Basic information

2014/2110(DEC) DEC - Discharge procedure	Procedure completed
2013 discharge: European Network and Information Security Agency (ENISA) **Subject** 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 ZDECHOVSKÝ Tomáš (PPE) VAUGHAN Derek (S&D) ALI Nedzhmi (ALDE) DE JONG Dennis (GUE/NGL) JÁVOR Benedek (Verts/ALE) VALLI Marco (EFDD)	

Committee for opinion	Rapporteur for opinion	Appointed
ITRE Industry, Research and Energy	The committee decided not to give an opinion.	

European Commission

Commission DG	Commissioner
Budget	GEORGIEVA Kristalina

Key events

Date	Event	Reference	Summary
30/07/2014	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	A8-0089/2015	Summary
21/04/2015	Debate in Parliament		
29/04/2015	Decision by Parliament	T8-0150/2015	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	2014/2110(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/01637

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE539.698	29/01/2015	
Amendments tabled in committee		PE539.752	06/03/2015	
Committee report tabled for plenary, single reading		A8-0089/2015	30/03/2015	Summary
Text adopted by Parliament, single reading		T8-0150/2015	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	30/07/2014	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofA	Court of Auditors: opinion, report	N8-0090/2014 OJ C 442 10.12.2014, p. 0217	16/09/2014	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act	
Budget 2015/1669 OJ L 255 30.09.2015, p. 0284	Summary

2013 discharge: European Network and Information Security Agency (ENISA)

2014/2110(DEC) - 29/04/2015 - Final act

PURPOSE: to grant discharge to the European Union Agency for Network and Information Security for the financial year 2013.

NON LEGISLATIVE ACT: Decision (EU) 2015/1669 of the European Parliament on discharge in respect of the implementation of the budget of the European Union Agency for Network and Information Security for the financial year 2013.

CONTENT: with the present decision, the European Parliament grants discharge to the Executive Director of the European Union Agency for Network and Information Security for the implementation of its budget for the financial year 2013.

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

Amongst Parliament’s main observations, it noted that the Agency's operational staff was relocated to Athens while its administrative staff remained in Heraklion, and felt that administrative costs could be reduced if **all the Agency's staff were to be centralised** in one location.

2013 discharge: European Network and Information Security Agency (ENISA)

2014/2110(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 Union Agency for Network and Information Security (ENISA) for the financial year 2013.

The committee recommended that the European Parliament grant the Executive Director of the European Union Agency for Network and Information Security 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 Centre 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 Centre’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.

- **Centre's financial statements**: Members noted that the final budget of the Centre for the financial year 2013 was EUR 9 670 185, representing an increase of 18.53 % compared to 2012. The Union's contribution to the Agency's budget amounted to EUR 9 030 000.
- **Commitments and carry-overs**: Members noted that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 9.41 % and that the payment appropriations execution rate was 86.46 %. They pointed out that in November 2013, additional funds were approved by the Commission for the financing of the Agency's new office in Athens, and that a total of EUR 500 000 was not committed at year-end and was carried over. They also noted substantial carry-overs of 59% for administrative expenditure, due to the move.

Members also made a series of observations on transfers, procurement and recruitment procedures, internal controls and internal audit, and the prevention and management of conflicts of interests and transparency.

Members also noted that according to the lease agreement between the Greek authorities, the Agency and the landlord, rent for the offices in Athens is paid by the Greek authorities. They were concerned by the constant **late payment of rent**, delayed by several months, which presents business continuity and financial risks for the Agency. They called on the Agency to continue its efforts in order to mitigate the risks brought by this situation.

Lastly, the committee noted with concern that the Agency failed to answer the question on the cost-effectiveness and environment-friendliness of its working space. It called on the Agency to inform the discharge authority on the measures in place.

2013 discharge: European Network and Information Security Agency (ENISA)

2014/2110(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 Network and Information Security Agency (ENISA), 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.

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 the accounting rules adopted by the Commission's accounting officer, and that the underlying transactions for that financial year are legal and regular.

Nevertheless, the Council has made some observations concerning:

- **carry-overs**: the Council calls on the Agency to continue to improve its financial programming and monitoring of the budget implementation, in order to reduce the level of commitments carried over and the amounts cancelled at the end of the following year to the strict minimum;
- **late payment of rent**: the Council encourages the Agency to continue to pursue its efforts to mitigate the business continuity and financial risk arising from the late payment of the rent.

2013 discharge: European Network and Information Security Agency (ENISA)

2014/2110(DEC) - 29/04/2015 - Text adopted by Parliament, single reading

The European Parliament adopted by 556 votes to 136, with 4 abstentions, a decision to grant discharge to the Executive Director of the European Union Agency for Network and Information Security (ENISA) 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 Agency for the financial year 2013 are reliable, and that the underlying transactions are legal and regular, Parliament adopted by 570 votes to 113, 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 9 670 185, representing an increase of 18.53% compared to 2012. The Union's contribution to the Agency's budget amounted to EUR 9 030 000.
- **Commitments and carry-overs**: Parliament noted that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 9.41% and that the payment appropriations execution rate was 86.46%. It pointed out that in November 2013, additional funds were approved by the Commission for the financing of the Agency's new office in Athens, and that a total of EUR 500 000 was not committed at year-end and was carried over. It also noted substantial carry-overs of 59% for administrative expenditure, due to the move.

Parliament also made a series of observations on transfers, procurement and recruitment procedures, internal controls and internal audit, and the prevention and management of conflicts of interests.

It noted that according to the lease agreement between the Greek authorities, the Agency and the landlord, rent for the offices in Athens is paid by the Greek authorities. It was concerned by the constant **late payment of rent**, delayed by several months, which presents business continuity and financial risks for the Agency. It called on the Agency to continue its efforts in order to mitigate the risks brought by this situation.

Lastly, Parliament noted with concern that the Agency failed to answer the question on the cost-effectiveness and environment-friendliness of its working space. It called on the Agency to inform the discharge authority on the measures in place.

2013 discharge: European Network and Information Security Agency (ENISA)

2014/2110(DEC) - 16/09/2014 - Court of Auditors: opinion, report

PURPOSE: presentation of the EU Court of Auditors’ report on the annual accounts of the European Network and Information Security Agency (ENISA) for the 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 Network and Information Security Agency (ENISA).

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:

- **budgetary management**: the overall level of committed appropriations was 94 %, which is explained mainly by the fact that additional funds requested from the Commission to finance the refurbishment of the new office in Athens were only approved in November 2013. In this context, an amount of EUR 500 000 that was not yet committed at year-end was carried over following a Management Board decision. In total, non-committed and committed appropriations carried over to 2014 amounted to EUR 1.2 million (or 13.5% of total appropriations);
- **double headquarters**: operational staff of ENISA were relocated to Athens in 2013 while administrative staff remain in Heraklion. The administrative costs could be reduced if all staff were centralised in one location. According to the lease agreement between the Greek authorities, the Agency and the landlord, rent for the offices in Athens is paid by the Greek authorities. This rent is constantly paid with a delay of several months which is a business continuity and financial risk to the Agency.

The Agency's reply:

- **budgetary management**: the Agency noted that the EUR 500 000 carried over at year end were committed in 2014 at a rate of 99.78%;
- **double headquarters**: the Agency noted that the creation of an additional office based in Athens was a political compromise reached among the European Parliament, the Commission and the government of the host country, in order to increase the operational efficiency of the Agency and in particular of the work of the Core Operations Department. This decision was beyond the influence of ENISA. The Agency agreed with the comment and notes that it continuously communicates the problems and the risks involved to the partner DG CNECT and various authorities of the Greek Government in order to ensure that the issues pertaining to the payment of the subsidy from the Greek Government are overcome. The Agency continues to exercise and explore all possible remedies arising from the late payments from the Greek Government. To date the Agency has been able to mitigate any risks arising from the late payments.

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

Budget: EUR 9.7 million of which the Union subsidy is 93%.

Activities:

- **threat evaluation and opportunities**: the objective of this work stream was to identify the most important evolving threats that are relevant to critical infrastructure and trust services. This was done by monitoring publicly available sources that publish threat-related data and by making a regular assessment of this data. Based on the analysis done, ENISA has proposed good practices and guidelines for mitigating these risks;
- **improving Pan-European Protecting Critical Information Infrastructures** (CIIP) by facilitating cooperation and coordination among Member States, ENISA has continued in this work stream to support all of these stakeholders in developing sound and implementable preparedness, response and recovery strategies, policies and measures to meet the challenges of a continuously evolving threat environment;
- **support CERT** (Computer Emergency Response Team) enabling communities to improve network and information security (NIS).

2013 discharge: European Network and Information Security Agency (ENISA)

2014/2110(DEC) - 30/07/2014 - 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 Network and Information Security Agency (ENISA)**.

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 Network and Information Security Agency (ENISA).

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.

ENISA: in 2013, the tasks and budget of this agency were as follows:

- **description of the Agency's tasks**: ENISA, which is located in Heraklion, Greece, was established under Regulation 460/2004/EC of the European Parliament and of the Council. Its main task is to enhance the Community's capability to prevent and respond to network and information security problems by building on national and Community efforts;
- **ENISA's budget for the 2013 financial year**: 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 10 million;

  - **paid** : EUR 9 million;

  - **carried-over** : EUR 1 million.

  § **Payment appropriations** :

  - **committed** : EUR 10 million;

  - **paid** : EUR 9 million;

  - **carried-over** : EUR 1 million.

Please refer also to the final accounts of the ENISA.