Basic information

2014/2111(DEC) DEC - Discharge procedure	Procedure completed
2013 discharge: European Railway Agency (ERA) **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
TRAN Transport and Tourism	RIQUET Dominique (ALDE)	11/12/2014

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	A8-0078/2015	Summary
28/04/2015	Debate in Parliament		
29/04/2015	Decision by Parliament	T8-0151/2015	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	2014/2111(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/01639

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE539.728	29/01/2015	
Committee opinion	TRAN	PE544.383	26/02/2015	
Amendments tabled in committee		PE539.786	06/03/2015	
Committee report tabled for plenary, single reading		A8-0078/2015	30/03/2015	Summary
Text adopted by Parliament, single reading		T8-0151/2015	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	N8-0091/2014 OJ C 442 10.12.2014, p. 0232	08/07/2014	Summary

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

Final act	
Budget 2015/1671 OJ L 255 30.09.2015, p. 0291	Summary

2013 discharge: European Railway Agency (ERA)

2014/2111(DEC) - 29/04/2015 - Final act

PURPOSE: to grant discharge to the European Railway Agency for the financial year 2013.

NON LEGISLATIVE ACT: Decision (EU) 2015/1671 of the European Parliament on discharge in respect of the implementation of the budget of the European Railway Agency for the financial year 2013.

CONTENT: with the present decision, the European Parliament grants discharge to the Executive Director of the European Railway Agency 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 deplored the fact that the use of two locations (Lille and Valenciennes) to carry out its activities exposed the Agency to additional costs. It called for **a single location** for the Agency, in a place easily accessible by public transport.

2013 discharge: European Railway Agency (ERA)

2014/2111(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 Railway Agency (ERA), 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 fairly present the financial position as at 31 December 2013 and the results of operations and cash flows for 2013, 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 2013 are legal and regular.

Nevertheless, the Council has made some observations which may be summarised as follows:

- **procurement**: the Council invites the Agency to improve the accuracy and documentation of information used in the Agency's procurement procedures;
- **recruitment**: the Council urges the Agency to ensure that the procedures for the recruitment of temporary agents are in line with the provisions of its founding regulation;
- **headquarters**: the Council encourages the Agency to pursue its efforts in order to conclude a headquarters agreement with the host Member State.

2013 discharge: European Railway Agency (ERA)

2014/2111(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 Railway Agency (ERA).**

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 Railway Agency (ERA).

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.

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

- **description of ERA's tasks**: ERA, which is located in Lille-Valenciennes, was created by Regulation (EC) No 881/2004 of the European Parliament and of the Council. Its aim is to : (i) enhance the level of interoperability of railway systems and; (ii) develop a common approach to safety in order to contribute to creating a more competitive European railway sector with a high level of safety;
- **ERA'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 26 million;

  - **paid** : EUR 25 million;

  - **carried-over** : 0.

  § **Payment appropriations** :

  - **committed** : EUR 28 million;

  - **paid** : EUR 25 million;

  - **carried-over** : EUR 2 million.

Please refer also to the final accounts of the ERA.

2013 discharge: European Railway Agency (ERA)

2014/2111(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 Railway Agency (ERA) for the financial year 2013.

The committee recommended that the European Parliament grant the Executive Directorr of the 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 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 25 858 799 representing an increase of 0.23 % compared to 2012.
- **Commitments and carry-overs**: Members noted that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 97.87% and that the payment appropriations execution rate was 88.12%. They pointed out, however, that the level of committed appropriations carried over to 2013 was EUR 2 398 742, and committed appropriations carried over to 2014 amounted to EUR 2 221 816. The decrease in the accrued amount carried over in comparison to the previous year occurred because of the underestimation /overestimation of the 2013 budgetary expenses.

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

The committee expressed its deep disappointment that the Agency had still not adopted a clear, comprehensive and objective policy for the prevention and management of conflicts of interests, despite the discharge authority and the Court's special recommendations for consecutive years.

Lastly, Members deplored the fact that the use of two locations (Lille and Valenciennes) to carry out its activities exposed the Agency to additional costs. They acknowledged the efforts made by the Agency to minimise the negative impact of the decision on its seat but called for **a single location for the Agency**, in a place easily accessible by public transport in order to save scarce resources.

2013 discharge: European Railway Agency (ERA)

2014/2111(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 Railway Agency (ERA) 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 Railway Agency (ERA).

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 controls**: the Court considered that there is room to improve the accuracy and documentation of information used in the Agency's procurement procedures;

- **recruitment**: at the end of 2013, 136 temporary employees were working for the Agency. In 2013 the Agency adopted a new decision in agreement with its Administrative Board and the Commission, according to which temporary employees can have indefinite contracts. The proposal for a revised founding regulation for ERA includes similar provisions but it is unclear if and when this will be adopted;
- **double headquarters**: the Agency is located in Lille and Valenciennes. As the Court mentioned in its Specific Annual Report for the financial year 2006, it is likely that costs could be reduced if all operations were centralised in one location. This might also facilitate a comprehensive seat agreement with the host Member State thereby clarifying the conditions under which the Agency and its staff operate.

The Agency's reply:

- **internal controls**: the Agency has taken good note of the remark of the Court and will review its procurement procedure;
- **recruitment**: it has taken note of the comments of the Court;
- **double headquarters**: the Agency has regular contacts with the host Member State about a seat agreement. However, the French authorities have so far taken the view that the 'Protocol on Privileges and Immunities' applies and that is sufficient for the Agency.

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

Budget: EUR 25.8 million.

Activities:

- follow-up activities, modifications of the texts, dissemination and monitoring activities in relation to the Single Safety Certificate;
- evaluation of the effectiveness and practical implementation of measures through the Joint Network Secretariat;
- development of a Single Safety Certificate Regime;
- implementation of a common template based on the relevant Directives and Commission Recommendation 2011/217/EU (known as DV29) to be used by the Member States to document the authorisation process applied;
- completion of the drafting of almost all the Technical Specifications for Interoperability (TSIs) applicable to the entire EU railway network;
- reports on railway safety and interoperability;

- various recommendations on safety assessment and reporting in the Member States;
- setting up and maintaining a series of registers for safety and interoperability;
- guidance, support and advice to the rail sector and Member States;
- cooperation with the TEN-T Executive Agency in evaluating specific ERTMS projects.

2013 discharge: European Railway Agency (ERA)

2014/2111(DEC) - 29/04/2015 - Text adopted by Parliament, single reading

The European Parliament adopted by 550 votes to 131, with 4 abstentions, a decision to grant discharge to the Executive Director of the European Railway Agency (ERA) 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 563 votes to 107, with 15 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:

- **Centre's financial statements**: Parliament noted that the final budget of the Agency for the financial year 2013 was EUR 25 858 799 representing an increase of 0.23% compared to 2012.
- **Commitments and carry-overs**: Parliament also noted that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 97.87% and that the payment appropriations execution rate was 88.12%. It pointed out, however, that the level of committed appropriations carried over to 2013 was EUR 2 398 742, and committed appropriations carried over to 2014 amounted to EUR 2 221 816. The decrease in the accrued amount carried over in comparison to the previous year occurred because of the underestimation /overestimation of the 2013 budgetary expenses.

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

It expressed its deep disappointment that the Agency had still not adopted a clear, comprehensive and objective policy for the prevention and management of conflicts of interests, despite the discharge authority and the Court's special recommendations for consecutive years.

Parliament deplored the fact that the use of two locations (Lille and Valenciennes) to carry out its activities exposed the Agency to additional costs. It acknowledged the efforts made by the Agency to minimise the negative impact of the decision on its seat but called for **a single location for the Agency**, in a place easily accessible by public transport in order to save scarce resources.

Additional funding: lastly, Parliament stated that if the Agency is to receive new powers as a result of the extension of its tasks as a certifying agency for railway material, **part of the funding for the Agency should come from fees and charges levied on the railway industry** which must, in all circumstances, be appropriate to the level of expenses incurred by the Agency and must not represent a disproportionate cost for the railway industry.