Basic information

2015/2175(DEC) DEC - Discharge procedure	Procedure completed
2014 discharge: European Aviation Safety Agency (EASA) **Subject** 8.70.03.04 2014 discharge	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	VAUGHAN Derek (S&D)	19/08/2015
	Shadow rapporteur DEUTSCH Tamás (PPE) VISTISEN Anders (ECR) ALI Nedzhmi (ALDE) DE JONG Dennis (GUE/NGL) JÁVOR Benedek (Verts/ALE) VALLI Marco (EFDD) KAPPEL Barbara (ENF)	

Committee for opinion	Rapporteur for opinion	Appointed
TRAN Transport and Tourism	AYALA SENDER Inés (S&D)	21/10/2015

European Commission

Commission DG	Commissioner
Budget	GEORGIEVA Kristalina

Key events

Date	Event	Reference	Summary
23/07/2015	Non-legislative basic document published	COM(2015)0377	Summary

05/10/2015	Committee referral announced in Parliament		
04/04/2016	Vote in committee		
07/04/2016	Committee report tabled for plenary	A8-0095/2016	Summary
27/04/2016	Debate in Parliament		
28/04/2016	Decision by Parliament	T8-0165/2016	Summary
28/04/2016	Results of vote in Parliament		
28/04/2016	End of procedure in Parliament		
14/09/2016	Final act published in Official Journal		

Technical information

Procedure reference	2015/2175(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/04189

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE569.743	01/02/2016	
Committee opinion	TRAN	PE569.845	17/02/2016	
Amendments tabled in committee		PE576.924	04/03/2016	
Committee report tabled for plenary, single reading		A8-0095/2016	07/04/2016	Summary
Text adopted by Parliament, single reading		T8-0165/2016	28/04/2016	Summary

Council of the EU

Document type	Reference	Date	Summary
Supplementary non-legislative basic document	05584/2016	27/01/2016	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2015)0377	23/07/2015	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary

CofA	Court of Auditors: opinion, report	N8-0126/2015 OJ C 409 09.12.2015, p. 0081	15/09/2015	Summary

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

Final act	
Budget 2016/1501 OJ L 246 14.09.2016, p. 0201	Summary

2014 discharge: European Aviation Safety Agency (EASA)

2015/2175(DEC) - 27/01/2016 - Supplementary non-legislative basic document

Having examined the revenue and expenditure accounts for the financial year 2014 and the balance sheet as at 31 December 2014 of the European Aviation Safety Agency (EASA), as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2014, accompanied by the Agency's replies to the Court's observations, the Council recommended 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 2014.

The Council welcomed the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2014 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 2014 are legal and regular in all material respects.

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

- **public procurement**: once again, the Council regretted the deficiencies found by the Court in the Agency's procurement procedures and urges the Agency to take appropriate action in order to improve its procurement planning;
- **carry-overs**: the Council, while welcoming the steps taken by the Agency to implement the Court's previous recommendations, noted that the level of commitment appropriations carried over remained high. The Council reiterates its request to the Agency to continue improving its financial programming and monitoring of the budget implementation with a view to reducing the level of carry-overs to the next financial year to the strict minimum, in line with the budgetary principle of annuality.

2014 discharge: European Aviation Safety Agency (EASA)

2015/2175(DEC) - 28/04/2016 - Final act

PURPOSE: to grant discharge to the European Aviation Safety Agency (EASA) in respect of the Agency’s budget for the financial year 2014.

NON LEGISLATIVE ACT: Decision (EU) 2016/1501 of the European Parliament on discharge in respect of the implementation of the budget of the European Aviation Safety Agency for the financial year 2014.

CONTENT: with the present decision, the European Parliament grants discharge to the Executive Director of the European Aviation Safety Agency for the implementation of its budget for the financial year 2014.

This decision is in line with the European Parliament's resolution adopted on 28 April 2016 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 28 April 2016).

Amongst Parliament’s main observations in the resolution accompanying the discharge decision, the latter noted with concern that, since 2004, when the Agency became operational, it has been working merely on the basis of correspondence and exchanges with the host Member State. It called on the Agency and the host Member State to address this issue as a matter of the utmost urgency and to inform the discharge authority of the **progress of the negotiations**.

It reiterated the Agency's vital role in ensuring the highest possible level of aviation safety throughout Europe (notably following the disappearance of MH370, the dramatic accident of MH17, the crash of Air Asia QZ8501 and the radar interferences over Central Europe).

2014 discharge: European Aviation Safety Agency (EASA)

2015/2175(DEC) - 28/04/2016 - Text adopted by Parliament, single reading

The European Parliament decided to grant discharge to the Executive Director of the European Aviation Safety Agency (EASA) in respect of the implementation of the agency's budget for the financial year 2014. The vote on the decision on discharge covers the closure of the accounts (in accordance with Annex V, Article 5 (1)(a) to Parliament's Rules of Procedure.

Noting that the Court of Auditors has stated that it has obtained reasonable assurances that the Agency's annual accounts for the financial year 2014 are reliable and that the underlying transactions are legal and regular, Parliament adopted by 521 votes to 111 with 8 abstentions, a resolution containing a series of recommendations, which form an integral part of the decision on discharge and which add to the general recommendations set out in the resolution on performance, financial management and control of EU agencies:

- **Agency's financial statements**: Parliament noted the final budget of the Agency for the financial year 2014 was EUR 181 179 098, representing an increase of 8.47 % compared to 2013.
- **Budget and financial management**: Parliament noted that the budget monitoring efforts during the financial year 2014 resulted in a budget implementation rate of 97.1 %, representing a decrease of 0.9 % compared to 2013.

Parliament also made a series of observations regarding procedures for contract awards (which need to be better planned), recruitment, internal control and audit, as well as the prevention and management of conflicts of interest. In this regard, Parliament noted that, in 2014, the Agency adopted a Confidential Safety Reporting Procedure which addresses whistle-blower information related to **alleged malpractices and irregularities in the field of aviation safety reported by external individuals**. It observed that there were 66 cases related to this procedure in 2014 and noted that the Agency has a whistle-blower procedure in place and that one case was registered in 2014 with no appeals received.

In parallel, Parliament noted that the Agency already established and implemented **a comprehensive policy on the prevention and mitigation of conflicts of interest** as well as on "Gifts and Hospitality" in its Code of Conduct (CC) for the staff. This policy includes inter alia the establishment of an Ethical Committee to assess the completed declarations of interest and to deal with any subject related to the CC. It noted that the Agency is set to review and update its policies on management of conflicts of interest and call on the Agency to report to the discharge authority on the status of the policy update.

Parliament also noted with concern that, since 2004, when the Agency became operational, it has been working merely **on the basis of correspondence and exchanges with the host Member State**. It noted, furthermore, that **a comprehensive headquarters agreement has not yet been signed** with the host Member State. It acknowledged that the government of the host Member State recently initiated informal discussions with the Agency on this matter. It called on the Agency and the host Member State to address this issue as a matter of the utmost urgency.

Performance: Parliament noted that, in 2014, the Agency has initiated fundamental changes in the way it operates in order to allow for a more proportionate and performance-based approach to safety and that it has reviewed its organisational structure to prepare itself for the many challenges it will face in the immediate coming years.

Lastly, Parliament highlighted the Agency's vital role in ensuring the highest possible level of aviation safety throughout Europe; recognises that, due to the disappearance of MH370, the dramatic accident of MH17, the crash of Air Asia QZ8501 and the radar interferences over Central Europe. **2014 was a challenging year for the Agency and for aviation safety in general**, requiring it to deal with implementing and supervising new provisions on flight time limitations. Parliament called for the necessary financial, material and human resources to be made available to allow the Agency to perform its regulatory and executive tasks successfully, in the fields of safety and environmental protection, without compromising its independence and impartiality.

2014 discharge: European Aviation Safety Agency (EASA)

2015/2175(DEC) - 15/09/2015 - Court of Auditors: opinion, report

PURPOSE: presentation of the EU Court of Auditors' report on the annual accounts of the European Aviation Safety Agency for the year 2014, 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 Aviation Safety Agency (EASA).

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 2014, and
- 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 2014 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 2014 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**: although the Agency reduced further the overall level of carry-overs, this amount remained high at EUR 3.6 million (22 %) for administrative expenditure and at EUR 2 million (38.1 %) for operational expenditure, which is at odds with the budgetary principle of annuality;
- **public procurement**: the Court noted that there is room to improve the Agency's procurement planning, particularly in respect of framework contracts. In 2014, three procedures were launched too late to replace existing framework contracts by the time they expired.

The Agency's replies:

- **budgetary management**: the Agency has continued to reduce the overall level of carry-overs. The 2014 exercise has been affected by exceptional events linked to the Agency's move to a new headquarter building (MOVE project);
- **public procurement**: the Agency hopes to deliver a better organisational oversight on procurement in the future.

Lastly, the Court of Auditors' report contains a summary of the **Agency's activities in 2014**. This is focused on the following:

Budget: EUR 162.3 million of which the Union subsidy amounts to 21.1 %.

Activities:

- opinions and decisions relating to certification and compliance;
- notices of proposed amendments;
- international cooperation including a cooperation agreement with bilateral partners of the Agency;
- bilateral aviation safety agreements (BASA) with Brazil or the United States and Canada;
- certification decisions ;
- standardisation inspections in the field of airworthiness, operations, flight crew licensing, medical flight crew licensing and flight simulation training devices.

2014 discharge: European Aviation Safety Agency (EASA)

2015/2175(DEC) - 07/04/2016 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Derek VAUGHAN (S&D, UK) on discharge in respect of the implementation of the budget of the European Aviation Safety Agency for the financial year 2014.

The parliamentary committee calls 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 2014.

Noting that the Court of Auditors issued a statement of assurance as to the reliability of the accounts and the legality and regularity of the underlying transactions for the financial year 2014, Members call on 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 note the final budget of the Agency for the financial year 2014 was EUR 181 179 098, representing an increase of 8.47 % compared to 2013.

- **Budget and financial management:** Members note that the budget monitoring efforts during the financial year 2014 resulted in a budget implementation rate of 97.1 %, representing a decrease of 0.9 % compared to 2013.

Members also made a series of observations regarding procedures for contract awards (which need to be better planned), recruitment, internal control and audit, as well as the prevention and management of conflicts of interest. In this regard, Members note that, in 2014, the Agency adopted a Confidential Safety Reporting Procedure which addresses whistle-blower information related to **alleged malpractices and irregularities in the field of aviation safety reported by external individuals**. They observe that there were 66 cases related to this procedure in 2014 and note that the Agency has a whistle-blower procedure in place and that one case was registered in 2014 with no appeals received.

In parallel, Members note that the Agency already established and implemented **a comprehensive policy on the prevention and mitigation of conflicts of interest** as well as on "Gifts and Hospitality" in its Code of Conduct (CC) for the staff. This policy includes inter alia the establishment of an Ethical Committee to assess the completed declarations of interest and to deal with any subject related to the CC. They note that the Agency is set to review and update its policies on management of conflicts of interest and call on the Agency to report to the discharge authority on the status of the policy update.

They note with concern that, since 2004, when the Agency became operational, it has been working merely **on the basis of correspondence and exchanges with the host Member State**. They note, furthermore, that **a comprehensive headquarters agreement has not yet been signed** with the host

Member State. They acknowledge that the government of the host Member State recently initiated informal discussions with the Agency on this matter. They call on the Agency and the host Member State to address this issue as a matter of the utmost urgency.

Lastly, Members highlight the Agency's vital role in ensuring the highest possible level of aviation safety throughout Europe; recognises that, due to the disappearance of MH370, the dramatic accident of MH17, the crash of Air Asia QZ8501 and the radar interferences over Central Europe.

2014 was a challenging year for the Agency and for aviation safety in general, requiring it to deal with implementing and supervising new provisions on flight time limitations. Members call for the necessary financial, material and human resources to be made available to allow the Agency to perform its regulatory and executive tasks successfully, in the fields of safety and environmental protection, without compromising its independence and impartiality.

2014 discharge: European Aviation Safety Agency (EASA)

2015/2175(DEC) - 23/07/2015 - Non-legislative basic document

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2014, as part of the 2014 discharge procedure.

Analysis of the accounts of the **European Aviation Safety Agency (EASA)**.

CONTENT: this Commission document sets out the consolidated annual accounts of the European Union for the financial year 2014 as prepared on the basis of the information presented by the institutions, organisations and bodies of the EU, in accordance with Article 148 (2) of the Financial Regulation applicable to the EU's General Budget, including the European Aviation Safety Agency (EASA).

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

On this basis, the Financial Controller of the European Commission ensures the certification of the consolidated accounts as declared by the institutions, agencies and bodies of the European Union.

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.

This document sets out how the Agencies spent and implemented their budget in 2014. Each agency is subject to its own discharge procedure.

EASA: in 2014, the tasks and budget of this agency were as follows:

- **description of EASA's tasks**: EASA, which is located in Cologne, was established by Regulation (EC) No 1592/2002 of the European Parliament and of the Council and its role is to maintain a high uniform level of civil aviation safety in Europe and to ensure the proper development of civil aviation safety. It shall issue opinions and recommendations to the Commission and take decisions in this area;
- **EASA's budget for the 2014 financial year**: the Agency’s budget for 2014, as presented in the Commission document on the consolidated annual accounts of the European Union, gives the following figures:

Commitment appropriations :

- **committed** : EUR 184 million;

- **paid** : EUR 136 million;

- **carried-over** : EUR 45 million.

Payment appropriations :

- **committed** : EUR 191 million;

- **paid** : EUR 125 million;

- **carried-over** : EUR 63 million.

Please refer also to the final accounts of the EASA.