Basic information

2012/2173(DEC) DEC - Discharge procedure	Procedure completed
2011 discharge: EU general budget, Committee of the Regions **Subject** 8.70.03.07 Previous discharges	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	ČEŠKOVÁ Andrea (ECR)	29/02/2012
	Shadow rapporteur SONIK Bogusław (PPE) DEUTSCH Tamás (PPE) KALFIN Ivailo (S&D) SKYLAKAKIS Theodoros (ALDE) STAES Bart (Verts/ALE) 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
25/07/2012	Non-legislative basic document published	COM(2012)0436	Summary
13/09/2012	Committee referral announced in Parliament		
19/03/2013	Vote in committee		
21/03/2013	Committee report tabled for plenary	A7-0093/2013	Summary
16/04/2013	Debate in Parliament		
17/04/2013	Decision by Parliament	T7-0130/2013	Summary
17/04/2013	Results of vote in Parliament		
17/04/2013	End of procedure in Parliament		
16/11/2013	Final act published in Official Journal		

Technical information

Procedure reference	2012/2173(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/7/10421

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE497.970	25/01/2013	
Amendments tabled in committee		PE506.054	27/02/2013	
Committee report tabled for plenary, single reading		A7-0093/2013	21/03/2013	Summary
Text adopted by Parliament, single reading		T7-0130/2013	17/04/2013	Summary

Council of the EU

Document type	Reference	Date	Summary
Document attached to the procedure	05752/2013	01/02/2013	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2012)0436	25/07/2012	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofA	Court of Auditors: opinion, report	N7-0127/2012 OJ C 344 12.11.2012, p. 0001	06/09/2012	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Decision 2013/0548
OJ L 308 16.11.2013, p. 0130 Summary

2011 discharge: EU general budget, Committee of the Regions

2012/2173(DEC) - 25/07/2012 - Non-legislative basic document

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2011, as part of the 2011 discharge procedure.

Analysis of the accounts of the EU Institutions: Section VII – **Committee of the Regions**.

Legal reminder: the consolidated annual accounts of the European Union for the year 2011 have been prepared on the basis of the information presented by the institutions and bodies under Article 129(2) of the Financial Regulation applicable to the general budget of the European Union. They were prepared in accordance with Title VII of the Financial Regulation and with the accounting principles, rules and methods set out in the notes to the financial statements.

The objective of the financial statements is to provide information about the financial position, performance and cashflow of a body that is useful to a wide range of users. The objective is to provide information that is useful for decision making, and to demonstrate the accountability of the entity for the resources entrusted to it.

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 2011**. It recalls that the 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 or indirect centralised management (by means of bodies or agencies of public law or other); decentralised management where the Commission delegates certain tasks for the implementation of the budget to third countries; and, thirdly, shared management where budget implementation tasks are delegated to Member States, in areas such as agricultural expenditure 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 (the consolidated financial statements of the EU comprise all significant controlled entities –institutions, organisations and agencies, this being 50 controlled entities, 5 joint ventures and 4 associates. In comparison with 2010, the scope of consolidation has been extended by 7 controlled entities (one institution, 6 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 (cash advances intended for the benefit of an EU organ);
- 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 recap, 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.

The document also details specific expenditure of the institutions, in particular: i) pensions of former Members and officials of institutions; ii) joint sickness insurance scheme and iii) buildings. For the Parliament, the outstanding contractual obligation relating to building contracts totalled EUR 434 million in 2011.

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.

2) Implementation of appropriations under Section VII of the budget for the financial year 2011: the document also comprises a series of detailed tables, the most important concerning the implementation of the budget. Concerning the expenditure of the Committee of the Regions (CoR), the information drawn from the CoR Impact Report 2011 shows that:

- credits authorised for 2011 were **EUR 94 million;**
- the rate of budgetary implementation was 97.76%

3) Budgetary implementation - conclusions: in more general and political terms, the Committee's budgetary implementation for the financial year 2011 primarily consisted in the following of files on which this body is called to take a position and issue non-binding opinions. It should be noted that in 2011, the CoR adopted **62 opinions** the importance of which can vary depending on the area on which the opinion covers.

The CoR Impact Report highlights the following opinions:

- opinion on the Commission's Work Programme for 2011;
- opinion on the future financial framework (2014-2020);
- opinion on the future European Social Fund (2014-2020) before the publication of the text by the European Commission;
- follow-up document on CoR opinions;
- publication of CoR impact assessment sheets on the political impact of CoR opinions on other EU institutions;
- continuation of the "Rolling planning sheet": the objective being the production of a constantly updated planning sheet in order to plan, structure and monitor the CoR's political activities relating to an opinion, with the aim of enhancing the CoR's political impact.

The Committee also continued its activities relating to cohesion policy and in particular the follow-up of the European Grouping of Territorial Cooperation (EGTC). Work also continued in the classical areas of cohesion policy and the Structural Funds in all of the Committee's activities as well as on the implications of the 2020 strategy, the economic and social development of the Union in the context of the financial crisis, citizenship (with particular focus on the Roms), sustainable development and climate change.

There were also certain interinstitutional activities with the European Parliament, the President of the European Council as well as activities beyond Europe's borders with the organisation of the ARLEM and CORLEAP networks on the Neighbourhood Policy.

Lastly, the Committee also organised a number of events focused on regional policy.

2011 discharge: EU general budget, Committee of the Regions

2012/2173(DEC) - 06/09/2012

OBJECTIVE: presentation of the Report of the Court of Auditors on the 2011 budget (section VII – Committee of the Regions).

CONTENT: the Court of Auditors published its 35th Annual Report on the implementation of the EU budget for the 2011 financial year.

In accordance with the tasks and objectives conferred on the Court of Auditors by the Treaty on the Functioning of the European Union, it provides under the discharge procedure, for both the European Parliament and Council, a statement of assurance ("DAS") about the reliability of the accounts and the legality and regularity of the transactions of each institution, body or agency of the EU, based on an independent external audit.

The audit also focuses on the budget implementation of the Committee of the Regions.

On the basis of its audit work, the Court considers that payments for “Administrative and other expenditure” policy are, overall, significantly error-free. **The estimated error rate is 0.1 %.**

The Court, however, draws attention to the errors and weaknesses which did not affect the Court’s conclusion. The Court examined a sample of **procurement procedures** and noted several weaknesses in the application of selection and award criteria, some of which had an impact on the results of the procedure. Other weaknesses relate to the organisation of cross border competition, to the management of automatic award procedures and to the respect of provisions as regards the drafting and filing of tendering documents.

The Court also detects weaknesses when it reviewed a sample of calculations and **payments of social allowances** as well as a sample of employment contracts concluded with temporary agents.

The Court therefore recommends that the institutions and bodies of the EU take steps to: (i) guarantee that staff deliver, at appropriate intervals, **documents confirming their personal situation** and implement a system for the timely monitoring of these documents; (ii) ensure that authorising officers improve **the design, coordination and performance of procurement procedures** through appropriate checks and better guidance.

The Court also makes a number of comments specific to each institution or body of the European Union. These observations do not affect the positive overall appraisal given that they do not significantly affect overall administrative expenditure. However, in the specific case of the audit of the Committee of the Regions, **the Court’s audit did not identify any significant weakness**.

2011 discharge: EU general budget, Committee of the Regions

2012/2173(DEC) - 01/02/2013

In view of the observations made in the Court of Auditor's report, the Council calls on the European Parliament **to grant discharge to all of the Union’s institutions in regard to the implementation of their respective budgets for the financial year 2011**.

Overall, the Council’s remarks are positive in regard to the expenditure of the institutions since it notes that, again in 2011, the administrative expenditure of EU institutions and bodies **remained free from material error and that their supervisory and control systems continued to comply** with the requirements of the Financial Regulation.

Nevertheless, the Council regrets that in some institutions **weaknesses were still detected in the payment of social allowances to staff members**, in the employment contracts for non-permanent staff and in procurement procedures.

It welcomes the measures already taken and encourages the institutions concerned to address the remaining weaknesses pointed out by the Court.

The Council notes the Court's recommendations that the institutions concerned should ensure that staff regularly deliver documents on their personal situation, that the relevant provisions are applied when concluding, extending or modifying employment contracts with non-permanent staff, and that the authorising officers further improve guidance and appropriate checks concerning procurement procedures.

2011 discharge: EU general budget, Committee of the Regions

2012/2173(DEC) - 21/03/2013 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Andrea ČEŠKOVÁ (ECR, CZ) in which it calls on the European Parliament to grant the Secretary-General of the Committee of the Regions discharge in respect of the implementation of the Committee of the Regions' budget for the financial year 2011.

Members welcome the fact that, on the basis of its audit work, the Court of Auditors concluded that the payments as a whole for the year ended on 31 December 2011 for administrative and other expenditure of the institutions and bodies were free from material error. They note that no significant weaknesses had been identified in respect of the audited topics related to the human resources and the procurement for the Committee of the Regions.

Members note that in 2011, the Committee had an approved budget of EUR 84.1 million, of which EUR 82 million were commitment appropriations, with a utilisation rate of 97.5%, which was lower than 2010.

Members welcome the projects on the internal organisation of the Committee which set out the objectives of cooperation between services and the development of synergies in common activities and joint actions. They ask to be updated on the projects and be informed more precisely on the budgetary consequences of the measures taken.

Members also call for : (i) a better timetable for translationd demands; (ii) the publication of the declarations and the updates of financial interests of members from all the institutions.

Lastly, Members support the conclusions of the mid-term evaluation of the administrative cooperation agreement between the Committee and the EESC and share the view that some improvements should be made to rationalise human resources in the Joint Services and in translation. They also call for detailed information on the aims of administrative cooperation, the extent to which those aims are being achieved and the impact this is having in terms of savings.

2011 discharge: EU general budget, Committee of the Regions

2012/2173(DEC) - 17/04/2013 - Text adopted by Parliament, single reading

The European Parliament adopted by 556 votes to 67, with 6 abstentions, a decision to grant the Secretary-General of the Committee of the Regions discharge in respect of the implementation of the Committee of the Regions' budget for the financial year 2011.

In its resolution accompanying the discharge decision, Parliament agrees with the Court of Auditors that the payments as a whole for the year ended on 31 December 2011 for administrative and other expenditure of the institutions and bodies were free from material error. It notes that no significant weaknesses had been identified in respect of the audited topics related to the human resources and the procurement for the Committee of the Regions.

In parallel, Parliament notes that in 2011, the Committee had an approved budget of EUR 84.1 million, of which EUR 82 million were commitment appropriations, with a utilisation rate of 97.5%, which was lower than 2010.

It welcomes the projects on the internal organisation of the Committee which set out the objectives of cooperation between services and the development of synergies in common activities and joint actions. It asks to be updated on the projects and be informed more precisely on the budgetary consequences of the measures taken.

Parliament also calls for : (i) a better timetable for translation demands; (ii) the publication of the declarations and the updates of financial interests of members from all the institutions.

Cooperation with the EESC: Parliament welcomes the progress made as regards the cooperation with the European Economic and Social Committee (EESC) and waits for some improvements to be made to rationalise human resources in the Joint Services and in translation. Parliament calls for detailed information on the aims of administrative cooperation, the extent to which those aims are being achieved and the impact this is having in terms of savings.

As regards environmental issues, Parliament congratulates both the Committee and the European Economic and Social Committee (EESC) for receiving EMAS and ISO-14001 certification but regrets, however, that no information was provided on the energy used from renewable sources as requested in last year's Parliament discharge resolution. It draws attention to the obligation to publish renewable energy share figures and environmental impact data.

2011 discharge: EU general budget, Committee of the Regions

2012/2173(DEC) - 17/04/2013 - Final act

PURPOSE: to grant discharge to the Committee of the Regions for the financial year 2011.

NON-LEGISLATIVE ACT: Decision 2013/548/EU of the European Parliament on discharge in respect of the implementation of the European Union’s General Budget, section VII – Committee of the Regions, for the financial year 2011.

CONTENT: with the present decision, and in accordance with Article 318 of the Treaty on the Functioning of the European Union (TFEU), the European Parliament grants discharge to the Secretary-General of the Committee of the Regions in respect of the implementation of the budget for the financial year 2011.

The decision is in line with the European Parliament's resolution adopted on 17 April 2013 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 17 April 2013).