Basic information

2012/2187(DEC) DEC - Discharge procedure	Procedure completed
2011 discharge: European Environment Agency (EEA) **Subject** 8.70.03.07 Previous discharges	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	GERBRANDY Gerben-Jan (ALDE)	29/02/2012
	Shadow rapporteur SARVAMAA Petri (PPE) AYALA SENDER Inés (S&D) STAES Bart (Verts/ALE) BRADBOURN Philip (ECR) SØNDERGAARD Søren Bo (GUE/NGL) ANDREASEN Marta (EFD) EHRENHAUSER Martin (NI)	

Committee for opinion	Rapporteur for opinion	Appointed
ENVI Environment, Public Health and Food Safety	HAUG Jutta (S&D)	20/09/2012

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	A7-0070/2013	Summary
16/04/2013	Debate in Parliament		
17/04/2013	Decision by Parliament	T7-0144/2013	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	2012/2187(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/7/10515

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee opinion	ENVI	PE500.743	28/01/2013	
Committee draft report		PE497.824	29/01/2013	
Amendments tabled in committee		PE497.873	27/02/2013	
Committee report tabled for plenary, single reading		A7-0070/2013	21/03/2013	Summary
Text adopted by Parliament, single reading		T7-0144/2013	17/04/2013	Summary

Council of the EU

Document type	Reference	Date	Summary
Document attached to the procedure	05753/2013	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	N7-0016/2013 OJ C 388 15.12.2012, p. 0080	05/09/2012	Summary

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

Final act	
Decision 2013/0572 OJ L 308 16.11.2013, p. 0216	Summary

2011 discharge: European Environment Agency (EEA)

2012/2187(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 **European Environment Agency (EEA)**.

CONTENT: this Commission document sets out the consolidated annual accounts of the European Union for the financial year 2011 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 Environment Agency (EEA).

In 2011, the tasks and budget of this agency were as follows:

- **description of the Agency's tasks**: the European Environment Agency, which is located in Copenhagen, was established by Council Regulation (EEC) No 1210/90. It is responsible for setting up an observation network to provide the Commission, the Parliament, the Member States and, more generally, the public with reliable information on the state of the environment. This information should, in particular, enable the European Union and the Member States to take action to safeguard the environment and assess the effectiveness of such action;
- **the Agency's budget for the financial year 2011**: the Agency's budget for 2011**,** as presented in the Commission document on the consolidated annual accounts of the European Union**,** gives the following figures:
  - forecasted income budget: EUR 62 million;
  - entitlements established: EUR 45 million;
  - amounts received: EUR 44 million;
  - outstanding: EUR 0 million.

The complete version of EEA's final accounts may be found at the following address: http://www.eea.europa.eu/about-us/documents/docs-about-eea

2011 discharge: European Environment Agency (EEA)

2012/2187(DEC) - 05/09/2012 - Court of Auditors: opinion, report

PURPOSE: presentation of the EU Court of Auditors' report on the annual accounts of the European Environment Agency for the financial year 2011, together with the Agency's reply.

CONTENT: in accordance with the tasks conferred on the Court of Auditors by the Treaty on the Functioning of the European Union, the Court presents to the European Parliament and to the Council, in the context of the discharge procedure, a Statement of Assurance as to the reliability of the annual accounts of each institution, body or agency of the EU, and the legality and regularity of the transactions underlying them, on the basis of an independent external audit.

This audit concerned, amongst others, the annual accounts of the European Environment Agency (EEA).

In the Court's opinion, the **Agency's Annual Accounts fairly present, in all material respects, its financial position as of 31 December 2011** and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of its Financial Regulation.

The Court also considers that the **transactions underlying the annual accounts** of the Agency for the financial year ended 31 December 2011 are, in all material respects, **legal and regular**.

The report confirms that the Agency's 2011 budget amounted to EUR 62.2 million and that the number of staff employed by the Agency at the end of the year was 214.

The report also makes a series of observations on the budgetary and financial management of the Agency, accompanied by the latter's response. The main observations may be summarised as follows:

Court's observations:

- conflicts of interest: payment was made to an international environmental organisation amounting to EUR 6 061 which was related to the participation of Agency staff in expeditions organised by this organisation which took place in February and May 2011. No procurement procedure had taken place and no contract was drawn up for these expeditions. Related additional travel costs borne by the Agency were EUR 11 625. The Executive Director was a member of the organisation's board of trustees until April 2011. This constitutes an apparent conflict of interest;
- recruitment: the Agency improved the transparency of recruitment procedures considerably over the years. However, the audit still found confusion between eligibility and selection criteria as regards the relevant years of professional experience.

Agency's replies:

- the Agency stated that the payment made was for food and accommodation for staff whilst on the research stations. On being informed in April 2011 of a potential perception of a conflict of interest by the European Court of Auditors, **the Executive Director immediately resigned from the board of trustees, to safeguard the agency and ensure that the final scientific outcomes would not be jeopardised**. In light of the discharge process for 2010, the Management Board and the EEA administration have strengthened the conflict of interest policy of the EEA to avoid any potential problems in the future;
- as regards recruitment, the agency takes note of the Court's comments and has already initiated the process to implement the recommendations.

Lastly, the Court of Auditors' report contains a summary of the **Agency's activities in 2011**. This is focused on the following:

- production of articles, press releases, speeches, web articles;
- data sets;
- promotional material;
- corporate documents and reports;
- pan-European assessments;
- a conference on the state of the Environment report (SOER 2010).

2011 discharge: European Environment Agency (EEA)

2012/2187(DEC) - 01/02/2013

Having examined the revenue and expenditure accounts for the financial year 2011 and the balance sheet at 31 December 2011 of the European Environment Agency, as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2011, accompanied by the Agency's replies to the Court's observations, the Council recommends the European Parliament to give a discharge to the Executive Director of the Agency in respect of the implementation of the budget for the financial year 2011.

The observations in the Court of Auditors' report in relation to the financial year 2011 call for some comments by the Council, which may be summarised as follows:

- the Council welcomes the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2011 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Agency's Financial Regulation, and that the underlying transactions for that financial year are legal and regular;
- the Council notes the Court's observation that the Agency's Executive Director was a member of the organisation's board of trustees until April 2011 and that this constitutes an apparent conflict of interest. It notes that this was rectified. **The Council emphasises once again its importance in order to avoid any further problems in the future**;
- lastly, the Council encourages the Agency to continue implementing the Court's recommendations aiming at correcting any outstanding weaknesses in the Agency's staff selection practices.

2011 discharge: European Environment Agency (EEA)

2012/2187(DEC) - 21/03/2013 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted, by 14 votes to 13, with 0 abstentions, the report Gerben-Jan GERBRANDY (ADLE, NL) on discharge to be granted to the Director of the European Environment Agency (EEA) in respect of the implementation of the Agency's budget for the financial year 2011. Members call on the Parliament to **postpone its decision on granting the Executive Director of the European Environment Agency discharge** in respect of the implementation of the Agency's budget for the financial year 2011.

However, in addition to the general recommendations that appear in the draft resolution on performance, financial management and control of EU agencies, Members make a number of observations which support their decision to postpose the discharge decision.

The main reasons for this decision are as follows:

- **conflict of interest** as regards a payment to an international environmental organisation amounting to EUR 6 061 which was related to the participation of Agency staff in expeditions organised by that organisation in 2011. It was found that that the Agency's Executive Director was a member of the international environmental organisation's board of trustees until April 2011 and that this could constitute a conflict of interest;
- **transparency issues are regards certain procurement procedures**.

Other weaknesses were found in the recruitment procedures and the overall performances of the Agency.

2011 discharge: European Environment Agency (EEA)

2012/2187(DEC) - 17/04/2013 - Text adopted by Parliament, single reading

The European Parliament adopted by 284 votes to 356, with 33 abstentions (and contrary to the committee's position) not to postpone the decision to grant the Executive Director of the European Environment Agency discharge in respect of the implementation of the Agency's budget for the financial year 2011. The vote on the decision to grant discharge covers the closure of the accounts (in accordance with Annex VI, Article 5(1) of the European Parliament's Rules of Procedure).

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts of the Agency for the financial year 2011 are reliable and that the underlying transactions are legal and regular, Parliament adopted a resolution containing a number of recommendations that need to be taken into account when the discharge is granted, in addition to the general recommendations that appear in the draft resolution on performance, financial management and control of EU agencies:

- **Financing, budget and financial management**: Parliament recalls that the Commission's subsidy to the Agency for 2011 amounted to EUR 35.5 million and that the total revenue was EUR 44.5 million.
- **Procurement**: Parliament also notes that the Agency clarified the situation as regards its contractual relationships with a Danish video production company. The Agency awarded a video-production contract with a budget ceiling up to EUR 1 000 000 following an open tendering procedure. It emphasises that the awarding criteria differed greatly from those used for the previous tender on video-production. Plenary also noted discrepancies as regarding the awarding of a framework contract to a London based company which subcontracted some services to the Danish company.
- **Conflicts of interest**: Parliament notes that from the Court of Auditors' report that the Agency made a payment to an international environmental organisation amounting to EUR 6 061 which was related to the participation of Agency staff in expeditions organised by that organisation in 2011. No procurement procedure had taken place and no contract had been drawn up for those expeditions. The Agency bore the travel costs, amounting to more than EUR 11 000. Parliament notes the Court of Auditors' findings that the Agency's Executive Director was a member of the international environmental organisation's board of trustees until April 2011 and that this could **constitute a conflict of interest**. Members acknowledge that the Executive Director resigned from the board of trustees of the other organisation on being informed, in April 2011, of a potential perception of a conflict of interests by the Court of Auditors. Plenary acknowledges that the Management Board and the Agency's administration have strengthened the Agency's conflicts of interest policy in order to avoid any problems in the future.

Parliament highlighted other weaknesses which were found in the recruitment procedures and the overall performances of the Agency.

2011 discharge: European Environment Agency (EEA)

2012/2187(DEC) - 17/04/2013 - Final act

PURPOSE: to grant discharge to the European Environment Agency (EEA) for the financial year 2011.

NON-LEGISLATIVE ACT: Decision 2013/572/EU of the European Parliament on discharge in respect of the implementation of the budget of the European Environment Agency for the financial year 2011.

CONTENT: with this Decision and in accordance with Article 319 of the Treaty on the Functioning of the European Union (TFEU), the European Parliament gives discharge to the Executive Director of the European Environment Agency for the implementation of the Agency's budget for 2011.

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

Decision 2013/573/EU, adopted on the same day, approves the closure of the accounts for this Community agency for 2011.