Basic information

2015/2191(DEC) DEC - Discharge procedure	Procedure completed
2014 discharge: Agency for the Cooperation of Energy Regulators (ACER) **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
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
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	A8-0087/2016	Summary
27/04/2016	Debate in Parliament		
28/04/2016	Decision by Parliament	T8-0160/2016	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	2015/2191(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/04221

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE569.736	02/02/2016	
Amendments tabled in committee		PE576.903	04/03/2016	
Committee report tabled for plenary, single reading		A8-0087/2016	07/04/2016	Summary
Text adopted by Parliament, single reading		T8-0160/2016	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	N8-0120/2015 OJ C 409 09.12.2015, p. 0018	08/09/2015	Summary

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

Final act	
Budget 2016/1486 OJ L 246 14.09.2016, p. 0167	Summary

2014 discharge: Agency for the Cooperation of Energy Regulators (ACER)

2015/2191(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 Agency for the Cooperation of Energy Regulators for the financial year 2014.

The parliamentary committee calls on the European Parliament to grant the 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 that the final budget of the Agency for the financial year 2014 was EUR 10 880 000, representing a decrease of 8.80 % compared to 2013. The entire budget of Agency derives from the Union budget.
- **Budget and financial management:** Members note that budget monitoring efforts during the financial year 2014 resulted in a budget implementation rate of 95 %, reaching the Agency's planned target and representing a decrease of 2.53 % compared with 2013. They note furthermore that the payment appropriations execution rate was at 69.84 %, representing an increase of 14.84 % compared with 2013. They find that the payment appropriations execution rate is below the Agency's target of 75 %, mainly due to the renewal or negotiation of the Agency's annual contracts towards the end of the year, as well as due to the multiannual nature of the REMIT project.

Members also made a series of observations regarding commitments and carryovers, contract awards, recruitment and audit procedures.

They point out that, according to the Seat Agreement between the Agency and the host Member State, a **European School** is to be established in the host Member State. They regret that more than four years after the entry into force of that agreement, no European School has been set up and call on the Agency to inform the discharge authority of state of play of the negotiations.

Lastly, in respect to performance, Members recall that the Agency reviewed its system of Key Performance Indicators (KPIs), by which it introduced a distinction between performance indicators and KPIs intended to give management a clearer indication of whether the Agency's overall objectives were being met.

2014 discharge: Agency for the Cooperation of Energy Regulators (ACER)

2015/2191(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 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 2014, accompanied by the Agency's replies to the Court's observations, the Council recommended 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 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 reiterated its call 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, in line with the budgetary principle of annuality. It recognised the multiannual nature of its operations, however, in particular the very high level of carry-overs in Title III in relation to the implementation of the REMIT regulation, and the pre-financing payments made in that regard at the end of 2014, contradict that principle.

2014 discharge: Agency for the Cooperation of Energy Regulators (ACER)

2015/2191(DEC) - 08/09/2015 - 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 Authority, 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 Agency carried over 62 % of committed appropriations for operational expenditure. In October 2013, through a budget amendment, the Agency received an additional EUR 3 million in appropriations to implement REMIT, which it carried over to 2014. However, according to the Implementing Regulation the REMIT framework will only become operational in October 2015. According to the Court, although this will allow the Agency to finance its future REMIT-related activities, this is in contradiction with the budgetary principle of annuality;
- **seat agreement**: the Seat Agreement between the Agency and the Slovenian government a European School will be established in Slovenia. However, more than four years after the agreement no European School has been set up.

The Agency's reply:

- **budgetary management**: the Agency stated that it did its best to ensure the proper and effective implementation of REMIT, by committing the received amended budget before the end of the year 2013 towards the required investment in infrastructure to host the Agency's REMIT Information System (ARIS);
- **seat agreement**: the establishment of a European School in Ljubljana has been discussed several times with the Ministry of Foreign Affairs and the Ministry of Education. Until now, adequate schooling has been provided to the children of Agency's staff through the public and private educational establishments.

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

Budget: EUR 10.88 million.

Activities:

- network codes: two opinions on network codes (in the field of electricity);
- opinions related to ENTSOs: guidelines for the European Network of Transmission System Operators, cost benefit analysis of grid development projects;
- decision on the investment request including cross-border cost allocation for the Gas Interconnection Poland-Lithuania Project of Common Interest No 8.5 (GIPL);
- REMIT-related documents: mechanisms for sharing information, market monitoring handbook;
- two on-line Gas Regional initiative (GRI) and two on-line Electricity Regional Initiative (ERI) progress reports also published;
- organisation of the Agency's 3rd Annual Conference 'REMITage: The age of REMIT?' in Ljubljana.

2014 discharge: Agency for the Cooperation of Energy Regulators (ACER)

2015/2191(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 **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 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 Agency for the Cooperation of Energy Regulators (ACER).

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.

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

- **description of ACER's tasks**: ACER, which is located in Ljubljana (SI), 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. 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 2014 financial year**: ACER'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 11 million;

- **paid** : EUR 10 million;

- **carried-over** : 0.

Payment appropriations :

- **committed** : EUR 16 million;

- **paid** : EUR 13 million;

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

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

2014 discharge: Agency for the Cooperation of Energy Regulators (ACER)

2015/2191(DEC) - 28/04/2016 - Text adopted by Parliament, single reading

The European Parliament decided to grant the Director of the Agency for the Cooperation of Energy Regulators (ACER) discharge in respect of the implementation of Authority'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 the Office's annual accounts for the financial year 2014 are reliable and that the underlying transactions are legal and regular, Parliament adopted by 515 votes to 112 with 17 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 that the final budget of the Agency for the financial year 2014 was EUR 10 880 000, representing a decrease of 8.80 % compared to 2013. The entire budget of Agency derives from the Union budget.
- **Budget and financial management:** Parliament noted that budget monitoring efforts during the financial year 2014 resulted in a budget implementation rate of 95 %, reaching the Agency’s planned target and representing a decrease of 2.53 % compared with 2013. It noted furthermore that the payment appropriations execution rate was at 69.84 %, representing an increase of 14.84 % compared with 2013. It found that the payment appropriations execution rate is below the Agency’s target of 75 %, mainly due to the renewal or negotiation of the Agency’s annual contracts towards the end of the year, as well as due to the multiannual nature of the REMIT project.

Parliament also made a series of observations regarding commitments and carryovers, contract awards, recruitment and audit procedures, and management and prevention of conflicts of interest.

It pointed out that, according to the Seat Agreement between the Agency and the host Member State, a **European School** is to be established in the host Member State. It regretted that more than four years after the entry into force of that agreement, no European School has been set up and called on the Agency to inform the discharge authority of state of play of the negotiations.

Parliament also underlined the need to enhance integrity and improve the ethical framework through better implementation of **codes of conduct and ethical principles,** so as to reinforce a common and effective culture of integrity.

Lastly, in respect to performance, Parliament recalled that the Agency reviewed its system of Key Performance Indicators (KPIs), by which it introduced a distinction between performance indicators and KPIs intended to give management a clearer indication of whether the Agency’s overall objectives were being met.

2014 discharge: Agency for the Cooperation of Energy Regulators (ACER)

2015/2191(DEC) - 28/04/2016 - Final act

PURPOSE: to grant discharge to the Agency for the Cooperation of Energy Regulators (ACER) for the financial year 2014.

NON LEGISLATIVE ACT: Decision (EU) 2016/1486 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 2014.

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 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 regretted that more than four years after the **entry into force of the Seat Agreement**, no European School has been set up. It encouraged the Agency and the host Member State to resolve that issue and called on the Agency to inform the discharge authority of state of play of the negotiations.