

## Basic information

2013/2203(DEC)

DEC - Discharge procedure

2012 discharge: EU general budget, European Ombudsman

### Subject

8.70.03.07 Previous discharges

Procedure completed

## Key players

European Parliament	Committee responsible	Rapporteur	Appointed
	<b>CONT</b> Budgetary Control	SONIK Bogusław (PPE)	25/09/2013
	Shadow rapporteur LIBERADZKI Bogusław (S&D) MULDER Jan (ALDE) STAES Bart (Verts/ALE) ANDREASEN Marta (ECR) VANHECKE Frank (EFD) EHRENHAUSER Martin (NI)		
Committee for opinion		Rapporteur for opinion	Appointed
<b>AFET</b> Foreign Affairs	The committee decided not to give an opinion.		
<b>DEVE</b> Development	The committee decided not to give an opinion.		
<b>INTA</b> International Trade	The committee decided not to give an opinion.		
<b>BUDG</b> Budgets	The committee decided not to give an opinion.		
<b>ECON</b> Economic and Monetary Affairs	The committee decided not to give an opinion.		
<b>EMPL</b> Employment and Social Affairs	The committee decided not to give an opinion.		

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

European Commission	<b>Commission DG</b>	<b>Commissioner</b>
	Budget	ŠEMETA Algirdas

Key events			
Date	Event	Reference	Summary
26/07/2013	Non-legislative basic document published	COM(2013)0570 	<a href="#">Summary</a>
22/10/2013	Committee referral announced in Parliament		
18/03/2014	Vote in committee		
21/03/2014	Committee report tabled for plenary	A7-0225/2014	<a href="#">Summary</a>
02/04/2014	Debate in Parliament		
03/04/2014	Decision by Parliament	T7-0297/2014	<a href="#">Summary</a>
03/04/2014	Results of vote in Parliament		
03/04/2014	End of procedure in Parliament		
05/09/2014	Final act published in Official Journal		

Technical information	
Procedure reference	2013/2203(DEC)
Procedure type	DEC - Discharge procedure
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	CONT/7/14016

Documentation gateway				
<b>European Parliament</b>				
Document type	Committee	Reference	Date	Summary
Committee draft report		PE521.735	27/01/2014	
Amendments tabled in committee		PE529.746	25/02/2014	
Committee report tabled for plenary, single reading		A7-0225/2014	21/03/2014	<a href="#">Summary</a>
Text adopted by Parliament, single reading		T7-0297/2014	03/04/2014	<a href="#">Summary</a>
<b>Council of the EU</b>				
Document type	Reference	Date	Summary	
Document attached to the procedure	05848/2014	17/02/2014	<a href="#">Summary</a>	
<b>European Commission</b>				
Document type	Reference	Date	Summary	

Non-legislative basic document	 COM(2013)0570	26/07/2013	<a href="#">Summary</a>
<b>Other institutions and bodies</b>			
Institution/body	Document type	Reference	Summary
CofA	Court of Auditors: opinion, report	N7-0049/2014 <a href="#">OJ C 331 14.11.2013, p. 0001</a>	<a href="#">Summary</a>

Additional information		
Source	Document	Date
European Commission	<a href="#">EUR-Lex</a>	

Final act	
Budget 2014/0557 <a href="#">OJ L 266 05.09.2014, p. 0139</a>	<a href="#">Summary</a>

## 2012 discharge: EU general budget, European Ombudsman

2013/2203(DEC) - 26/07/2013 - Non-legislative basic document

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2012, as part of the 2012 discharge procedure.

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

**Legal reminder:** the consolidated annual accounts of the European Union for the year 2012 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 2012.** 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);
- 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.

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 VIII of the budget for the financial year 2012:** the document comprises a series of detailed tables, the most important concerning the implementation of the budget. Concerning the Ombudsman's expenditure, the table on the financial and budgetary implementation of this institution is presented as follows (information drawn from the [European Ombudsman's Report on the Budgetary and Financial Management 2012](#)).

- Budgeted appropriations 2012 EUR 9.516 million;
- Commitments: EUR 9.354 million (rate of commitments entered into: 98.30%);
- Payments: EUR 8.440 million (implementation rate of 85.62%).

**3) Budget 2012- conclusions:** in more general and political terms, the Ombudsman's budgetary implementation for the financial year 2012 was chiefly marked by the following activities (see European Ombudsman Annual Report 2012:

- **a record number of opening and closure of inquiries:** 465 inquiries opened, an increase of 18% compared to 2011 and an increase in the closure of inquiries for 23% compared to 2011 reaching a new peak at 390;
- the Ombudsman helped **over 22 000 individuals** by dealing with their complaints (2 442 cases), providing a reply to their requests for information (1 211), or offering advice through the interactive guide on our website (19 281);
- **the total number of complaints submitted to the Ombudsman fell for the fourth consecutive year:** this figure has gone from a high of 3 406 complaints in 2008 to 2 442 in 2012, mainly because fewer people are complaining to the Ombudsman for the wrong reason. Almost 60% of complaints processed in 2012 fell within the competence of a member of the Network. Just over half of these cases (30% of the total) fell within the European Ombudsman's mandate. In terms of complaints outside the mandate, the figure, at 1 720, is the lowest in ten years;
- **most inquiries (69%) were completed within one year**, improving slightly on the 2010 result (66%). This was achieved with an establishment plan that totalled 66 posts in 2012;
- **improvement in interinstitutional administrative cooperation** to avoid unnecessary duplications of staff (in the European Parliament for accounting, technical services concerning telecommunications, translation and interpretation; the Official Publications Office; the Paymaster's Office (PMO) of the European Union as regards pensions; the Translation Centre).

## 2012 discharge: EU general budget, European Ombudsman

2013/2203(DEC) - 05/09/2013

**PURPOSE:** to present the report of the Court of Auditors on the implementation of the budget for the financial year 2012 (Analysis of the accounts of the European Ombudsman).

**CONTENT:** the Court of Auditors published its 36th Annual Report on the implementation of the EU budget for the 2012 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.

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The audit also focuses on the budget implementation of the European Ombudsman.

On the basis of its audit work, the Court considers that payments for "Administrative and other expenditure" policy are, overall, **significantly error-free**.

Although the Court has observed some errors and weaknesses, the examined supervisory and control systems are likely to reduce the rate of error present in initial payment requests to an acceptable level. These systems are therefore assessed as effective.

The main risks regarding administrative and other expenditure are:

- the non-compliance with the procedures for procurement;
- the implementation of contracts;

- recruitment issues;
- the calculation of salaries and allowances.

Overall audit evidence indicates that accepted expenditure is not affected by a material level of error.

The Court also made a number of comments specific to each institution or body of the European Union. In the case of the European Ombudsman's audit, **the Court did not identify any significant weakness.**

## 2012 discharge: EU general budget, European Ombudsman

2013/2203(DEC) - 17/02/2014

In view of the observations made in the Court of Auditor's report, the Council called 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 2012.**

Overall, the Council's remarks were positive in regard to the expenditure of the institutions since it noted that, again in 2012, the administrative expenditure of EU institutions and bodies **remained free from material error** with an estimated error rate of 0%, and that their supervisory and control systems continued to comply with the requirements of the Financial Regulation.

The Council welcomed the fact that, according to the Court's assessment, **no serious errors** were detected with regard to the effectiveness of the supervisory and control systems, in the individual institutions, except for a limited number of errors in the procurement procedures and the management of **social allowances.**

It welcomed the measures already taken and encouraged the institutions concerned to address the remaining weaknesses identified by the Court.

## 2012 discharge: EU general budget, European Ombudsman

2013/2203(DEC) - 03/04/2014 - Text adopted by Parliament, single reading

The European Parliament adopted a decision concerning the discharge to be granted to the European Ombudsman in respect of the implementation of the European Ombudsman's budget for the financial year 2012.

In its resolution accompanying the discharge decision, adopted by 522 votes to 58 with 19 abstentions, Parliament concluded, with the Court of Auditors, that the payments as a whole for the year ended on 31 December 2012 for administrative and other expenditure of the institutions and bodies were free from material error.

Parliament observed that no significant weaknesses had been identified in respect of the audited topics related to human resources and procurement for the Ombudsman.

**Budgetary and financial management:** Parliament noted that in 2012, the Ombudsman's budget amounted to EUR 9.5 million and that of the total appropriations, 98.3% were committed and 88.69% paid with a utilisation rate of 95.88% (compared to 92.54% for 2011). It endorsed the improvements on the financial planning so as to ensure a more efficient budget implementation and called for this effort to continue in the next budgetary exercises.

**Ombudsman's framework action:** Parliament also made a series of observations on the daily management of the Ombudsman and called for:

- clarification of the unused rate of the interpretation services;
- strengthening of the cooperation with other institutions to come up with a unified methodology of presenting the translation costs in order to simplify the analysis and comparison of the costs;
- clarification of the open actions from internal audit reports concerning the implementation of the minimum standards for internal control and the management of procurement procedures;
- the increase of the percentage of decisions on admissibility taken within one month of receiving a complaint;
- information on the amount spent on promoting itself and on reaching out to citizens.

Parliament welcomed the Ombudsman's engagement with the European Foundation for Quality Management (EFQM) in order to increase the quality of its work.

Lastly, Parliament called for additional information on actions implemented to overcome the Commission's decision to **refuse the organisation of an independent external audit of the European Schools.**

## 2012 discharge: EU general budget, European Ombudsman

2013/2203(DEC) - 21/03/2014 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Bogusław SONIK (EPP, PL) in which it called on the European Parliament to grant discharge to the European Ombudsman in respect of the implementation of the European Ombudsman's budget for the financial year 2012.

Members welcomed 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 2012 for administrative and other expenditure of the institutions and bodies were free from material error. They observed that no significant weaknesses had been identified in respect of the audited topics related to human resources and procurement for the Ombudsman.

**Budgetary and financial management:** Members noted that in 2012, the Ombudsman's budget amounted to EUR 9.5 million and that of the total appropriations, 98.3% were committed and 88.69% paid with a utilisation rate of 95.88% (compared to 92.54% for 2011). They endorsed the improvements on the financial planning so as to ensure a more efficient budget implementation and called for this effort to continue in the next budgetary exercises.

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Lastly, Members called for additional information on actions implemented to overcome the Commission's decision to **refuse the organisation of an independent external audit of the European Schools**.

## 2012 discharge: EU general budget, European Ombudsman

2013/2203(DEC) - 03/04/2014 - Final act

PURPOSE: to grant discharge to the European Ombudsman for the financial year 2012.

NON-LEGISLATIVE ACT: Decision 2014/557/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 2012.

CONTENT: with the present decision, the European Parliament grants discharge to the European Ombudsman in respect of the implementation of the budget for the financial year 2012.

The decision is in line with the European Parliament's resolution adopted on 3 April 2014 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 3 April 2014).

Amongst the main observations made, Parliament called on the Ombudsman to cooperate with other institutions to come up with a **unified methodology of presenting the translation costs** in order to simplify the analysis and comparison of the costs.