Basic information

2016/2181(DEC) DEC - Discharge procedure	Procedure completed
2015 discharge: European Fisheries Control Agency (EFCA) **Subject** 8.70.03.05 2015 discharge	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	AYALA SENDER Inés (S&D)	05/08/2016
	Shadow rapporteur ZDECHOVSKÝ Tomáš (PPE) FITTO Raffaele (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
PECH Fisheries	ENGSTRÖM Linnéa (Verts/ALE)	19/09/2016

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		
29/03/2017	Committee report tabled for plenary	A8-0100/2017	Summary
26/04/2017	Debate in Parliament		
27/04/2017	Results of vote in Parliament		
27/04/2017	Decision by Parliament		
27/04/2017	End of procedure in Parliament		
29/09/2017	Final act published in Official Journal		

Technical information

Procedure reference	2016/2181(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/07492

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE593.855	31/01/2017	
Committee opinion	PECH	PE592.433	28/02/2017	
Amendments tabled in committee		PE599.884	06/03/2017	
Committee report tabled for plenary, single reading		A8-0100/2017	29/03/2017	Summary
Text adopted by Parliament, single reading		T8-0167/2017	27/04/2017	Summary

Council of the EU

Document type	Reference	Date	Summary
Supplementary non-legislative basic document	05873/2017	07/02/2017	Summary

European Commission

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

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary

CofA	Court of Auditors: opinion, report	N8-0119/2016 OJ C 449 01.12.2016, p. 0093	13/09/2016	Summary

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

Final act	
Budget 2017/1666 OJ L 252 29.09.2017, p. 0220	Summary

2015 discharge: European Fisheries Control Agency (EFCA)

2016/2181(DEC) - 13/09/2016 - Court of Auditors: opinion, report

PURPOSE: presentation of the EU Court of Auditors' report on the annual accounts of the European Fisheries Control Agency (EFCA) for the year 2015, 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 focused on the annual accounts of the European Fisheries Control Agency (EFCA). The Agency's main task is to organise the operational coordination of fisheries control and inspection activities by the Member States in order to ensure an effective and uniform application of the rules of the common fisheries policy.

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 2015, 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 2015 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 2015 are legal and regular in all material respects.

The report made 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:

- **internal controls**: the Court stated that the Agency is not yet fully complying with Internal Control Standards (e.g. on information and communication).

The Agency's reply:

- **internal controls**: the Agency noted that it assesses yearly the level of implementation of the internal control standards and reports the result in its annual report. The main developments expected for each standard are also reported in the annual report.

Lastly, the Court of Auditors' report also contained a summary of **the Agency's key figures in 2015**:

- **Budget**: EUR 9.2 million (payment appropriations).
- **Staff**: 64 including officials, temporary and contract staff and seconded national experts.

2015 discharge: European Fisheries Control Agency (EFCA)

2016/2181(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 **European Fisheries Control Agency (EFCA)**.

CONTENT: the organisational governance of the EU consists of institutions, agencies and other EU bodies whose expenditure is included in the general budget of the Union.

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.

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 is the responsibility of the Commission's Accounting Officer to prepare the EU's consolidated annual accounts and ensure that they present fairly, in all material aspects, the financial position, the result of the operations and the cash flows of the EU institutions and bodies, including the European Fisheries Control Agency (EFCA), with a view to granting discharge.

Discharge procedure: the final step of a budget lifecycle is the discharge of the budget for a given financial year. It 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. The European Parliament is the discharge authority within the EU.

The discharge procedure may produce three outcomes: (i) the granting; (ii) postponement or; (iii) the refusal of the discharge.

The final discharge report including specific recommendations to the Commission for action is adopted in plenary by the European Parliament and are subject to an annual follow up report in which the Commission outlines the concrete actions it has taken to implement the recommendations made.

Each agency is subject to its own discharge procedure, including European Fisheries Control Agency (EFCA).

The European Fisheries Control Agency: EFCA, which is located in Vigo (ES) was created by Council Regulation (EC) No 768/2005. Its main task is to organise the operational coordination of fisheries control and inspection activities by the Member States in order to ensure effective and uniform application of the rules of the common fisheries policy.

As regards the EFCA’s accounts, these are presented in detail in the document on the consolidated annual accounts of the European Union for 2015:

Commitment appropriations:

- **committed**: EUR 9 million;
- **paid**: EUR 9 million;
- **carried-over**: 0.

Payment appropriations:

- **committed**: EUR 10 million;
- **paid**: EUR 9 million;
- **carried-over**: EUR 1 million.

2015 discharge: European Fisheries Control Agency (EFCA)

2016/2181(DEC) - 27/04/2017 - Final act

PURPOSE: to grant discharge to the European Fisheries Control Agency (EFCA) for the financial year 2015.

NON-LEGISLATIVE ACT: Decision (EU) 2017/1666 of the European Parliament on discharge in respect of the implementation of the budget of the European Fisheries Control Agency for the financial year 2015.

CONTENT: with the present decision, the European Parliament grants discharge to the Executive Director of the European Fisheries Control Agency for the implementation of its budget 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, it called on the Agency to introduce regular checks and updates on the accuracy of the declarations of interests and establish and implement rules on whistleblowers.

It also expressed concern about the practical difficulties involved in implementation of the landing obligation for demersal fisheries, and considered that monitoring should take those difficulties into account.

2015 discharge: European Fisheries Control Agency (EFCA)

2016/2181(DEC) - 29/03/2017 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Inés AYALA SENDER (S&D, ES) on discharge in respect of the implementation of the budget of the European Fisheries Control Agency (EFCA) for the financial year 2015.

The committee called 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 2015.

Noting that the Court of Auditors stated that it had obtained reasonable assurance that the annual accounts of the Agency for the financial year 2015 were reliable and that the underlying transactions were legal and regular, Members called 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 Agency for the financial year 2015 was EUR 9 217 000 representing no change compared to the previous year. The entire budget of the Agency derives from the Union budget.
- **Budget and financial management**: Members welcomed the implementation of the e-Prior modules for electronic tendering, ordering and invoicing in cooperation with the Commission’s Directorate-General for Informatics (DG DIGIT). They noted that the implemented modules were to be progressively used in 2016, leading to an increase in electronic workflows, and subsequently greater efficiency, reliability of the data and audit trail. Members also noted that the effective budget cuts imposed on the Agency impaired its ability to fulfil its objective of organising operational coordination of control and inspection activities of the Member States in order to ensure the effective and uniform application of the rules of the Common Fisheries Policy. They stressed the importance of the Agency’s role in implementing the reformed Common Fisheries Policy and in achieving the objectives thereof, particularly in the light of the landing obligation and demands in terms of the monitoring, control and surveillance of fisheries activities. However, the reduction of the Agency’s resources and capacity may have as a consequence the weakening of fisheries controls and a concomitant increase in illegal, unreported and unregulated fishing. Moreover, the **new migration policy** of the Union and, in particular, the creation of the European Border and Coast Guard, as part of an overall improvement in coast guard functions, entail new tasks of inspection and better cooperation for the Agency, which will require **increased funding and technical and human resources**.

Members also made a series of observations regarding commitments, carry-overs, transfers, procurement, recruitment procedures, the prevention and management of conflicts of interests, internal audits and performance.

Lastly, Members acknowledged that the Agency commenced a process of cooperation with the European Maritime Safety Agency and the European Border and Coast Guard Agency in the preparation and the **implementation of the pilot project entitled “Creation of a European Coastguard function”**. They noted that the lessons learned from the pilot project will be used in the implementation of the new “border package” aimed at establishing the task for the three maritime agencies to cooperate to support the national authorities carrying out coast guard functions. Members considered it important to strengthen the Agency’s mandate so as to put in place joint operational activities with other Union agencies in the maritime sector in order to **prevent disasters at sea**.

2015 discharge: European Fisheries Control Agency (EFCA)

2016/2181(DEC) - 07/02/2017 - Supplementary non-legislative basic document

Having examined the revenue and expenditure accounts for the financial year 2015 and the balance sheet as at 31 December 2015 of the European Fisheries Control Agency (EFCA), as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2015, 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 2015.

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 2015 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 2015 are legal and regular in all material respects.

Nevertheless, it made the following remark:

- **internal control**: the Council regretted that the Agency is not yet fully complying with certain Internal Control Standards and invited it to take the appropriate measures to bring its controls in compliance with these standards.

2015 discharge: European Fisheries Control Agency (EFCA)

2016/2181(DEC) - 27/04/2017 - Text adopted by Parliament, single reading

The European Parliament decided to **grant discharge** to the Executive Directive of the European Fisheries Control Agency (EFCA) in respect of the implementation of the budget for the financial year 2015.

The vote on the discharge decision covers the closure of the accounts (in accordance with Annex IV, Article 5(1)(a) to its Rules of Procedure).

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 2015, Parliament adopted by 510 votes to 111, with 6 abstentions, a resolution containing 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 resolution on performance, financial management and control of EU agencies.

These recommendations may be summarised as follows:

- **Agency's financial statements**: Parliament noted the final budget of the Agency for the financial year 2015 was EUR 9 217 000 representing no change compared to the previous year. The entire budget of the Agency derives from the Union budget.
- **Budget and financial management**: Parliament welcomed the implementation of the e-Prior modules for electronic tendering, ordering and invoicing in cooperation with the Commission's Directorate-General for Informatics (DG DIGIT). It noted that the implemented modules were to be progressively used in 2016, leading to an increase in electronic workflows, and subsequently greater efficiency, reliability of the data and audit trail. Members also noted that the effective budget cuts imposed on the Agency impaired its ability to fulfil its objective of organising operational coordination of control and inspection activities of the Member States in order to ensure the effective and uniform application of the rules of the Common Fisheries Policy. They stressed the importance of the Agency's role in implementing the reformed Common Fisheries Policy and in achieving the objectives thereof, particularly in the light of the landing obligation and demands in terms of the monitoring, control and surveillance of fisheries activities. However, the reduction of the Agency's resources and capacity may have as a consequence the weakening of fisheries controls and a concomitant increase in illegal, unreported and unregulated fishing. Moreover, the **new migration policy** of the Union and, in particular, the creation of the European Border and Coast Guard, as part of an overall improvement in coast guard functions, entail new tasks of inspection and better cooperation for the Agency, which will require **increased funding and technical and human resources**.

Parliament also made a series of observations regarding commitments, carry-overs, transfers, procurement, recruitment procedures, the prevention and management of conflicts of interests, internal audits and performance.

It acknowledged that the Agency commenced a process of cooperation with the European Maritime Safety Agency and the European Border and Coast Guard Agency in the preparation and the **implementation of the pilot project entitled "Creation of a European Coastguard function"**. It noted that the lessons learned from the pilot project will be used in the implementation of the new "border package" aimed at establishing the task for the three maritime agencies to cooperate to support the national authorities carrying out coast guard functions. It considered it important to strengthen the Agency's mandate so as to put in place joint operational activities with other Union agencies in the maritime sector in order to **prevent disasters at sea**.

Lastly, Parliament pointed out that 2016 was a key year for the implementation of the new Common Fisheries Policy concerning the **landing obligation rules**, and that the operational coordination of the activities of fisheries control inspections with the Member States entails appropriate human and financial resources. It expressed concern about the practical difficulties involved in implementation of the landing obligation for demersal fisheries, and considered that monitoring should take those difficulties into account.