Basic information

2016/2158(DEC) DEC - Discharge procedure	Procedure completed
2015 discharge: EU general budget, European Ombudsman **Subject** 8.70.03.05 2015 discharge	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	JÁVOR Benedek (Verts/ALE)	08/08/2016
	Shadow rapporteur MARINESCU Marian-Jean (PPE) IVAN Cătălin Sorin (S&D) CZARNECKI Ryszard (ECR) THEURER Michael (ALDE) DE JONG Dennis (GUE/NGL) VALLI Marco (EFDD) KAPPEL Barbara (ENF)	

Committee for opinion	Rapporteur for opinion	Appointed
AFET Foreign Affairs	The committee decided not to give an opinion.	
DEVE Development	The committee decided not to give an opinion.	
INTA International Trade	The committee decided not to give an opinion.	
BUDG Budgets	The committee decided not to give an opinion.	
ECON Economic and Monetary Affairs	The committee decided not to give an opinion.	

EMPL	Employment and Social Affairs	The committee decided not to give an opinion.	
ENVI	Environment, Public Health and Food Safety	The committee decided not to give an opinion.	
ITRE	Industry, Research and Energy	The committee decided not to give an opinion.	
IMCO	Internal Market and Consumer Protection	The committee decided not to give an opinion.	
TRAN	Transport and Tourism	The committee decided not to give an opinion.	
REGI	Regional Development	The committee decided not to give an opinion.	
AGRI	Agriculture and Rural Development	The committee decided not to give an opinion.	
PECH	Fisheries	The committee decided not to give an opinion.	
CULT	Culture and Education	The committee decided not to give an opinion.	
JURI	Legal Affairs	The committee decided not to give an opinion.	
LIBE	Civil Liberties, Justice and Home Affairs	The committee decided not to give an opinion.	
AFCO	Constitutional Affairs	The committee decided not to give an opinion.	
FEMM	Women’s Rights and Gender Equality	The committee decided not to give an opinion.	
PETI	Petitions	The committee decided not to give an opinion.	

European Commission

Commission DG	Commissioner
Budget	GEORGIEVA Kristalina

Key events

Date	Event	Reference	Summary
11/07/2016	Non-legislative basic document published	COM(2016)0475	Summary
04/10/2016	Committee referral announced in Parliament		
22/03/2017	Vote in committee		
31/03/2017	Committee report tabled for plenary	A8-0142/2017	Summary
26/04/2017	Debate in Parliament		
27/04/2017	Decision by Parliament	T8-0153/2017	Summary
27/04/2017	Results of vote in Parliament		
27/04/2017	End of procedure in Parliament		
29/09/2017	Final act published in Official Journal		

Technical information

Procedure reference	2016/2158(DEC)
Procedure type	DEC - Discharge procedure
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/07406

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE593.845	07/02/2017	
Amendments tabled in committee		PE600.918	07/03/2017	
Committee report tabled for plenary, single reading		A8-0142/2017	31/03/2017	Summary
Text adopted by Parliament, single reading		T8-0153/2017	27/04/2017	Summary

Council of the EU

Document type	Reference	Date	Summary
Supplementary non-legislative basic document	05876/2017	17/02/2017	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2016)0475	11/07/2016	Summary

Additional information		
Source	Document	Date
European Commission	EUR-Lex	

Final act	
Budget 2017/1626 OJ L 252 29.09.2017, p. 0136	Summary

2015 discharge: EU general budget, European Ombudsman

2016/2158(DEC) - 27/04/2017 - Final act

PURPOSE: to grant discharge to the European Ombudsman for the financial year 2015.

NON-LEGISLATIVE ACT: Decision (EU) 2017/1626 of the European Parliament on discharge in respect of the implementation of the general budget of the European Union for the financial year 2015, Section VIII — European Ombudsman.

CONTENT: with the present decision, the European Parliament grants the European Ombudsman discharge in respect of the implementation of the budget of the European Ombudsman for the financial year 2015.

This decision is in line with the European Parliament's resolution adopted on 27 April 2017 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 27 April 2017).

Amongst Parliament's main observations in the resolution accompanying the discharge decision, the latter called for further improvement of the transparency of recruitment conditions and processes. It welcomed the continuation of the Ombudsman's investigations into 'revolving door' cases in the Commission.

As regards the process of introducing internal rules for the protection of whistleblowers, Parliament asked the Ombudsman to monitor the implementation of those rules on an ongoing basis and to evaluate whether they provide appropriate protection for Parliament's accredited **parliamentary assistants**.

The clear geographic imbalance at middle and senior management level should also be remedied according to Parliament.

2015 discharge: EU general budget, European Ombudsman

2016/2158(DEC) - 31/03/2017 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Benedek JÁVOR (Greens/EFA, HU) calling on the European Parliament to **give discharge** to the European Ombudsman in respect of the implementation of the budget of the European Ombudsman for the financial year 2015.

It welcomed the fact that the Court of Auditors observed that **no significant weaknesses** had been identified in respect of the audited topics relating to human resources and procurement for the Ombudsman. The Court concluded that the payments as a whole for the year ended on 31 December 2015 for administrative and other expenditure of the institutions and bodies were **free from material error**.

Financial and budgetary management: the Ombudsman's budget is purely administrative and amounted in 2015 to EUR 10 346 105 (EUR 9 857 002 in 2014). The total appropriations, 92.32 % were committed (compared to 97.87 % in 2014) and 86.19 % paid (compared to 93.96 % in 2014), with a utilisation rate of 92.32 % (compared to 97.87 % in 2014). **The utilisation rate continued to decrease in 2015**. The lowering of the utilisation rate in 2015 influenced the Ombudsman's decision to reduce several budget lines, namely, those for missions, representation expenses and publications, and translations.

Ombudsman's actions: Members made a series of observations and recommendations on the management of the Ombudsman:

- extend the scope of the concept of performance-based budgeting (PBB) in its daily activities: this concept should not apply only to the Ombudsman's budget as a whole but should also include the setting of specific, measurable, attainable, realistic and time-based (SMART) targets to individual departments, units and staffs' annual plans;
- improve the transparency of recruitment conditions and processes;
- ensure that an updated version of its organisational chart is available on its website;
- analyse the situation and to work out rules in order to avoid conflicts of interests if it considers it to be necessary;
- monitor the implementation of internal rules for the protection of whistleblowers on an ongoing basis and to evaluate whether they provide appropriate protection for Parliament's accredited parliamentary assistants
- interpret maladministration as widely as possible when performing its duties and to develop closer cooperation with Parliament's Committee on budgetary control in its strategic work.

The report noted that the results achieved in the complaints handling in 2015 and welcomed the fact that the Union institutions complied with the Ombudsman's proposals at a rate of 90 %. The Ombudsman is called upon to provide a breakdown of compliance of the Union institutions with its proposals in its annual activity reports.

Members welcomed the achievement of **gender balance** at management level in 2015 but called on the Ombudsman to correct this geographic imbalance at middle and senior management level, and, in particular, the overrepresentation of managers emanating from the Member State of which the Ombudsman is a national.

Lastly, Members welcomed the provision of exhaustive information on all the human resources at the Ombudsman's disposal, broken down according to grade, sex and nationality. That information be automatically included in the Ombudsman's annual activity report. They expected the Ombudsman to continue to strive for consistent quality in its annual activity report.

2015 discharge: EU general budget, European Ombudsman

2016/2158(DEC) - 17/02/2017 - Supplementary non-legislative basic document

Based on the observations contained in the report by the Court of Auditors, the Council called on the European Parliament to **grant discharge to all of the EU institutions in respect of the implementation of their respective budgets for the financial year 2015**.

The Council welcomed that the administrative and related expenditure of the EU institutions remained **free from material error** with an estimated level of error of **0.6 %,** which is well below the materiality threshold. It noted with satisfaction that **no serious weaknesses** were identified by the Court in the supervisory and control systems and in the examined annual activity reports.

The Council took note of a limited number of errors detected by the Court, notably in the **recruitment and procurement procedures** and in the **management of staff allowances**.

2015 discharge: EU general budget, European Ombudsman

2016/2158(DEC) - 27/04/2017 - Text adopted by Parliament, single reading

The European Parliament decided to **grant discharge** to the European Ombudsman in respect of the implementation of the budget of the European Ombudsman for the financial year 2015.

In its resolution accompanying the decision on discharge, adopted by 529 votes to 91 with 12 abstentions, Parliament welcomed the fact that the Court of Auditors observed that **no significant weaknesses** had been identified in respect of the audited topics relating to human resources and procurement for the Ombudsman.

The payments as a whole for the year ended on 31 December 2015 for administrative expenditure were **free from material error**.

Financial and budgetary management: the Ombudsman's budget amounted in 2015 to EUR 10 346 105 (EUR 9 857 002 in 2014). The total appropriations, 92.32 % were committed (compared to 97.87 % in 2014) and 86.19 % paid (compared to 93.96 % in 2014).

The utilisation rate continued to decrease in 2015. The lowering of the utilisation rate in 2015 influenced the Ombudsman's decision to reduce several budget lines, namely, those for missions, representation expenses and publications, and translations.

Ombudsman's actions: Members welcomed the efficient implementation of the annual management plan in 2015 within the strategy towards 2019. The large majority of the targets settled by the Ombudsman to assess its performance through key performance indicators were reached.

Members made a series of observations and recommendations on the management of the Ombudsman:

- extend the scope of the concept of performance-based budgeting (PBB) in its daily activities: this concept should not apply only to the Ombudsman's budget as a whole but should also include the setting of specific, measurable, attainable, realistic and time-based (SMART) targets to individual departments, units and staffs' annual plans;
- improve the transparency of recruitment conditions and processes;
- ensure that an updated version of its organisational chart is available on its website;
- analyse the situation and to work out rules in order to avoid conflicts of interests if it considers it to be necessary;

- monitor the implementation of internal rules for the protection of whistleblowers on an ongoing basis and to evaluate whether they provide appropriate protection for Parliament's accredited parliamentary assistants;
- inform the discharge authority regularly about the impact of its inquiries;
- interpret maladministration as widely as possible when performing its duties and to develop closer cooperation with Parliament's Committee on budgetary control in its strategic work.

As regards the **handling of complaints**, Parliament welcomed the fact that the Union institutions complied with the Ombudsman's proposals at a rate of 90 %. The Ombudsman is called upon to provide a breakdown of compliance of the Union institutions with its proposals in its annual activity reports.

While welcoming the fact that **gender balance** was achieved at management level in 2015, Members called on the Ombudsman to **correct the geographic imbalance** at middle and senior management level, and, in particular, the overrepresentation of managers emanating from the Member State of which the Ombudsman is a national.

Lastly, Members welcomed the provision of exhaustive information on all the **human resources** at the Ombudsman's disposal, broken down according to grade, sex and nationality. That information be automatically included in the Ombudsman's annual activity report.

2015 discharge: EU general budget, European Ombudsman

2016/2158(DEC) - 11/07/2016 - Non-legislative basic document

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2015, as part of the 2015 discharge procedure.

Analysis of the accounts of the EU Institutions: **European Ombudsman**.

Legal reminder: the consolidated annual accounts of the European Union for the year 2015 have been prepared on the basis of the information presented by the institutions and bodies under Article 148(2) of the Financial Regulation applicable to the general budget of the European Union.

(1) Governance and budgetary principles: the organisational governance of the EU consists of institutions, agencies and other EU bodies. The main institutions in the sense of being responsible for drafting policies and taking decisions are the EP, the European Council, the Council and the Commission.

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 Multiannual Financial Framework (MFF), the Commission carries out specific programmes, activities and projects in the field.

The budget is prepared by the Commission and usually agreed in mid-December by the Parliament and the Council, based on the procedure of Art. 314 TFEU.

According to the principle of budget equilibrium, the total revenue must equal total expenditure (payment appropriations) for a given financial year.

EU revenues: the EU has two main categories of funding: own resources revenues and sundry revenues. Own resources can be divided into traditional own resources (such as custom levies), the own resource based on value added tax (VAT) and the resource based on gross national income (GNI). Sundry revenues arising from the activities of the EU (e.g. competition fines) normally represent less than 10 % of total revenue. Own resources revenue make up the vast majority of EU funding.

Expenditure of the EU institutions: the EU's operational expenditure of these institutions takes different forms, depending on how the money is paid out and managed.

From 2014 onwards, the Commission classifies its expenditure as follows:

- **Direct management**: the budget is implemented directly by the Commission services.
- **Indirect management**: the Commission confers tasks of implementation of the budget to bodies of EU law or national law, such as the EU agencies.
- **Shared management**: under this method of budget implementation tasks are delegated to Member States. About 80 % of the expenditure falls under this management mode covering such areas as agricultural spending and structural actions.

Consolidated annual accounts of the EU: this Commission document concerns the EU's consolidated accounts for the year 2015 and details how spending by the EU institutions and bodies was carried out. The consolidated annual accounts of the EU provide financial information on the activities of the institutions, agencies and other bodies of the EU from an accrual accounting and budgetary perspective.

It also presents the accounting principles applicable to the European budget (in particular, consolidation).

The document also presents the different financial actors involved in the budget process (accounting officers, internal officers and authorising officers) and recalls their respective roles in the context of the tasks of sound financial management.

Audit and discharge: the EU's annual accounts and resource management are audited by the European Court of Auditors, its external auditor, which as part of its activities draws up for the European Parliament and the Council:

- an annual report on the activities financed from the general budget, detailing its observations on the annual accounts and underlying transactions;
-

an opinion, based on its audits and given in the annual report in the form of a statement of assurance, on (i) the reliability of the accounts and (ii) the legality and regularity of the underlying transactions involving both revenue collected from taxable persons and payments to final beneficiaries.

The discharge represents the political aspect of the external control of budget implementation and is **the decision by which the European Parliament, acting on a Council recommendation, "releases" the Commission (and other EU bodies) from its responsibility for management of a given budget** by marking the end of that budget's existence. This discharge procedure may produce three outcomes: (i) the granting; (ii) postponement; (iii) or the refusal of the discharge.

The document also presents a series of tables and detailed technical indicators on (i) the balance sheet; (ii) the economic outturn account; (iii) cashflow tables; (iv) technical annexes concerning the financial statements.

(2) Implementation of the Ombudsman's appropriations for the financial year 2015: the document comprises a series of detailed annexes, the most important concerning the implementation of the budget. As regards the Ombudsman's expenditure, the document stated that the available appropriations in 2015 amounted to **EUR 11 million**, with an implementation rate of payments of 86.37%.

As regards the implementation of the Ombudsman's budget, the 2015 Annual Activity Report stated that the Ombudsman concentrated on the three way strategy to improve the impact, relevance and visibility of the office.

This year was characterised by the following:

- conducting strategic inquiries into problems in EU institutions (17 033 complaints of which 2007 were handled and 1060 requested were replied to by the Ombudsman – 261 inquiries were opened on the basis of complaints and 277 were closed);
- enhancing transparency in EU-US trade negotiations, for example, the Commission made great strides in proactively publishing many Transatlantic and Trade Investment (TTIP) documents;
- combating against 'revolving door' cases (to prevent former officials being hired by private organisations to put pressure on the Commission through lobbying);
- strengthening the transparency of activities of the European Central Bank and Frontex (to ensure that the fundamental rights of migrants who are forcibly returned from the EU are respected).

2015 also saw the launch of reform proposals for the European Network of Ombudsmen (ENO), such as conducting parallel inquiries at the national and European level.