





Basic information	
2013/2237(DEC) DEC - Discharge procedure	Procedure completed
2012 discharge: European Banking Authority (EBA) Subject 8.70.03.07 Previous discharges	

Key players				
European Parliament	Committee responsible		Rapporteur	Appointed
	CONT Budgetary Control		SARVAMAA Petri (PPE)	10/10/2013
			Shadow rapporteur KADENBACH Karin (S&D) GERBRANDY Gerben-Jan (ALDE) STAES Bart (Verts/ALE) ANDREASEN Marta (ECR) DE JONG Dennis (GUE /NGL) VANHECKE Frank (EFD) EHRENHAUSER Martin (NI)	
	Committee for opinion		Rapporteur for opinion	Appointed
	ECON Economic and Monetary Affairs		SÁNCHEZ PRESEDO Antolín (S&D)	08/10/2013
European Commission	Commission DG		Commissioner	
	Budget		ŠEMETA Algirdas	

Key events			
Date	Event	Reference	Summary
26/07/2013	Non-legislative basic document published	COM(2013)0570 	Summary

22/10/2013	Committee referral announced in Parliament		
17/03/2014	Vote in committee		
21/03/2014	Committee report tabled for plenary	A7-0220/2014	Summary
02/04/2014	Debate in Parliament		
03/04/2014	Decision by Parliament	T7-0307/2014	Summary
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	2013/2237(DEC)
Procedure type	DEC - Discharge procedure
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	CONT/7/14214

Documentation gateway				
European Parliament				
Document type	Committee	Reference	Date	Summary
Committee draft report		PE521.650	27/01/2014	
Committee opinion	ECON	PE524.722	21/02/2014	
Amendments tabled in committee		PE521.763	25/02/2014	
Committee report tabled for plenary, single reading		A7-0220/2014	21/03/2014	Summary
Text adopted by Parliament, single reading		T7-0307/2014	03/04/2014	Summary
Council of the EU				
Document type	Reference	Date	Summary	
Document attached to the procedure	05849/2014	05/02/2014	Summary	
European Commission				
Document type	Reference	Date	Summary	
Non-legislative basic document	COM(2013)0570 	26/07/2013	Summary	
Other institutions and bodies				

Institution/body	Document type	Reference	Date	Summary
CofA	Court of Auditors: opinion, report	N7-0018/2014 OJ C 365 13.12.2013, p. 0080	10/09/2013	Summary

Additional information		
Source	Document	Date
European Commission	EUR-Lex	

Final act	
Budget 2014/0573 OJ L 266 05.09.2014, p. 0191	Summary

2012 discharge: European Banking Authority (EBA)

2013/2237(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 **European Banking Authority (EBA)**.

CONTENT: this Commission document sets out the consolidated annual accounts of the European Union for the financial year 2012 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 Banking Authority (EBA).

In 2012, the tasks and budget of this agency were as follows:

- **description of the EBA's tasks:** the Authority, which is located in London, was established by [Regulation \(EU\) No 1093/2010 of the European Parliament and of the Council](#) and has the aim of protecting the public interest and contributing to the stability and efficiency of the banking system in the short, medium and long term for the economy of the European Union, its citizens and its businesses;
- **the EBA's budget for the 2012 financial year:** the EBA's budget for 2012, as presented in the Commission document on the consolidated annual accounts of the European Union, gives the following figures:

§ **Commitment appropriations :**

- **committed** : EUR 21 million;
- **paid** : EUR 18 million;
- **carried-over** : 0.

§ **Payment appropriations :**

- **committed** : EUR 22 million;
- **paid** : EUR 13 million;
- **carried-over** : EUR 7 million.

Please refer also to the [final accounts of the European Banking Authority](#)

2012 discharge: European Banking Authority (EBA)

2013/2237(DEC) - 10/09/2013 - Court of Auditors: opinion, report

PURPOSE: presentation of the EU Court of Auditors' report on the annual accounts of the European Banking Authority (EBA) for the year 2012, together with the EBA'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 Banking Authority (EBA).

In the Court's opinion, the EBA's **Annual Accounts fairly present, in all material respects, its financial position as of 31 December 2012** and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of its Financial Regulation and the accounting rules adopted by the Commission's accounting officer.

The Court also considers that the **transactions underlying the annual accounts** of the Authority for the financial year ended 31 December 2012 are, in all material respects, **legal and regular**.

The report confirms that the Authority's 2012 budget amounted to EUR 20.7 million.

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

The Court's observations:

- internal controls: the EBA's IT core application systems were outsourced to an external IT provider until December 2013. This poses risks related to the Authority's limited control and supervision over its IT systems;
- budgetary management: the Court notes large carry-overs;
- recruitment procedures: the Court identified weaknesses in the audited recruitment procedures affecting transparency and equal treatment:

The Authority's reply:

- in case of IT related carry-overs, this can be attributed to the start up stage of the Authority;
- the EBA acknowledges the weaknesses identified by the Court and has promptly implemented the corrective measures. Since January 2013, candidates are given a score for each of the selection criteria and evidence that the questions and tests have been set before the date of the examinations is systematically included in the recruitment files.

Lastly, the Court of Auditors' report contains **a summary of the Authority's activities in 2012**. This is focused on the following:

- public consultations on 23 draft regulatory and implementing technical standards;
- submission to the Commission of the first draft regulatory technical standards on capital requirements for central counterparties under European Market Infra-structure Regulation ;
- issuance of six Guidelines, four Discussion Papers and 14 Consultation Papers ;
- provision of 7 Opinions addressed to the Commission, European Parliament and Council, three comment letters on accounting issues to the IASB/IFRS Foundation ;
- drawing-up expert reports ;
- performance of risk analysis, assessment and monitoring, and presenting risk reports to a wide range of stakeholders.

2012 discharge: European Banking Authority (EBA)

2013/2237(DEC) - 05/02/2014

Having examined the revenue and expenditure accounts for the financial year 2012 and the balance sheet at 31 December 2012 of the European Banking Authority (EBA), as well as the Court of Auditors' report on the annual accounts of the Authority for the financial year 2012, accompanied by the Authority's replies to the Court's observations, the Council recommends the European Parliament to give a discharge to the Executive Director of the Authority in respect of the implementation of the budget for the financial year 2012.

The observations in the Court of Auditors' report in relation to the financial year 2012 call for some comments by the Council, which may be summarised as follows:

- in general, the Council welcomes the Court's opinion that, in all material respects, the Authority's annual accounts present fairly its financial position as at 31 December 2012 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Authority's Financial Regulation and the accounting rules adopted by the Commission's accounting officer, and that the underlying transactions for that financial year are legal and regular.
- **Educational costs:** the Council invites the Authority to bring the contributions paid to its staff for educational costs of their children attending primary or secondary schools in line with the provisions of the Staff Regulations.

- **Procurement:** furthermore, the Council encourages the Authority to improve its control over the Authority's core IT systems, currently outsourced to an external IT provider.
- The Council urges the Authority to improve its financial management by launching projects and procurement procedures in good time before the end of the budgetary year, in order to limit carry-overs of appropriations to the following year to the minimum necessary, in line with the budgetary principle of annuality.
- **Recruitment:** lastly, the Council asks the Authority to address the weaknesses identified in its recruitment procedures in order to enhance transparency and equal treatment.

2012 discharge: European Banking Authority (EBA)

2013/2237(DEC) - 03/04/2014 - Text adopted by Parliament, single reading

The European Parliament adopted a decision concerning the discharge to be granted to the Executive Director of the European Banking Authority (EBA) in respect of the implementation of the Authority's budget for the financial year 2012. The vote on the discharge decision approved the closure of the accounts (in accordance with Annex VI, Article 5(1) of the Rules of Procedure of the European Parliament.

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts of the Authority for the financial year 2012 are reliable, and that the underlying transactions are legal and regular, Parliament adopted by 506 votes to 77, with 15 abstentions, a resolution containing a series of recommendations that form an integral part of the discharge decision and as well as the general recommendations that appear in the [draft resolution on performance, financial management and control of EU agencies](#).

These recommendations are summarised as follows:

- **Legality and regularity of transactions:** Parliament noted that the Authority grants staff whose children attend primary or secondary school a top-up allowance, which amounted to some EUR 76 000 in 2012. It noted that these allowances are not covered by the Staff Regulations and are, therefore, considered irregular by the Court of Auditors. It acknowledged, however, that this situation is due to the lack of European Schools in the city where the Authority is based.
- **Budget and financial management:** Parliament noted that the overall level of appropriations committed was 89%, but carry-overs of committed appropriations were high at 45% which was mainly due to reasons beyond the Authority's control, such as the unsuccessful attempt to find new premises and delays in the implementation of some IT projects for which it was difficult to obtain the information needed from the predecessor organisation. Improvements should be made in the area of budgetary planning.
- **Performance:** Parliament requested that the Authority communicate the results and impact its work has on European citizens in an accessible way, mainly through its website.

Parliament also made a series of observations on transfers, procurement and recruitment procedures as well as comments on internal controls.

Lastly, it welcomed the adoption of Ethics Guidelines by the Authority and acknowledged that it is finalising the preparation of its conflicts of interests policy. It called on the Authority to inform the discharge authority of the adoption of that policy.

2012 discharge: European Banking Authority (EBA)

2013/2237(DEC) - 21/03/2014 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Petri SARVAMAA (EPP, FI) in which it recommended the European Parliament to grant discharge to the Executive Director of the European Banking Authority (EBA) in respect of the implementation of the Authority's budget for the financial year 2012.

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts of the Authority for the financial year 2012 are reliable, and that the underlying transactions are legal and regular, Members approved the closure of the Authority's accounts. They made, however, a number of recommendations that needed 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](#).

- **Legality and regularity of transactions:** Members noted that the Authority grants staff whose children attend primary or secondary school a top-up allowance, which amounted to some EUR 76 000 in 2012. They noted that these allowances are not covered by the Staff Regulations and are, therefore, considered irregular by the Court of Auditors. They acknowledged, however, that this situation is due to the lack of European Schools in the city where the Authority is based.
- **Budget and financial management:** Members noted that the overall level of appropriations committed was 89%, but carry-overs of committed appropriations were high at 45% which was mainly due to reasons beyond the Authority's control, such as the unsuccessful attempt to find new premises and delays in the implementation of some IT projects for which it was difficult to obtain the information needed from the predecessor organisation. Improvements should be made in the area of budgetary planning.

Members also made a series of observations on transfers, procurement and recruitment procedures as well as comments on internal controls.

Lastly, they welcomed the adoption of Ethics Guidelines by the Authority and acknowledged that it is finalising the preparation of its conflicts of interests policy. They called on the Authority to inform the discharge authority of the adoption of that policy.

2012 discharge: European Banking Authority (EBA)

2013/2237(DEC) - 03/04/2014 - Final act

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

NON-LEGISLATIVE ACT: Decision 2014/573/EU of the European Parliament on discharge in respect of the implementation of the budget of the European Banking Authority for the financial year 2012.

CONTENT: with the present decision, the European Parliament grants discharge to the Executive Director of the European Banking Authority in respect of its budget for the financial year 2012.

This 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 regretted the observations made by the Court of Auditors on the **legality and regularity of the transactions** (statements of unauthorised school fees) and called on the Authority to improve the situation.