Basic information

2014/2123(DEC) DEC - Discharge procedure	Procedure completed
2013 discharge: Agency for the Cooperation of Energy Regulators (ACER) **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		

31/03/2015	Committee report tabled for plenary	A8-0117/2015	Summary
28/04/2015	Debate in Parliament		
29/04/2015	Decision by Parliament	T8-0131/2015	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	2014/2123(DEC)
Procedure type	DEC - Discharge procedure
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/01588

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE539.705	30/01/2015	
Amendments tabled in committee		PE539.765	05/03/2015	
Committee report tabled for plenary, single reading		A8-0117/2015	31/03/2015	Summary
Text adopted by Parliament, single reading		T8-0131/2015	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	N8-0071/2014 OJ C 442 10.12.2014, p. 0018	08/07/2014	Summary

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

Final act	
Budget 2015/1633 OJ L 255 30.09.2015, p. 0155	Summary

2013 discharge: Agency for the Cooperation of Energy Regulators (ACER)

2014/2123(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 Agency for the Cooperation of Energy Regulators (ACER), 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 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 the 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 2013 are legal and regular.

Nevertheless, some observations have been made by the Council. They are summarised as follows:

- **financial programming**: the Council calls on the Agency to continue improving its financial programming and monitoring of the budget implementation in order to reduce the level of commitments carried over to the next financial year to the strict minimum;
- **treasury**: the Council regrets that the weaknesses in the management of the Agency's treasury were again found by the Court leading to excessive cash balances. It welcomes the corrective action taken with the cash forecasting tool introduced in 2014 and urges the Agency to monitor closely its cash requirements and cash flows in order to avoid high cash balances.

2013 discharge: Agency for the Cooperation of Energy Regulators (ACER)

2014/2123(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 Agency for the Cooperation of Energy Regulators (ACER) for the financial year 2013.

It called on the European Parliament to grant the Director of the Agency discharge in respect of the implementation of its 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 Agency for the financial year 2013 was EUR 11 930 220, representing an increase of 64.74% compared to 2012, which can be explained by the Agency’s recently established nature and as a result of the implementation of the REMIT Regulation (Regulation No 1227/2011 of the European Parliament and of the Council on wholesale energy market integrity and transparency).
- **Budget and financial management**: Members noted that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 97.53%, and that the payment appropriations execution rate was low at 55%, below the Agency’s target of 70%, mainly due to the late receipt of EUR 2 989 000 through an amended budget approved on 31 October 2013.
- **Carry-overs**: Members noted that the carry-overs for Title III appropriations amounted to EUR 3.1 million, representing 91% of the total appropriations under this title. Those carry-overs are related to the REMIT Regulation. They acknowledged from the Agency that a series of measures have been implemented in order to improve the budged planning processes. They called on the Agency to inform the discharge authority on the progress and results of those measures.

Members also made a series of observations on the prevention and management of conflicts of interests, recruitment and internal control.

2013 discharge: Agency for the Cooperation of Energy Regulators (ACER)

2014/2123(DEC) - 29/04/2015 - Final act

PURPOSE: to grant discharge to the Agency for the Cooperation of Energy Regulators (ACER) for the financial year 2013.

NON LEGISLATIVE ACT: Decision (EU) 2015/1633 of the European Parliament on discharge in respect of the implementation of the budget of the Agency for the Cooperation of Energy Regulators for the financial year 2013.

CONTENT: with the present decision, the European Parliament grants discharge to the Director of the Agency for the Cooperation of Energy Regulators discharge in respect of the implementation of the Agency's 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, the latter noted that the Agency has implemented a series of measures to **improve the budget planning processes** and it called on the Agency to inform the discharge authority on the progress and results of those measures.

2013 discharge: Agency for the Cooperation of Energy Regulators (ACER)

2014/2123(DEC) - 08/07/2014 - Court of Auditors: opinion, report

PURPOSE: presentation of the EU Court of Auditors’ report on the annual accounts of the Agency for Cooperation of Energy Regulators (ACER) 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 Agency for Cooperation of Energy Regulators (ACER).

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 Agency carried over EUR 1.9 million or 56% of total committed appropriations for administrative costs (Agency’s building and associated costs), mainly related to the implementation of the REMIT regulation. This is an operational, multiannual activity and should have been budgeted under title III. In addition, the Agency carried over EUR 3.1 million or 91% of total committed title III appropriations. The exceptionally high rate of carry-over for title III is mainly due to some EUR 3 million in additional funding received through an amended budget approved on 31 October 2013. The Agency held EUR 5.5 million in cash at year-end, which included some 3 million euro relating to the late budget amendment. Nevertheless, average cash balances during the year were significantly higher than justified by operational requirements.

The Authority’s reply:

- **budgetary management**: the Agency stated that the high rate of carry-overs reflected the delay in the implementation of REMIT. This delay was due to the fact that the transfer of the required additional funds from DG ENER was approved only in October 2013 and the funds received by the Agency in early November 2013. However, the Agency has successfully managed to conclude all planned procurement procedures related to the REMIT implementation by December 2013, with the related expenditure to occur in 2014. It stated that the cash forecasting tool introduced in 2014 will support a better cash management in the future.

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

Budget: EUR 11.9 million.

Activities:

- various opinions on EU energy legislation;
- guidance on development of network code amendment proposal on incremental and new capacity (Gas);
- update of the 2nd edition of the Guidance on the REMIT application, 3rd edition of the guidance on the application of REMIT definitions, and update of Q&A paper;
- various recommendations to the European Commission on themes related to the Agency's areas of competence;
- reporting;
- organisation of an annual conference 'Energy Markets: 2014 and beyond'.

2013 discharge: Agency for the Cooperation of Energy Regulators (ACER)

2014/2123(DEC) - 29/04/2015 - Text adopted by Parliament, single reading

The European Parliament adopted by 550 votes to 125, with 4 abstentions, a decision to grant discharge to the Director of the Agency for the Cooperation of Energy Regulators (ACER) 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 566 votes to 104, 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**: Parliament noted that the final budget of the Agency for the financial year 2013 was EUR 11 930 220, representing an increase of 64.74% compared to 2012, which can be explained by the Agency's recently established nature and as a result of the implementation of the REMIT Regulation (Regulation No 1227/2011 of the European Parliament and of the Council on wholesale energy market integrity and transparency).
- **Budget and financial management**: Parliament noted that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 97.53%, and that the payment appropriations execution rate was low at 55%, below the Agency's target of 70%, mainly due to the late receipt of EUR 2 989 000 through an amended budget approved on 31 October 2013.
- **Carry-overs**: Parliament also noted that the carry-overs for Title III appropriations amounted to EUR 3.1 million, representing 91% of the total appropriations under this title. Those carry-overs are related to the REMIT Regulation. It acknowledged from the Agency that a series of measures have been implemented in order to improve the budged planning processes. It called on the Agency to inform the discharge authority on the progress and results of those measures.

Lastly, Parliament also made a series of observations on the prevention and management of conflicts of interests, recruitment and internal control.

2013 discharge: Agency for the Cooperation of Energy Regulators (ACER)

2014/2123(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 **Agency for the Cooperation of Energy Regulators (ACER)**.

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 Agency for the Cooperation of Energy Regulators (ACER).

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.

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

- **description of ACER's tasks**: ACER, which is located in Ljubljana, was set up by Regulation (EU) No 713/2009 of the European Parliament and of the Council with a view to helping the Member States' regulatory authorities in the areas of electricity and natural gas to carry out their regulatory tasks in line with the applicable Community texts, if necessary by coordinating their action. Its aim is to give an opinion on any of the issues relating to the purpose for which it has been established;
- **ACER's budget for the 2013 financial year**: ACER'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 12 million;

  - **paid** : EUR 12 million;

  - **carried-over** : 0.

  § **Payment appropriations** :

  - **committed** : EUR 14 million;

  - **paid** : EUR 8 million;

  - **carried-over** : EUR 5 million.

Please refer also to the final accounts of the Agency for cooperation of Energy Regulators.