Basic information

2016/2189(DEC) DEC - Discharge procedure	Procedure completed
2015 discharge: Agency for the Cooperation of Energy Regulators (ACER) **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
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
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	A8-0147/2017	Summary
26/04/2017	Debate in Parliament		
27/04/2017	Decision by Parliament	T8-0156/2017	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	2016/2189(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/07509

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE593.856	03/02/2017	
Amendments tabled in committee		PE599.862	07/03/2017	
Committee report tabled for plenary, single reading		A8-0147/2017	31/03/2017	Summary
Text adopted by Parliament, single reading		T8-0156/2017	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	N8-0112/2016 OJ C 449 01.12.2016, p. 0017	13/09/2016	Summary

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

Final act	
Budget 2017/1633 OJ L 252 29.09.2017, p. 0161	Summary

2015 discharge: Agency for the Cooperation of Energy Regulators (ACER)

2016/2189(DEC) - 13/09/2016 - 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 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 Agency for Cooperation of Energy Regulators (ACER). As a reminder, the Agency's main task is to assist National Regulatory Authorities in exercising, at Union level, the regulatory tasks that they perform in the Member States and, where necessary, to coordinate their action.

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 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 also 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:

- **budgetary management**: as regards operational expenditure, the Court stated that the Agency carried over EUR 1.36 million. These carry-overs were mainly related to the implementation of REMIT (EUR 1.1 million), a complex operational activity on wholesale energy market integrity and transparency of a multiannual nature. The Agency also carried over EUR 0.79 million of administrative expenditure, mainly related to studies and services not yet delivered in 2015.

The Agency's reply:

- **budgetary management**: the Agency acknowledged the identified level of appropriations carried over, due to open commitments at year-end, mainly stemming from the long-term nature of the REMIT project implementation. Given the persistent uncertainty on the annual budgetary allocation to the Agency, it is difficult to reconcile the principle of annuality with the inevitable multiannual nature of the REMIT project.

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

- **Budget**: EUR 11.3 million.
- **Staff**: 80 including officials, temporary and contract staff and seconded national experts.

2015 discharge: Agency for the Cooperation of Energy Regulators (ACER)

2016/2189(DEC) - 27/04/2017 - Final act

PURPOSE: to grant discharge to the Agency for the Cooperation of Energy Regulators (ACER) for the financial year 2015.

NON-LEGISLATIVE ACT: Decision (EU) 2017/1633 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 2015.

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 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 Parliaments main observations in the resolution accompanying the discharge decision, the latter regretted that although the Agency's administrative board adopted the policy for the prevention and management of conflicts of interests, some CVs and declarations of the members of the board of regulators remain missing from the website. Parliament called for these documents to be published.

Parliament recalled, as it did the previous year, that the Agency has repeatedly signalled to the host Member State the urgency of the establishment of a European School in Ljubljana. It deplored the fact that, more than four years after the entry into force of the agreement between the Agency and the Slovenian Government, no European School has been set up.

2015 discharge: Agency for the Cooperation of Energy Regulators (ACER)

2016/2189(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 **Agency for the Cooperation of Energy Regulators (ACER)**.

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 Agency for the Cooperation of Energy Regulators (ACER), 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 the ACER.

The Agency for the Cooperation of Energy Regulators (ACER): the Agency, 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.

As regards the Agency'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 11 million;
- **paid**: EUR 14 million;
- **carried-over**: 0.

Payment appropriations:

- **committed**: EUR 11 million;
- **paid**: EUR 22 million;
- **carried-over**: EUR 2 million.

2015 discharge: Agency for the Cooperation of Energy Regulators (ACER)

2016/2189(DEC) - 27/04/2017 - 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 2015.

The vote on the decision on discharge covers the closure of the accounts (in accordance with Annex IV, 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 2015 are reliable and that the underlying transactions are legal and regular, Parliament adopted by 508 votes to 117 with 10 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.

These recommendations may be summarised as follows:

- **Agency's financial statements**: Parliament noted that the final budget of the Agency for the financial year 2015 was EUR 11 266 000, representing an increase of 3.55 % compared to 2014. It recalled that the Agency's entire budget derives from the Union budget.
- **Budget and financial management**: Parliament noted that budget monitoring efforts during the financial year 2015 resulted in a budget implementation rate of 95.09 %, reaching the Agency's planned target and representing an increase of 0.09 % compared with 2014.
- **Commitments and carry-overs**: Parliament stressed that carry-overs may often be partly or fully justified by the multiannual nature of the agencies' operational programmes and do not necessarily indicate weaknesses in budget planning and implementation nor are they always at odds with the budgetary principle of annuality. It noted the fact that the Agency found it difficult to reconcile the principle of annuality with the multi-annual nature of the REMIT implementation project.

Parliament also made a series of observations regarding procurement, recruitment procedures and internal audits.

On performance, Parliament noted that in late 2015 the Agency launched a survey enabling stakeholders to assess its regulatory activities, working methods and efficiency. It stated that in October 2015 the Agency released a study for a methodology proposal to **evaluate the impact of the gas network codes and guidelines in terms of implementation and market effects**. It asked the Agency to keep the discharge authority informed on the matter.

Lastly, as regards the **prevention and management of conflicts of interests**, Parliament stated that the Agency's administrative board published the declarations of conflicts of interests on its website. However, it pointed out that some CVs and declarations of the members of the board of regulators remain missing. It called on the Agency to provide further information about this issue to the discharge authority.

2015 discharge: Agency for the Cooperation of Energy Regulators (ACER)

2016/2189(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 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 2015, 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 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, one observation was made:

- **financial programming**: the Council noted a high level of commitment appropriations carried over to 2016. It encouraged 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 following financial year to the minimum strictly necessary.

2015 discharge: Agency for the Cooperation of Energy Regulators (ACER)

2016/2189(DEC) - 31/03/2017 - 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 Agency for the Cooperation of Energy Regulators (ACER) for the financial year 2015.

The committee called 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 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 that the final budget of the Agency for the financial year 2015 was EUR 11 266 000, representing an increase of 3.55 % compared to 2014. They recalled that the Agency's entire budget derives from the Union budget.
- **Budget and financial management**: Members noted that budget monitoring efforts during the financial year 2015 resulted in a budget implementation rate of 95.09 %, reaching the Agency's planned target and representing an increase of 0.09 % compared with 2014.
- **Commitments and carry-overs**: Members stressed that carry-overs may often be partly or fully justified by the multiannual nature of the agencies' operational programmes and do not necessarily indicate weaknesses in budget planning and implementation nor are they always at odds with the budgetary principle of annuality. They noted the fact that the Agency found it difficult to reconcile the principle of annuality with the multi-annual nature of the REMIT implementation project.

Members also made a series of observations regarding procurement, recruitment procedures and internal audits.

Lastly, as regards the **prevention and management of conflicts of interests**, Members stated that the Agency's administrative board published the declarations of conflicts of interests on its website. However, it pointed out that some CVs and declarations of the members of the board of regulators remain missing. They called on the Agency to provide further information about this issue to the discharge authority.