Basic information

2014/2117(DEC) DEC - Discharge procedure	Procedure completed
2013 discharge: Euratom Supply Agency (ESA) **Subject** 8.70.03.03 2013 discharge	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	CZARNECKI Ryszard (ECR)	08/10/2014
	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		
31/03/2015	Committee report tabled for plenary	A8-0119/2015	Summary

28/04/2015	Debate in Parliament		
29/04/2015	Decision by Parliament	T8-0156/2015	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	2014/2117(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/01566

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE539.724	30/01/2015	
Amendments tabled in committee		PE539.764	05/03/2015	
Committee report tabled for plenary, single reading		A8-0119/2015	31/03/2015	Summary
Text adopted by Parliament, single reading		T8-0156/2015	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	N8-0094/2014 OJ C 442 10.12.2014, p. 0267	01/07/2014	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act	
Budget 2015/1681 OJ L 255 30.09.2015, p. 0325	Summary

2013 discharge: Euratom Supply Agency (ESA)

2014/2117(DEC) - 29/04/2015 - Final act

PURPOSE: to grant discharge to the Euratom Supply Agency (ESA) for the financial year 2013.

NON LEGISLATIVE ACT: Decision (EU) 2015/1681 of the European Parliament on discharge in respect of the implementation of the budget of the Euratom Supply Agency for the financial year 2013.

CONTENT: with the present decision, the European Parliament grants discharge to the Director-General of the Euratom Supply 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 stressed that the Agency should have **financial autonomy as laid down in its Statutes.**

2013 discharge: Euratom Supply Agency (ESA)

2014/2117(DEC) - 30/01/2015

Having examined the revenue and expenditure account for the financial year 2013 and the balance sheet at 31 December 2013 of the Euratom Supply Agency, 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 Director General 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 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 Court has made some observations. They may be summarised as follows:

- **financing of administrative services of the Agency**: the Council notes the Court's observation that no details are provided in the Agency's 2013 annual accounts for the administrative services paid directly by the Commission. It invites the Commission and the Agency to take the appropriate remedial measures;
- **internal controls**: the Council urges the Agency to take actions to remedy the weaknesses found by the Court in the Agency's internal controls system.

2013 discharge: Euratom Supply Agency (ESA)

2014/2117(DEC) - 31/03/2015 - 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 Euratom Supply Agency (ESA) for the financial year 2013.

It called on the European Parliament to grant the Director-General of the Euratom Supply 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**: the final budget of the ESA for the financial year 2013 was EUR 104 000, representing the same amount as compared to 2012. The entire budget of the Agency derives from the Union budget.
- **Budgetary and Financial management**: Members noted that budget monitoring efforts during the financial year 2013 resulted in a commitment appropriation rate of 95%, and payment appropriation rate of 59.22%. They acknowledged from the Court's report that there is insufficient documentation on the main elements of the Agency's internal controls, such as risk management and control strategy, procedures to monitor performance.

As regards the **reliability of accounts**, Members noted that the Agency's notes on its annual accounts explain that all salaries and some additional costs for administrative services were paid directly from the Commission's budget. However, although the costs incurred by salaries are disclosed, no details are provided about the costs of the administrative services. They expressed concern that this situation obscures the level to which the Agency is dependent upon the Commission. They stressed that the Agency should have **financial autonomy** as laid down in the Statutes of the Agency.

2013 discharge: Euratom Supply Agency (ESA)

2014/2117(DEC) - 01/07/2014 - Court of Auditors: opinion, report

PURPOSE: presentation of the EU Court of Auditors' report on the annual accounts of the Euratom Supply Agency (ESA) 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 ESA.

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:

- **reliability of accounts**: the notes to the Agency's 2013 annual accounts explain that all salaries and some additional costs for administrative services were paid directly from the Commission's budget. The salary costs are disclosed, but no details are provided on the costs for the administrative services. Therefore the extent to which the Agency is dependent upon the Commission is not fully visible;
- **internal controls**: there is insufficient documentation of the main elements of the Agency's internal controls, such as a risk management and control strategy.

The Agency's reply:

- **reliability of accounts**: the Agency noted that precise data concerning the Agency's administrative costs covered by the Commission are owned by the latter. It considered the fact that the Commission pays the salaries of the Agency's staff (and some other administrative expenses) does not jeopardise per se the ESA's independence while it enables economies of scale;
- **internal controls**: in the Agency's understanding, an appropriate risk management and control strategy is effectively in place. However, starting within the current year, the Agency will provide further, structured documentation on risk-assessment and risk mitigation actions.

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

Budget: EUR 104 000 including a EUR 98 000 Community contribution.

Activities:

- some 279 transactions, including contracts, amendments and notifications of the front-end activities;
- report on the uranium market (Quarterly Uranium Market Reports) or as regards the nuclear sector (Nuclear News Digests);
- participation in activities of the Agency's Advisory Committee;
- relations with other EU institutions and international cooperation, namely the IAEA (International Atomic Energy Agency) and the OECD/NEA (Nuclear Energy Agency).

2013 discharge: Euratom Supply Agency (ESA)

2014/2117(DEC) - 29/04/2015 - Text adopted by Parliament, single reading

The European Parliament adopted by 542 votes to 128, with 10 abstentions, a decision to grant discharge to the Director-General of the Euratom Supply Agency (ESA) 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 574 votes to 107, with 7 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**: the final budget of the ESA for the financial year 2013 was EUR 104 000, representing the same amount as compared to 2012. The entire budget of the Agency derives from the Union budget.
- **Budgetary and Financial management**: Parliament noted that budget monitoring efforts during the financial year 2013 resulted in a commitment appropriation rate of 95%, and payment appropriation rate of 59.22%. It acknowledged from the Court's report that there is insufficient documentation on the main elements of the Agency's internal controls, such as risk management and control strategy, procedures to monitor performance.

As regards the **reliability of accounts**, Parliament noted that the Agency's notes on its annual accounts explain that all salaries and some additional costs for administrative services were paid directly from the Commission's budget. However, although the costs incurred by salaries are disclosed, no details are provided about the costs of the administrative services. It expressed concern that this situation obscures the level to which the Agency is dependent upon the Commission. Moreover, it stressed that the Agency should have **financial autonomy** as laid down in the Statutes of the Agency.

Lastly, Parliament noted that, according to the Court's report, there is insufficient documentation on the main elements of the Agency's internal controls.

2013 discharge: Euratom Supply Agency (ESA)

2014/2117(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 **Euratom Supply Agency (ESA)**.

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 Euratom Supply Agency (ESA).

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.

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

- **description of ESA's tasks**: the ESA, which is located in Luxembourg (LU), was established by Council Decision 2008/114/EC, Euratom. Its main tasks are to: (i) provide expertise, information and advice to the EU on the market in nuclear materials and services and; (ii) monitor the market in this area.

- **ESA's budget for the 2013 financial year**: the final annual accounts may be found in the document entitled Final accounts of the EURATOM Agency.