Basic information

2011/2209(DEC) DEC - Discharge procedure	Procedure completed
2010 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	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
JURI Legal Affairs	The committee decided not to give an opinion.	
LIBE Civil Liberties, Justice and Home Affairs		

European Commission

Commission DG	Commissioner
Budget	ŠEMETA Algirdas

Key events

Date	Event	Reference	Summary
		COM(2011)0473	Summary

26/07/2011	Non-legislative basic document published		
12/10/2011	Committee referral announced in Parliament		
27/03/2012	Vote in committee		
30/03/2012	Committee report tabled for plenary	A7-0093/2012	Summary
10/05/2012	Decision by Parliament	T7-0163/2012	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	2011/2209(DEC)
Procedure type	DEC - Discharge procedure
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	CONT/7/07127

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE475.757	07/02/2012	
Committee opinion	LIBE	PE478.348	10/02/2012	
Amendments tabled in committee		PE483.637	06/03/2012	
Committee report tabled for plenary, single reading		A7-0093/2012	30/03/2012	Summary
Text adopted by Parliament, single reading		T7-0163/2012	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 2012/0559 OJ L 286 17.10.2012, p. 0120	Summary

2010 discharge: EU general budget, European Data Protection Supervisor

2011/2209(DEC) - 08/09/2011 - Court of Auditors: opinion, report

PURPOSE: presentation of the Court of Auditors' report on the implementation of the budget concerning the financial year 2010 (Section IX - European Data Protection Supervisor).

CONTENT: the Court of Auditors presents its 34th annual report on the implementation of the budget concerning the financial year 2010.

Pursuant to the provisions of the Treaty on the Functioning of the European Union (TFEU) the Court presents to the European Parliament and to the Council in the framework of the discharge procedure, the statement of assurance (the 'DAS') on the reliability of the annual accounts of the EU and on the legality and regularity of transactions underlying those accounts for each institution and organ of the EU, on the basis of an external audit.

This audit included the financial implementation of the European Data Protection Supervisor (EDPS).

Based on its audit work, the Court concludes that the payments as a whole for administrative and other expenditure were free from material error. **The most likely rate of error is 0.4 %.**

The Court again concludes that the supervisory and control systems for administrative and other expenditure were effective in ensuring the regularity of payments. However, the Court noted a certain number of errors and weaknesses in the implementation of public procurement procedures by the institutions and bodies of the EU. Decisions regarding recruitment were not always correctly recorded. These weaknesses are not significant for all policy groups taken together, but are significant in the context of each institution or body and must be taken into consideration by administrators.

Accordingly, the Court recommends to the institutions and bodies of the EU:

- to ensure that appropriate documentation is established to justify the recruitment decisions made and that eligibility criteria set out in vacancy notices are respected;
- to ensure that authorising officers have appropriate checks and better guidance at their disposal so as 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.

In the specific case of the EDPS, the Court particularly notes the following points:

- **organisation of internal competition** : an internal competition in four different fields (legal field with experience in data protection, technological field with experience in data protection, human resources and secretarial assistance) was organised by the European Data Protection Supervisor (EDPS)'s Office in 2009. While the specialised nature of the functions performed by the EDPS's Office may justify the organisation of an internal competition, this policy should not be considered as the norm. Best practice is to use the services of the European Personnel Selection Office (EPSO), which organises open competitions on a regular basis;
- **follow-up on observations in the court of Auditors 2009 annual report**: with regard to payment of social allowances to staff members : the 2009 report asked the EDPS to ensure that Staff are 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. The

EDPS has corrected the errors noted in the 2009 DAS and in 2010 and 2011 has implemented tools for better management of the allowances (formal contacts within the EDPS and with the PMO and yearly information fiche).

2010 discharge: EU general budget, European Data Protection Supervisor

2011/2209(DEC) - 17/02/2012 - Document attached to the procedure

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 Data Protection Supervisor).

2010 discharge: EU general budget, European Data Protection Supervisor

2011/2209(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) on discharge to be granted to the European Data Protection Supervisor discharge in respect of the implementation of the budget for the financial year 2010.

Members welcome the fact that, on the basis of its audit work, the Court concludes that the payments as a whole for the year ended on 31 December 2010 for administrative and other expenditure of the Institutions and bodies were free from material error. Recalling that the Court of Auditors called on the EDPS to ask his staff to deliver at regular intervals documents proving their personal situation, Members note that in the meantime the EDPS has corrected the errors observed in connection with the Statement of Assurance for 2009 in 2010 and 2011.

In addition, Members note that in 2010 the EDPS had a total of EUR 7.1 million in commitment appropriations (EUR 7 million in 2009), and that the implementation rate of these appropriations was 82.73%. They stress that the budget of the EDPS is purely administrative, the breakdown of expenditure being 65% on persons working with the institution and 35% on buildings, etc.

Members call on the EDPS to draft annual budgets which correspond to his needs and implement the budget better.

Noting the far-reaching change made to the organisation of the staff in 2010, they ask to be informed of the results of the new establishment plan and calls on the EDPS to included in his annual activity report information on the action taken on Parliament’s recommendations.

They also note:

- that the establishment of a secure electronic case management system constitutes progress and wish to be informed of developments in the next annual activity report;
- that the EDPS intends to establish a system to define key performance indicators in the management plan for 2012 and a scoreboard which will make it possible to measure the service’s efforts by means of a benchmarking system; this plan will be assessed as part of the 2012 annual activity report;
- that the annual activity report for 2011 will include a chapter on the action taken in response to Parliament’s discharge resolution;
- that the annual activity report for 2011 will also include an exhaustive table of all the human resources at the Supervisor’s disposal, broken down by category, grade, sex, participation in professional training and nationality.

2010 discharge: EU general budget, European Data Protection Supervisor

2011/2209(DEC) - 10/05/2012 - Text adopted by Parliament, single reading

The European Parliament adopted by 552 votes 77, with 13 abstentions, a decision to grant discharge to the European Data Protection Supervisor in respect of the implementation of the budget for the financial year 2010.

In its accompanying resolution adopted by 549 votes to 70, with 20 abstentions, the European Parliament welcomes the fact that, on the basis of its audit work, the Court concludes that the payments as a whole for the year ended on 31 December 2010 for administrative and other expenditure of the Institutions and bodies were **free from material error**. Recalling that the Court of Auditors called on the EDPS to ask his staff to deliver at regular intervals documents proving their personal situation, Members note that in the meantime the EDPS has corrected the errors observed in connection with the Statement of Assurance for 2009 in 2010 and 2011. In addition, Parliament notes that in 2010 the EDPS had a total of EUR 7.1 million in commitment appropriations (EUR 7 million in 2009), and that the implementation rate of these appropriations was 82.73%. It stresses that the budget of the EDPS is purely administrative, the breakdown of expenditure being 65% on persons working with the institution and 35% on buildings, etc. It calls on the EDPS to draft annual budgets which correspond to his needs and implement the budget better.

Administrative and financial management of the EDPS: noting the far-reaching change made to the organisation of the staff in 2010, Parliament asks to be informed of the results of the new establishment plan and calls on the EDPS to include in his annual activity report information on the action taken on Parliament’s recommendations.

Members also note:

- that the establishment of a secure electronic case management system constitutes progress and wish to be informed of developments in the next annual activity report;
- that the EDPS intends to establish a system to define key performance indicators in the management plan for 2012 and a scoreboard which will make it possible to measure the service's efforts by means of a benchmarking system; this plan will be assessed as part of the 2012 annual activity report;
- that the annual activity report for 2011 will include a chapter on the action taken in response to Parliament's discharge resolution;
- that the annual activity report for 2011 will also include an exhaustive table of all the human resources at the Supervisor's disposal, broken down by category, grade, sex, participation in professional training and nationality.

Recruitment: Parliament notes that, in its 2010 annual report, the Court of Auditors stated that while the specialised nature of the functions performed by the European Data Protection Supervisor (EDPS)'s Office may justify the organisation of an internal competition, this policy should not be considered as the norm. Best practice is to use the services of the European Personnel Selection Office (EPSO). It is satisfied that in 2009-2010 the EDPS, in close cooperation with EPSO, organised an open competition concerning data protection in order to recruit highly specialised staff.

2010 discharge: EU general budget, European Data Protection Supervisor

2011/2209(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 IX - **European Data Protection Supervisor**.

(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 IX 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 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 6 million (82.73% rate of implementation)
- Cancelled: EUR 1 million (17.27% of authorised appropriations)

B) Table showing the implementation of payments:

- Payments: EUR 5 million (61.11% rate of implementation)
- Carry-overs to 2011: EUR 1 million (16.79% 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 3 791 million for 2010.

(3) Budget implementation – conclusions: the main characteristics of the budget implementation of the European Data Protection Supervisor for 2010 are as follows:

1. consolidation of the administrative cooperation (continuation of technical developments of the institution, cooperation with different DGs of the European Commission and European Parliament, cooperation agreement extended for the second time);

2. cooperation agreements with the EU Translation Centre and other specific EU bodies;

3. implications of the entry into force of the Lisbon Treaty: increased duties in connection with the Stockholm programme and increased staffing;

4. on a budgetary level, adjusting the budget to increased tasks of the EDPS.

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 2010.

2010 discharge: EU general budget, European Data Protection Supervisor

2011/2209(DEC) - 10/05/2012 - Final act

PURPOSE: to grant discharge to European Data Protection Supervisor for the financial year 2010.

NON-LEGISLATIVE ACT: Decision 2012/559/EU of the European Parliament on discharge in respect of the implementation of the European Union’s General Budget, section IX – European Data Protection Supervisor, 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 Data Protection Supervisor 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).