Basic information

2015/2179(DEC) DEC - Discharge procedure	Procedure completed
2014 discharge: European Railway Agency (ERA) **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	A8-0106/2016	Summary
27/04/2016	Debate in Parliament		
28/04/2016	Decision by Parliament	T8-0180/2016	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	2015/2179(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/04197

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE569.758	01/02/2016	
Committee opinion	TRAN	PE572.892	17/02/2016	
Amendments tabled in committee		PE576.951	04/03/2016	
Committee report tabled for plenary, single reading		A8-0106/2016	07/04/2016	Summary
Text adopted by Parliament, single reading		T8-0180/2016	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	N8-0141/2015 OJ C 409 09.12.2015, p. 0238	08/09/2015	Summary

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

Final act	
Budget 2016/1546 OJ L 246 14.09.2016, p. 0308	Summary

2014 discharge: European Railway Agency (ERA)

2015/2179(DEC) - 28/04/2016 - Text adopted by Parliament, single reading

The European Parliament decided to grant discharge to the Executive Director of the European Railway Agency (ERA) in respect of the implementation of its 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 511 votes to 115 with 11 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 European Railway Agency for the financial year 2014 was EUR 25 715 600, representing a decrease of 0.55 % compared to 2013 and that the entire budget of the Agency derives from the Union budget.
- **Budget and financial management**: Parliament noted that the budget monitoring efforts during the financial year 2014 resulted in a high budget implementation rate of 97.34 %, representing a decrease of 0.53 % compared with 2013.

Parliament also made a series of observations regarding commitments and carryovers, the management and prevention of conflicts of interest, as well as contract award, recruitment and internal audit and control procedures.

Performance: Parliament noted the high number of outputs (240) and key performance indicators (41) in the Agency's work programme 2014 and annual report. It supported the view that a reporting system based on the Agency's impact on the railway sector would enhance transparency and visibility on mission delivery by the Agency.

Parliament also noted the fact that the Agency shares its Accounting Officer with the European Securities and Markets Authority and certain facilities with the Translation Centre for the Bodies of the European Union in order to create synergies and achieve cost-effectiveness.

Headquarters and double location: Parliament noted that, although the Agency became operational in 2005, it has been working on the basis of correspondence and exchanges with the host Member State since a **comprehensive headquarters agreement** between the Agency and the host Member State was not signed. It called on the Agency and the host Member State to address this issue as a matter of urgency and to inform the discharge authority on the progress of the negotiations.

It deplored the fact that using two locations to carry out its activities exposes the Agency to additional costs and represents a waste of the European taxpayer's money. It demanded that this issue be addressed in order to restore value for taxpayer's money and operational efficiency while also avoiding needless indirect cost such as "wasted" working hours due to travelling or additional administrative work.

Lastly, Parliament pointed out that the Agency's role is ensuring the safety and interoperability of European rail system. It noted that a review of the Agency's role (e.g. one-stop-shop for vehicle authorisation and safety certification) and powers forms part of the Fourth Railway Package and that if it receives further responsibilities it will need to be **given the necessary financial, material and human resources to perform its new and additional tasks effectively and efficiently**.

It encouraged the Agency to collaborate with Member States in order to increase the number and quality of railway projects, especially ERTMS projects, proposed under the Connecting Europe Facility (CEF) transport programme. It recalled Parliament's position in budgetary procedure for **recovering of total amounts relocated from the CEF to the European Fund for Strategic Investments.**

2014 discharge: European Railway Agency (ERA)

2015/2179(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 Railway 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 noted the final budget of the European Railway Agency for the financial year 2014 was EUR 25 715 600, representing a decrease of 0.55 % compared to 2013 and that the entire budget of the Agency derives from the Union budget.
- **Budget and financial management:** Members note that the budget monitoring efforts during the financial year 2014 resulted in a high budget implementation rate of 97.34 %, representing a decrease of 0.53 % compared with 2013.

Members also made a series of observations regarding commitments and carryovers, the management and prevention of conflicts of interest, as well as contract award, recruitment and internal audit and control procedures.

Members noted the fact that the Agency shares its Accounting Officer with the European Securities and Markets Authority and certain facilities with the Translation Centre for the Bodies of the European Union in order to create synergies and achieve cost-effectiveness.

They note that, although the Agency became operational in 2005, it has been working on the basis of correspondence and exchanges with the host Member State since a **comprehensive headquarters agreement** between the Agency and the host Member State was not signed. They call on the Agency and the host Member State to address this issue as a matter of urgency and to inform the discharge authority on the progress of the negotiations.

Lastly, Members point out that the Agency's role is ensuring the safety and interoperability of European rail system. They note that a review of the Agency's role (e.g. one-stop-shop for vehicle authorisation and safety certification) and powers forms part of the Fourth Railway Package and that if it receives further responsibilities it will need to be **given the necessary financial, material and human resources to perform its new and additional tasks effectively and efficiently**.

They encourage the Agency to collaborate with Member States in order to increase the number and quality of railway projects, especially ERTMS projects, proposed under the Connecting Europe Facility (CEF) transport programme. They recall Parliament's position in budgetary procedure for **recovering of total amounts relocated from the CEF to the European Fund for Strategic Investments.**

2014 discharge: European Railway Agency (ERA)

2015/2179(DEC) - 08/09/2015 - 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 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 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 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**: the Court noted that there was a high level of committed appropriations carried over for the operational budget at EUR 2.2 million, i.e. 37.7 % due to delayed operational projects (safety, European Railways Traffic Management System — ERTMS) and delayed IT projects. This situation is at odds with the budgetary principle of annuality.

The Agency's reply:

- **budgetary management**: the Agency took note of the Court's comment and further improved the monitoring of the budgetary implementation.

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

Budget: EUR 25.7 million.

Activities:

- monitoring of and biennial report on safety performance;
- evaluating transposition of the Safety Directive;
- national safety audits and national investigating body;
- drafting a recommendation on a revised Common Safety Method for assessing CSTs and NRVs.
- running a pilot on a new regulatory monitoring matrix;
- reviewing the current framework on assessment and supervision by NSAs;
- facilitating trial 'one-stop-shop' authorisations and the migration to the 4th Railway Package;
- implementing Technical specifications for interoperability (TSIs) with extended geographical scope and guiding, supporting and advising the rail sector and Member States when implementing the telematics TSIs;
- follow-up of the development, testing and implementation of the European Rail Traffic Management System (ERTMS) and supporting harmonised operations with ERTMS;
- continuously implementing appropriate tools and resources in order to become a modern organisation which can quickly adapt to any changes.

2014 discharge: European Railway Agency (ERA)

2015/2179(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 Railway Agency (ERA), 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:

- **financial programming**: the Council called on the Agency to pay due attention to proper financial programming and budget implementation in order to reduce the level of committed appropriations carried over to the following financial year, in line with the budgetary principle of annuality;
- **procurement procedures**: the Council stated that the Agency has failed to respect the competition principle in the procurement procedures. It invited the Agency to remain vigilant in ensuring competition on price in its procurements.

2014 discharge: European Railway Agency (ERA)

2015/2179(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 Railway Agency (ERA).**

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 Railway Agency (ERA).

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.

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

- **description of ERA's tasks**: ERA, which is located in Lille-Valenciennes (FR), was created by Regulation (EC) No 881/2004 of the European Parliament and of the Council. Its aim is to enhance the level of interoperability of railway systems and 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 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 26 million;

- **paid** : EUR 25 million;

- **carried-over** : 0.

Payment appropriations :

- **committed** : EUR 28 million;

- **paid** : EUR 24 million;

- **carried-over** : EUR 3 million.

Please refer also to the final accounts of the ERA.

2014 discharge: European Railway Agency (ERA)

2015/2179(DEC) - 28/04/2016 - Final act

PURPOSE: to grant discharge to the European Railway Agency (ERA) for the financial year 2014.

NON LEGISLATIVE ACT: Decision (EU) 2016/1546 of the European Parliament on discharge in respect of the implementation of the budget of the European Railway Agency for the financial year 2014.

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 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 that since 2005, the Agency has been working on the basis of correspondence and exchanges with the host Member State (France) since a comprehensive headquarters agreement between the Agency and the host Member State was not signed. Parliament called on the Agency and France to address this issue as a matter of urgency and to inform the discharge authority on the progress of the negotiations. It deplored the fact that using **two locations** to carry out its activities exposes the Agency to additional costs and represents a waste of the European taxpayer's money.