## Basic information

| | |
|---|---|
| **2014/2099(DEC)**<br>DEC - Discharge procedure | Procedure completed |
| 2013 discharge: European Environment Agency (EEA)<br>**Subject**<br>8.70.03.03 2013 discharge | |

## Key players

### European Parliament

| Committee responsible | Rapporteur | Appointed |
|---|---|---|
| CONT Budgetary Control | CZARNECKI Ryszard (ECR) | 09/10/2014 |
| | Shadow rapporteur<br>ZDECHOVSKÝ Tomáš (PPE)<br>VAUGHAN Derek (S&D)<br>ALI Nedzhmi (ALDE)<br>DE JONG Dennis (GUE/NGL)<br>JÁVOR Benedek (Verts/ALE)<br>VALLI Marco (EFDD) | |

| Committee for opinion | Rapporteur for opinion | Appointed |
|---|---|---|
| ENVI Environment, Public Health and Food Safety | LA VIA Giovanni (PPE) | 05/11/2014 |

### European Commission

| Commission DG | Commissioner |
|---|---|
| Budget | GEORGIEVA Kristalina |

## Key events

| Date | Event | Reference | Summary |
|---|---|---|---|
| 31/07/2014 | Non-legislative basic document published | COM(2014)0510 | Summary |
| 20/10/2014 | Committee referral announced in Parliament | | |

| | | | |
|---|---|---|---|
| 23/03/2015 | Vote in committee | | |
| 30/03/2015 | Committee report tabled for plenary | A8-0083/2015 | Summary |
| 28/04/2015 | Debate in Parliament | | |
| 29/04/2015 | Decision by Parliament | T8-0141/2015 | Summary |
| 29/04/2015 | Results of vote in Parliament | | |
| 29/04/2015 | End of procedure in Parliament | | |
| 30/09/2015 | Final act published in Official Journal | | |

## Technical information

| | |
|---|---|
| **Procedure reference** | 2014/2099(DEC) |
| **Procedure type** | DEC - Discharge procedure |
| **Stage reached in procedure** | Procedure completed |
| **Committee dossier** | CONT/8/01617 |

## Documentation gateway

**European Parliament**

| Document type | Committee | Reference | Date | Summary |
|---|---|---|---|---|
| Committee draft report | | PE539.707 | 28/01/2015 | |
| Committee opinion | ENVI | PE541.522 | 03/02/2015 | |
| Amendments tabled in committee | | PE539.767 | 06/03/2015 | |
| Committee report tabled for plenary, single reading | | A8-0083/2015 | 30/03/2015 | Summary |
| Text adopted by Parliament, single reading | | T8-0141/2015 | 29/04/2015 | Summary |

**Council of the EU**

| Document type | Reference | Date | Summary |
|---|---|---|---|
| Document attached to the procedure | 05304/2015 | 30/01/2015 | Summary |

**European Commission**

| Document type | Reference | Date | Summary |
|---|---|---|---|
| Non-legislative basic document | COM(2014)0510 | 31/07/2014 | Summary |

**Other institutions and bodies**

| Institution/body | Document type | Reference | Date | Summary |
|---|---|---|---|---|
| CofA | Court of Auditors: opinion, report | N8-0081/2014<br>OJ C 442 10.12.2014, p. 0144 | 08/07/2014 | Summary |

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

| Final act | |
|---|---|
| Budget 2015/1653<br>OJ L 255 30.09.2015, p. 0227 | Summary |

# 2013 discharge: European Environment Agency (EEA)

2014/2099(DEC) - 31/07/2014 - Non-legislative basic document

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2013, as part of the 2013 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 2013 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).

The document contains the figures on which the discharge procedure is based.

**Discharge procedure of the EU agencies**: the EU Budget finances a wide range of policies and programmes throughout the EU. In accordance with the priorities set by the European Parliament and the Council in the multi-annual financial framework (MFF), the European Commission carries out specific programmes, activities and projects in the field with the technical support of some specialised agencies.

The consolidated annual accounts of the EU provide information on the activities of the institutions, agencies and other bodies of the EU from a budgetary and accrual accounting perspective.

The consolidated reports on the implementation of the general budget of the EU include the budget implementation of all Institutions. **Agencies do not have a separate budget inside the EU budget**; and they are partially financed by a Commission budget subsidy.

Each agency is subject to its own discharge procedure.

**EEA**: in 2013, 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. Its main task is to report on: (i) the quality of the environment and; (ii) the pressures on the environment within the territory of the Union;
- **the Agency's budget for the financial year 2013**: the Agency's budget for 2013, as presented in the Commission document on the consolidated annual accounts of the European Union, gives the following figures:

  § **Commitment appropriations** :

  - **committed** : EUR 72 million;

  - **paid** : EUR 54 million;

  - **carried-over** : EUR 17 million.

  § **Payment appropriations** :

  - **committed** : EUR 76 million;

- **paid** : EUR 47 million;

- **carried-over** : EUR 27 million.

Please refer also to the final accounts of the EEA.

# 2013 discharge: European Environment Agency (EEA)

2014/2099(DEC) - 29/04/2015 - Final act

PURPOSE: to grant discharge to the European Environment Agency (EEA) for the financial year 2013.

NON-LEGISLATIVE ACT: Decision (EU) 2015/1653 of the European Parliament on discharge in respect of the implementation of the budget of the European Environment Agency for the financial year 2013.

CONTENT: with this Decision, the European Parliament gives discharge to the Executive Director of the European Environment Agency for the implementation of the Agency's budget for 2013.

The Decision is in line with the European Parliament's resolution adopted on 29 April 2015 and includes a series of observations that form an integral part of the discharge decision (refer to the summary of the opinion of 29 April 2015).

Amongst the main observations made, Parliament acknowledged that for the transactions audited by the Court, **supporting documentation** was obtained which provided reasonable assurances as to their legality and regularity.

# 2013 discharge: European Environment Agency (EEA)

2014/2099(DEC) - 30/01/2015

Having examined the revenue and expenditure accounts for the financial year 2013 and the balance sheet at 31 December 2013 of the European Environment Agency (EEA), as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2013, 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 2013.

Overall, 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 2013 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 in all material respects.

Nevertheless, one observation was made by the Council:

- **controls**: the Council encourages the Agency to continue to strengthen its ex ante verifications of grant applications and to extend supporting documentation to be submitted by beneficiaries for substantiating the eligibility and accuracy of the claimed costs to further increase the assurance provided by such verifications.

# 2013 discharge: European Environment Agency (EEA)

2014/2099(DEC) - 29/04/2015 - Text adopted by Parliament, single reading

The European Parliament adopted by 553 votes to 130, with 4 abstentions, a decision to grant discharge to the Executive Director of the European Environment Agency (EEA) for the financial year 2013. 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 2013 are reliable, and that the underlying transactions are legal and regular, Parliament adopted by 571 votes to 108, with 6 abstentions, a resolution containing a number of recommendations that form an integral part of the discharge decision and as well as the general recommendations that appear in the resolution on performance, financial management and control of EU agencies:

- **Agency's financial statements**: Parliament noted that the final budget of the Centre for the financial year 2013 was EUR 49 270 722, representing an increase of 18.16% compared to 2012. The increase was mostly related to operating expenditure for strategic actions.
- **Commitments and carry-overs**: Members noted that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 98.66%, and that the payment appropriations execution rate was 88.92%. They took note of the Agency's compliance with the principle of annuality and the timely execution of its budget.

Parliament has also made a series of observations on procurement procedures, recruitment and the prevention and management of conflict.

Parliament called on the Agency to make clear in its future internal and external communications that it receives funds made available from the **Union budget** (Union subsidy) instead of a Commission or Community subsidy.

# 2013 discharge: European Environment Agency (EEA)

2014/2099(DEC) - 08/07/2014 - 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 2013, 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).

**Statement of assurance**: pursuant to the provisions of Article 287 of the Treaty on the Functioning of the European Union (TFEU), the Court has audited:

- the annual accounts of the Agency, which comprise the financial statements and the reports on the implementation of the budget for the financial year ended 31 December 2013;
- the legality and regularity of the transactions underlying those accounts.

**Opinion on the reliability of the accounts**: in the Court's opinion, the Agency's annual accounts present fairly, in all material respects, its financial position as at 31 December 2013 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.

**Opinion on the legality and regularity of the transactions underlying the accounts**: in the Court's opinion, the transactions underlying the annual accounts for the year ended 31 December 2013 are legal and regular in all material respects.

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:

**The Court's observations**:

- **internal control**: in 2013, the Agency awarded grants under five grant programmes to consortia consisting of environmental institutions and bodies in Europe, UN organisations and national environment organisations. Total grant expenditure in 2013 was EUR 13.9 million, representing 31% of total operating expenditure. Following the Court's comment of last year, the EEA intensified its checks on the eligibility and accuracy of staff costs claimed under the grant programmes, as these represent the major part of costs. In particular, for a sample of beneficiaries, time sheets were obtained to check the salary costs claimed, but payslips have not been obtained. On-the-spot verifications of costs at beneficiary level are rare. Existing controls therefore provide only limited assurance on the eligibility and accuracy of the costs claimed by beneficiaries.

**The Agency's replies**:

- **internal control**: the Agency replied that it has taken note that efforts as regards intensified verification measures goes well beyond what is reflected in the preliminary observations. A new verification policy has been adopted. As regards the on-the-spot verifications, two verification missions have been performed. 18% of the ETCs' total staff costs at the level of the beneficiary.

Lastly, the Court of Auditors' report contains a summary of **the Agency's activities in 2013**. This is focused on the following:

**Budget**: EUR 41.7 million of which the Union subsidy is 100%.

**Activities**:

- production of press releases;
- data sets;
- indicators;
- promotional material;
- pan-European assessments;
- the state of the Environment report (SOER 2010).

# 2013 discharge: European Environment Agency (EEA)

2014/2099(DEC) - 30/03/2015 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Ryszard CZARNECKI (ECR, PL) on discharge in respect of the implementation of the budget of the **European Environment Agency (EEA)** for the financial year 2013.

It called on the European Parliament to grant the Executive Director of the Agency discharge in respect of the implementation of the Agency's budget for the financial year 2013.

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts of the Agency for the financial year 2013 are reliable, and that the underlying transactions are legal and regular, Members called on the Parliament to approve the closure of the Agency'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.

- **Agency's financial statements**: Members noted that the final budget of the Centre for the financial year 2013 was EUR 49 270 722%, representing an increase of 18.16% compared to 2012. The increase was mostly related to operating expenditure for strategic actions.
- **Commitments and carry-overs**: Members noted that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 98.66%, and that the payment appropriations execution rate was 88.92%. They took note of the Agency's compliance with the principle of annuality and the timely execution of its budget.

Members called on the Agency to further improve the level of its ex ante verifications to ensure the eligibility of beneficiaries and to inform the discharge authority on further progress in this regard.