Basic information	
2011/2208(DEC) DEC - Discharge procedure	Procedure completed
2010 discharge: EU general budget, European Ombudsman **Subject** 8.70.03.07 Previous discharges	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	AYALA SENDER Inés (S&D)	03/03/2011
	Shadow rapporteur MARINESCU Marian-Jean (PPE) STAES Bart (Verts/ALE) CZARNECKI Ryszard (ECR) SØNDERGAARD Søren Bo (GUE/NGL) ANDREASEN Marta (EFD) EHRENHAUSER Martin (NI)	

Committee for opinion	Rapporteur for opinion	Appointed
AFET Foreign Affairs	The committee decided not to give an opinion.	
DEVE Development	The committee decided not to give an opinion.	
INTA International Trade	The committee decided not to give an opinion.	
BUDG Budgets	The committee decided not to give an opinion.	
ECON Economic and Monetary Affairs	The committee decided not to give an opinion.	

EMPL	Employment and Social Affairs	The committee decided not to give an opinion.	
ENVI	Environment, Public Health and Food Safety	The committee decided not to give an opinion.	
ITRE	Industry, Research and Energy	The committee decided not to give an opinion.	
IMCO	Internal Market and Consumer Protection	The committee decided not to give an opinion.	
TRAN	Transport and Tourism	The committee decided not to give an opinion.	
REGI	Regional Development	The committee decided not to give an opinion.	
AGRI	Agriculture and Rural Development	The committee decided not to give an opinion.	
PECH	Fisheries	The committee decided not to give an opinion.	
CULT	Culture and Education	The committee decided not to give an opinion.	
JURI	Legal Affairs	The committee decided not to give an opinion.	
LIBE	Civil Liberties, Justice and Home Affairs	The committee decided not to give an opinion.	
AFCO	Constitutional Affairs	The committee decided not to give an opinion.	
FEMM	Women's Rights and Gender Equality	The committee decided not to give an opinion.	
PETI	Petitions	The committee decided not to give an opinion.	

European Commission

Commission DG	Commissioner

Budget	ŠEMETA Algirdas

Key events

Date	Event	Reference	Summary
26/07/2011	Non-legislative basic document published	COM(2011)0473	Summary
12/10/2011	Committee referral announced in Parliament		
27/03/2012	Vote in committee		
30/03/2012	Committee report tabled for plenary	A7-0089/2012	Summary
10/05/2012	Decision by Parliament	T7-0162/2012	Summary
10/05/2012	Results of vote in Parliament		
10/05/2012	Debate in Parliament		
10/05/2012	End of procedure in Parliament		
17/10/2012	Final act published in Official Journal		

Technical information

Procedure reference	2011/2208(DEC)
Procedure type	DEC - Discharge procedure
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	CONT/7/07107

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE475.753	07/02/2012	
Amendments tabled in committee		PE483.641	20/02/2012	
Committee report tabled for plenary, single reading		A7-0089/2012	30/03/2012	Summary
Text adopted by Parliament, single reading		T7-0162/2012	10/05/2012	Summary

Council of the EU

Document type	Reference	Date	Summary
Document attached to the procedure	06081/2012	17/02/2012	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2011)0473	26/07/2011	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofA	Court of Auditors: opinion, report	N7-0107/2011 OJ C 326 10.11.2011, p. 0001	08/09/2011	Summary

Additional information		
Source	**Document**	**Date**
European Commission	EUR-Lex	

Final act	
Decision 2012/0558 OJ L 286 17.10.2012, p. 0117	Summary

2010 discharge: EU general budget, European Ombudsman

2011/2208(DEC) - 08/09/2011

PURPOSE: to present the report of the Court of Auditors on the implementation of the budget for the financial year 2010 (Section VIII - European Ombudsman).

CONTENT: this is the Court's 34th Annual Report on the implementation of the EU budget. It covers the 2010 financial year.

Pursuant to the provisions of the Treaty on the Functioning of the European Union (TFEU) the Court has audited: (a) the annual accounts of the European Union which comprise the consolidated financial statements and the consolidated reports on implementation of the budget for the financial year ended 31 December 2010; and (b) the legality and regularity of the transactions underlying those accounts.

The central part of the annual report is the Court's statement of assurance (the 'DAS') on the reliability of the annual accounts of the EU and on the legality and regularity of transactions (referred to in the report as 'regularity of transactions'). The statement of assurance itself begins the report; the material which follows reports mainly on the audit work underlying the statement of assurance.

This particular audit concerns the budget implementation of the European Ombudsman.

Based on its audit testing, the ECA concludes that the payments for the policy group Administrative and other expenditure were on the whole free from material error. **The estimated error rate was 0.4%.**

The Court found that supervisory and control systems for administrative and other expenditure were effective in ensuring the regularity of payments. However, the ECA found a number of errors and weaknesses in the implementation of procurement procedures by the EU institutions and bodies, and in one institution repeated under-utilisation of certain budget lines resulting in significant budget transfers to finance building projects. Recruitment decisions were also not always appropriately documented. These weaknesses were not material for the policy group as a whole, but were significant in the context of the individual institution or body concerned and need to be addressed by their administrations.

For 2010, the ECA recommends the EU institutions and bodies should ensure that:

- appropriate documentation is established to justify recruitment decisions and that eligibility criteria set out in vacancy notices are respected; and
- authorising officers establish appropriate checks and benefit of better guidance in order to improve the design, coordination and performance of procurement procedures.

The Court makes a certain number of particular observations as regards each EU institution or body of the European Union and which do not call into question the overall positive assessments set out above because they do not affect significantly administrative expenses as a whole. However, in the specific case of the audit of the Ombudsman, the Court of Auditors made no specific observation.

2010 discharge: EU general budget, European Ombudsman

2011/2208(DEC) - 17/02/2012

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 all of the other institutions of the European Union in respect of the implementation of the budget of the European Union for the financial year 2010**.

The Council notes with satisfaction that, again in 2010, the administrative expenditure of EU institutions and bodies continued to **remain free from material error and that their supervisory and control systems continued to be effective** in ensuring compliance with the requirements of the Financial Regulation (no specific comment was made regarding the European Ombudsman).

2010 discharge: EU general budget, European Ombudsman

2011/2208(DEC) - 30/03/2012 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Inés AYALA SENDER (S&D, ES) in which it calls on the European Parliament to grant the European Ombudsman discharge for budget implementation in the financial year 2010.

Members stress that in 2010 annual report the Court of Auditors states that it ‘has no observation to make on the European Ombudsman’. They point out, nonetheless, that the Court of Auditors had asked the European Ombudsman (the Ombudsman) to draft provisions on the procedures for recruitment of temporary staff. The Ombudsman considers that the Court of Auditors should have notified it of the outcome.

Members also note that in 2010 the Ombudsman had available a total of EUR 9 332 275 in commitment appropriations (as against EUR 9 million in 2009) and that the utilisation rate for those appropriations was 89.65%, **which was below the average for the other institutions** due mainly to a fluctuation in staff numbers. They stress that the Ombudsman has a purely administrative budget, 79% of which is accounted for by expenditure relating to persons working with the institution, 15% by buildings, furniture, equipment and miscellaneous operating expenditure, and 6% by expenditure resulting from general functions carried out by the institution. In general, they call for better financial planning ensuring more efficient budget implementation.

Members welcome the audit carried out by the Internal Audit Service in 2010, which took account of observations made in 2009 and concluded that, subject to implementation of the agreed measures, the management and control system is effective.

Lastly, they call for the annual report on the European Ombudsman’s activities in 2011 to contain a section on any action taken on Parliament’s discharge resolution, together with a comprehensive table of all the human resources available to the Ombudsman, showing their category, grade and gender, participation in professional training and nationality.

2010 discharge: EU general budget, European Ombudsman

2011/2208(DEC) - 10/05/2012 - Text adopted by Parliament, single reading

The European Parliament adopted by 562 votes to 73, with 5 abstentions, a decision to grant discharge to the European Ombudsman for budget implementation in the financial year 2010.

In its accompanying resolution, adopted by 562 votes to 66, with 12 abstentions, the European Parliament welcomes that in 2010 annual report the Court of Auditors states that it ‘has no observation to make on the European Ombudsman’. It points out, nonetheless, that the Court of Auditors had asked the European Ombudsman (the Ombudsman) to draft provisions on the procedures for recruitment of temporary staff. The Ombudsman considers that the Court of Auditors should have notified it of the outcome.

Parliament also notes that in 2010 the Ombudsman had available a total of EUR 9 332 275 in commitment appropriations (as against EUR 9 million in 2009) and that the utilisation rate for those appropriations was 89.65%, **which was below the average for the other institutions** due mainly to a fluctuation in staff numbers. They stress that the Ombudsman has a purely administrative budget, 79% of which is accounted for by expenditure relating to persons working with the institution, 15% by buildings, furniture, equipment and miscellaneous operating expenditure, and 6% by expenditure resulting from general functions carried out by the institution.

- **Administrative and financial management of the Ombudsman**: Parliament calls for better financial planning ensuring more efficient budget implementation. It welcomes the audit carried out by the Internal Audit Service in 2010, which took account of observations made in 2009 and concluded that, subject to implementation of the agreed measures, the management and control system is effective. Members call for the annual report on the European Ombudsman’s activities in 2011 to contain a section on any action taken on Parliament’s discharge resolution, together with a comprehensive table of all the human resources available to the Ombudsman.

- **Performance**: Parliament welcomes the fact that the Ombudsman included key performance indicators in the 2010 action plan, together with a scoreboard, thus enabling performance to be measured using a benchmarking system. However, it calls for: (i) the number and proportion of cases in which decisions on admissibility are taken within one month to be further increased (the current proportion is 66 %); (ii) the number and proportion of inquiries that are completed within less than 12 months to continue to increase.

2010 discharge: EU general budget, European Ombudsman

2011/2208(DEC) - 26/07/2011 - Non-legislative basic document

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2010, as part of the 2010 discharge procedure.

Analysis of the accounts of the EU Institutions: Section VIII - **European Ombudsman**.

(1) Purpose: the document helps to bring insight into the EU budget mechanism and the **way in which the budget has been managed and spent in 2010** . 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.

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:

- accounting principles applicable to the management of EU spending (business continuity, consistency of accounting methods, comparability of information ...);
- consolidation methods of figures for all major controlled entities (institutions and agencies);
- the recognition of financial assets in the EU (tangible and intangible assets, financial assets and other miscellaneous investments);
- the way in which EU public expenditure is committed and spent, including pre-financing;
- 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 (please refer to the follow-up reports presented in this procedure file).

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 VIII of the budget for the financial year 2010: the document comprises a series of detailed tables, the most important concerning the implementation of the budget. As regards the European Ombudsman's expenditure, the table on the financial and budgetary implementation of this institution shows the following:

A) Table showing the commitment appropriations:

- Commitments: EUR 8 million (89.65% rate of implementation)
- Cancelled: EUR 1 million (10.35% of authorised appropriations)

B) Table showing the implementation of payments:

- Payments: EUR 8 million (84.26% rate of implementation)
- Carry-overs to 2011: EUR 1 million (5.23% of authorised appropriations)
- Cancellations: EUR 1 million.

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

pensions: an administrative budget heading includes the pension obligations towards the Members and former members of the European Ombudsman;

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 3 791 million for 2010.

(3) Budget implementation – conclusions: the main characteristics of the budget implementation of the European Ombudsman in 2010 are the following:

- the launch of a new visual identity for the Network, alongside a new visual identity for the European Ombudsman;
- maladministration in 12% of cases closed in 2010. In 33 such cases, the case was closed with critical remarks to the institution concerned (35 cases in 2009). Seven cases were closed when the institution concerned accepted a draft recommendation made by the Ombudsman;
- more than 19 000 people sought and received advice from the Ombudsman through the interactive guide;
- the total number of complaints fell from 3 098 in 2009 to 2 667 in 2010; in over 70% of cases processed, it was able to help the complainant by opening an inquiry into the case, transferring it to a competent body, or giving advice on where to turn;
- help ensure that the EU delivers the benefits for citizens promised by the Treaty of Lisbon.

For further details on the budgetary implementation of expenditure of Section VIII of the Budget (European Ombudsman) please refer to the 2010 Annual Activity Report.

2010 discharge: EU general budget, European Ombudsman

2011/2208(DEC) - 10/05/2012 - Final act

PURPOSE: to grant discharge to European Ombudsman for the financial year 2010.

NON-LEGISLATIVE ACT: Decision 2012/558/EU of the European Parliament on discharge in respect of the implementation of the European Union's General Budget, section VIII, - European Ombudsman for the financial year 2010.

CONTENT: with the present decision, and in accordance with Article 318 of the Treaty on the Functioning of the European Union, the European Parliament grants discharge to the European Ombudsman in respect of the implementation of the budget for the financial year 2010.

The decision is in line with the European Parliament's resolution adopted on 10 May 2012 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 10/05/2012).