European Data Protection Supervisor.

CONTENT: with the present decision, the European Parliament grants discharge to the European Data Protection Supervisor for the implementation of its budget for the financial year 2009.

This decision is in line with the European Parliament's resolution adopted on 10 May 2011 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 10/05/2011).

A parallel decision, adopted on the same day, approves the closure of this Institution's accounts.

2009 discharge: EU general budget, European Data Protection Supervisor

2010/2150(DEC) - 10/05/2011 - Text adopted by Parliament, single reading

The European Parliament adopted by 490 votes to 60, with 17 abstentions a decision to grant the European Data Protection Supervisor (EDPS) discharge in respect of the implementation of the budget for the financial year 2009.

Furthermore, Parliament adopted a resolution with observations which are an integral part of the decision to grant discharge. The resolution recalls that, in 2009, the EDPS had commitment appropriations available amounting to a total of EUR 7 million (2008: EUR 5.3 million), with a utilisation rate of 81.44%, lower than the average of the other institutions (97.69%).

Parliament notes that the Court of Auditors performed an in-depth assessment of supervisory and control systems in the Court of Justice, the European Ombudsman and the European Data Protection Supervisor which included the examination of an additional sample of transactions involving payments relating to human resources and to other administrative expenditure. As far as the EDPS is concerned, the Court of Auditors found that, in four cases out of ten, the information available to the EDPS was not sufficiently up-to-date to ensure that allowances provided for by the Staff Regulations were paid to staff in compliance with relevant Community regulations and national legislation.

Parliament endorses the position of the Court of Auditors that EDPS staff should be requested to submit at appropriate intervals documents proving their personal situation, and that the EDPS should improve its system for the timely monitoring and control of those documents. It notes that the Office for the Administration and Payment of Individual Entitlements (PMO) handles the social allowances files, on behalf of the EDPS.

As regards the rest, Parliament accepts to consider given that the EDPS as a small institution. In this regard, the management of an important number of files is shared with other institutions by means of cooperation agreements with the Commission, the Parliament and the Council.

Parliament notes that the evaluation (which was, in fact, performed by the Commission's internal auditor, acting as EDPS Internal Audit Service on the basis of the Administrative Cooperation Agreement) had stated that the functionality and efficiency of the internal control system was adequate and that it provided reasonable assurance for the achievement of the EDPS' objectives. It also noted that the Court of Auditors did not make any significant remarks regarding the EDPS.

2009 discharge: EU general budget, European Data Protection Supervisor

2010/2150(DEC) - 20/07/2010 - Non-legislative basic document

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2009, as part of the 2009 discharge procedure.

Analysis of the accounts of the EU Institutions: Section IX – **European Data Protection Supervisor.**

CONTENT: this Commission document sets out the consolidated annual accounts of the European Union for the financial year 2009 as prepared on the basis of the information presented by the institutions, organisations and bodies of the EU, in accordance with Article 129 (2) of the Financial Regulation applicable to the EU's General Budget, including the European Data Protection Supervisor.

The document helps to bring insight into the EU budget mechanism and the **way in which the budget has been managed and spent in 2009**. It recalls that European Union's operational expenditure covers the various headings of the financial framework and takes different forms, depending on how the money is paid out and managed.

In accordance with the Financial Regulation, the Commission implements the general budget using the following methods:

- **direct centralised management**: direct implementation of the budget by the Commission services;
- **indirect centralised management**: the Commission confers tasks of implementation of the budget to bodies of EU law or national law, such as the EU agencies of public law or with public service missions;
- **decentralised management**: the Commission delegates certain tasks for implementation of the budget to third countries;
- **shared management**: under this method of management budget implementation tasks are delegated to Member States. The majority of the expenditure falls under this mode "Shared Management" involving the delegation of tasks to Member States, covering such areas as agricultural spending and Structural Actions;
- **joint management**: under this method, the Commission entrusts certain implementation tasks to an international organisation.

The document also presents the different financial actors involved in the budget process (accounting officers, internal officers and authorising officers) and recalls their respective roles in the context of the tasks of sound financial management.

Amongst the other legal elements relating to the implementation of the EU budget presented in this document, the paper focuses on the following issues:

- the way in which EU public expenditure is committed and spent;
- the means of recovery following irregularities detected;
- the modus operandi of the accounting system:
- the audit process followed by the European Parliament's granting of the discharge.

To recall, the final control is the discharge of the budget for a given financial year. The discharge represents the political aspect of the external control of budget implementation and is the decision by which the European Parliament, acting on a Council recommendation, "releases" the Commission from its responsibility for management of a given budget by marking the end of that budget's existence.

Lastly, the document presents a series of tables and detailed technical indicators on (i) the balance sheet; (ii) the economic outturn account; (iii) cashflow tables; (iv) technical annexes concerning the financial statements.

Implementation of appropriations under Section IX of the budget for the financial year 2009: the document comprises a series of detailed tables, the most important concerning the implementation of the budget. As regards the European Data Protection Supervisor's expenditure, the table on the financial and budgetary implementation of this institution shows the following:

A) Table showing the commitment appropriations:

- Commitments: EUR 5 million (81.44% rate of implementation)
- Cancelled: EUR 1 million

B) Table showing the implementation of payments:

- Payments: EUR 5 million (64.24% rate of implementation)
- Carry-overs to 2010: EUR 1 million (15.02% of authorised appropriations)
- Cancellations: EUR 2 million

Lastly, the annexes detail specific expenditure of the institutions, in particular:

- **pensions**: an administrative budget heading includes the pension obligations towards the European Data Protection Supervisor;
- **joint sickness insurance scheme**: a valuation is made for the estimated liability that the EU has regarding its contributions to the Joint Sickness Insurance Scheme in relation to its retired staff. This gross liability has been valued at EUR 3 535 million. The calculations take into account active officials and pensioners from the various EU Institutions and Agencies, and their families, and active Members and pensioners from the European Data Protection Supervisor.

For further details on the budgetary implementation of expenditure of Section IX of the Budget (European Data Protection Supervisor) please refer to the Report on budgetary and financial management in 2009. This report outlines the main administrative objectives of the European Data Protection Supervisor. The main challenges in 2009 were:

- the consolidation of administrative cooperation (further technical implementation of the institution, cooperation with various DGs of the European Commission and European Parliament);
- continued efforts to limit tasks and staff of the Data Supervisor to proceed with the gradual integration of new subjects to be dealt with;
- given the institution's increased work flow, the lease of new office space within the European Parliament is necessary.

The report gives an overview of the results achieved as against the objectives set for 2009.

2009 discharge: EU general budget, European Data Protection Supervisor

2010/2150(DEC) - 09/09/2010 - Court of Auditors: opinion, report

PURPOSE: to present the report of the Court of Auditors on the implementation of the budget for the financial year 2009 (other institutions – European Data Protection Supervisor).

CONTENT: the Court of Auditors published its 33rd annual report on the implementation of the general budget of the European Union, covering the financial year 2009.

Pursuant to the Treaty on the Functioning of the European Union (TFEU), the Court of Auditors provides the European Parliament and the Council with a Statement of Assurance concerning the reliability of the accounts and the legality and regularity of the underlying transactions ('the DAS').

For the first time, the Court is forwarding its annual report to national parliaments at the same time as to the European Parliament and the Council, as provided for under Protocol No 1 to the Treaty of Lisbon.

This audit concerns, in particular, the budget implementation of the European Data Protection Supervisor (EDPS).

Based on its audit work, the Court concludes that the payments for the year ended 31 December 2009 for administrative expenditure of the institutions were free from material error. The Court notes that all the institutions operated satisfactorily the supervisory and control systems required by the Financial Regulation and the transactions tested were free from material error of legality and regularity.

Although the legality and regularity of the transactions underlying the accounts have been confirmed by the Court of Auditors, it does however draw attention to a number of findings which should be taken into consideration by the institutions concerned. It recalls that the main risks in the administrative and other expenditure policy group are non-compliance with the provisions on procurement, the implementation of contracts, recruitment procedures and the calculation of salaries and allowances.

Based on its audit work, the Court states that in the area of the payment of social allowances, the Court recommended to the Institutions and bodies concerned that they request their staff to deliver at appropriate intervals documents confirming their personal situation and that they implement a system for the timely monitoring of these documents.

The specific observations that follow and which are presented by Institution or body of the European Union are based on the Court's audit. These findings do not call into question the positive assessments as they are not material to administrative expenditure as a whole but are significant in the context of the individual Institution concerned.

In the specific case of the European Data Protection Supervisor's audit, the Court notes the following:

- **payment of social allowances to staff members**: the audit found that, in four cases out of ten, information available to the European Data Protection Supervisor's services, in order to ensure that allowances provided for by the Staff Regulations are paid to staff in compliance with relevant community regulations and national legislation, was not up-to-date. According to the Court, this situation leads to the risk of making incorrect or undue payments. Staff should be requested to deliver at appropriate intervals documents proving their personal situation. In this respect, the European Data Protection Supervisor should improve its system for the timely monitoring and control of these documents;
- **standards of internal control**: the EDPS had not put in place a system of ex-post verification, where appropriate, as required by the Financial Regulation. In addition, the standards of internal control adopted by the European Data Protection Supervisor did not provide that exceptions to standard financial procedures are duly recorded in a central register.

The EDPS has decided to resolve these problems in the future.

2009 discharge: EU general budget, European Data Protection Supervisor

2010/2150(DEC) - 03/02/2011

Having regard to the observations made in the Court of Auditor’s report, the Council calls on the European Parliament to give a discharge to the Commission in respect of the implementation of the budget of the European Union for the financial year 2009. Although the observations made by the Council are positive as regards institution expenditure, the Council considers that the budget implementation calls for a series of comments which should be taken in to account when discharge is granted.

The Council is concerned about the Court's finding that, in several cases, and in different institutions and bodies, the information serving as the basis for the payment of allowances provided for by the relevant staff regulations was not up-to-date. Therefore, the Council supports the Court's recommendation that **administrative systems should be improved to timely monitor and control the documents proving the staff's personal situation**. It notes that the institutions and bodies addressed by the Court have already taken action and encourages them to pursue it.