Basic information

2015/2188(DEC) DEC - Discharge procedure	Procedure completed
2014 discharge: European Banking Authority (EBA) **Subject** 8.70.03.04 2014 discharge	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	VAUGHAN Derek (S&D)	20/08/2015
	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
ECON Economic and Monetary Affairs	FERBER Markus (PPE)	10/09/2015

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	A8-0090/2016	Summary
27/04/2016	Debate in Parliament		
28/04/2016	Decision by Parliament	T8-0167/2016	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	2015/2188(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/04214

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE569.745	27/01/2016	
Committee opinion	ECON	PE572.994	25/02/2016	
Amendments tabled in committee		PE576.926	04/03/2016	
Committee report tabled for plenary, single reading		A8-0090/2016	07/04/2016	Summary
Text adopted by Parliament, single reading		T8-0167/2016	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	N8-0128/2015 OJ C 409 09.12.2015, p. 0111	08/09/2015	Summary

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

Final act	
Budget 2016/1507 OJ L 246 14.09.2016, p. 0216	Summary

2014 discharge: European Banking Authority (EBA)

2015/2188(DEC) - 28/04/2016 - Final act

PURPOSE: to grant discharge to the European Banking Authority (EBA) for the financial year 2014.

NON LEGISLATIVE ACT: Decision (EU) 2016/1507 of the European Parliament on discharge in respect of the implementation of the budget of the European Banking Authority for the financial year 2014.

CONTENT: with the present decision, the European Parliament grants discharge to the Executive Director of the European Banking Authority 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 called for an overall **improvement in the prevention of and the fight against corruption** through a holistic approach, commencing with better public access to documents and more stringent rules on conflicts of interest.

2014 discharge: European Banking Authority (EBA)

2015/2188(DEC) - 28/04/2016 - Text adopted by Parliament, single reading

The European Parliament decided to grant the Executive Director of the European Banking Authority (EBA) discharge in respect of the implementation of EBA’s budget for the financial year 2014. The vote on the decision on discharge covers the closure of the accounts (in accordance with Annex 5, 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 EBA’s annual accounts for the financial year 2014 are reliable and that the underlying transactions are legal and regular, Parliament adopted by 512 votes to 103 with 26 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:

- **Authority's financial statements:** Parliament noted that the final budget of the European Banking Authority for financial year 2014 was EUR 33 599 863 representing an increase of 29.39 % compared to 2013, due to the Authority’s recently established nature.
- **Budget and financial management:** Parliament noted that the budget monitoring efforts during the financial year 2014 resulted in a budget implementation rate of 99.81 %, resulting from improvements in budget planning and monitoring;

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

As regards **performance**, Parliament noted that the Authority closely cooperates with the European Insurance and Occupational Pensions Authority and the European Securities and Markets Authority. This cooperation is across all support functions in order to reduce administrative costs were possible, to leverage synergies and to share best practices. It looked forward to further efforts from the Authority to **enhance its cooperation with other decentralised agencies**.

Parliament underlined that the Authority's role in promoting a common supervisory regime across the internal market is essential in order to ensure financial stability. It pointed out that it is of particular importance that provisions drafted by the Authority are designed in a way that allows them to be equally applied by smaller entities.

Transparency: Parliament noted the conclusion of the Court, in its special report 2014/05, that, overall, the Authority's resources during its start-up phase were insufficient to allow it to fulfil its mandate. Additional tasks envisaged in on-going legislative work require an adequate level of staff, in terms of both numbers and qualifications, and funding to allow for satisfactory supervision. Parliament emphasised, however, that any potential increase in the Authority's means must be explained thoroughly and accompanied by rationalisation measures wherever possible.

Furthermore, Parliament considered that the Authority must carefully stick to the tasks assigned to it by the Union legislator and **must not seek to de facto broaden its mandate** beyond those assignments. The Authority should also regularly and comprehensively inform the Parliament on a timely basis about its activities in order to ensure transparency and Parliament regretted that that this has not always been done in the past.

2014 discharge: European Banking Authority (EBA)

2015/2188(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 Banking Authority (EBA), as well as the Court of Auditors' report on the annual accounts of the Authority for the financial year 2014, accompanied by the Authority's replies to the Court's observations, the Council recommended the European Parliament to give a discharge to the Executive Director of the Authority 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 Authority'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 Authority'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 Authority to continue improving its financial programming and monitoring of the budget implementation, in order to reduce the level of carry-overs of committed appropriations to the following financial year to the strict minimum, in line with the budgetary principle of annuality, although it noted that the carry-overs from 2014 to 2015 mainly related to the Authority's move to its new premises in mid-December 2014.

2014 discharge: European Banking Authority (EBA)

2015/2188(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 Banking Authority (EBA) for the financial year 2014.

The parliamentary committee calls on the European Parliament to grant the Executive Director of the Authority discharge in respect of the implementation of the EBA'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 Authority'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:

- **Authority's financial statements:** Members note that the final budget of the European Banking Authority for financial year 2014 was EUR 33 599 863 representing an increase of 29.39 % compared to 2013, due to the Authority's recently established nature.

- **Budget and financial management:** Members note that the budget monitoring efforts during the financial year 2014 resulted in a budget implementation rate of 99.81 %, resulting from improvements in budget planning and monitoring;

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

As regards **performance**, Members note that the Authority closely cooperates with the European Insurance and Occupational Pensions Authority and the European Securities and Markets Authority. This cooperation is across all support functions in order to reduce administrative costs were possible, to leverage synergies and to share best practices. They look forward to further efforts from the Authority to **enhance its cooperation with other decentralised agencies**.

Lastly, Members underline that the Authority's role in promoting a common supervisory regime across the internal market is essential in order to ensure financial stability. They point out that it is of particular importance that provisions drafted by the Authority are designed in a way that allows them to be equally applied by smaller entities. They stress that, while making sure that all assignments are carried out in full, the Authority must carefully **stick to the tasks assigned to it by the Union legislator and must not seek to *de facto* broaden its mandate beyond those assignments**. They regret, in particular, the EBA's lack of transparency on certain aspects.

2014 discharge: European Banking Authority (EBA)

2015/2188(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 Banking Authority (EBA) for the financial year 2014, together with the Authority'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 Banking Authority (EBA).

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 Authority, which comprise the financial statements and the reports on the implementation of the budget for the financial year ended 31 December 2014;
- the legality and regularity of the transactions underlying those accounts.

Opinion on the reliability of the accounts: in the Court's opinion, the Authority'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: the Court considers that 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 Authority, accompanied by the latter's response. The main observations may be summarised as follows:

The Court's observations:

- **budgetary management**: the Court notes that carry-overs of committed appropriations for administrative expenditure reached 48 %, mainly related to the Authority's move to its new premises in mid-December 2014.

The Authority's reply:

Budgetary management: the Authority takes note of the Court's report.

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

Budget: EUR 33.6 million, of which the Union subsidy is EUR 13.4 million.

Activities:

- conduct of 66 public consultations on draft regulatory and implementing technical standards for the European Commission;
- issuance of guidelines and recommendations to national competent authorities;
- **coordination of the 2014 EU-wide stress test to assess the resilience of 123 EU banks** to adverse economic developments, so as to understand remaining vulnerabilities, complete the repair of the EU banking sector and increase confidence;
- provision of 13 opinions addressed to the Commission, European Parliament and Council;
- issuance of thematic reports and semi-annual banking sector and cross-sectoral risk reports;
- active participation in meetings and activities of colleges of national supervisory authorities, including the promoting and monitoring of supervisory cooperation;
- work related to Euribor and benchmark-related issues, performed jointly with the ESMA, including monitoring the implementation of the recommendations to Euribor-EBF;
- annual assessment of banks' implementation of disclosure requirements;
- improvements in internal management of the Authority.

2014 discharge: European Banking Authority (EBA)

2015/2188(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 Banking Authority (EBA).**

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 Banking Authority (EBA).

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.

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

- **description of the EBA's tasks**: the Authority, which is located in London (UK), was established by Regulation (EU) No 1093/2010 of the European Parliament and of the Council and has the aim of protecting the public interest and contributing to the stability and efficiency of the banking system in the short, medium and long term for the economy of the European Union;
- **the EBA's budget for the 2014 financial year**: the EBA'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 34 million;

- **paid** : EUR 34 million;

- **carried-over** : 0.

Payment appropriations :

- **committed** : EUR 38 million;

- **paid** : EUR 32 million;

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

Please refer also to the final accounts of the European Banking Authority.