Basic information

2016/2160(DEC) DEC - Discharge procedure	Procedure completed
2015 discharge: EU general budget, European External Action Service (EEAS) **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) ALIOT Louis (ENF)	

Committee for opinion	Rapporteur for opinion	Appointed
AFET Foreign Affairs	BALČYTIS Zigmantas (S&D)	08/09/2016
DEVE Development	The committee decided not to give an opinion.	
INTA International Trade	The committee decided not to give an opinion.	
AFCO Constitutional Affairs	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		
30/03/2017	Committee report tabled for plenary	A8-0122/2017	Summary
26/04/2017	Debate in Parliament		
27/04/2017	Decision by Parliament	T8-0152/2017	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	2016/2160(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/07214

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee opinion	AFET	PE594.061	02/02/2017	
Committee draft report		PE593.846	06/02/2017	
Amendments tabled in committee		PE600.917	07/03/2017	
Committee report tabled for plenary, single reading		A8-0122/2017	30/03/2017	Summary
Text adopted by Parliament, single reading		T8-0152/2017	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 2017/1620 OJ L 252 29.09.2017, p. 0124	Summary

2015 discharge: EU general budget, European External Action Service (EEAS)

2016/2160(DEC) - 30/03/2017 - 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 grant the High Representative of the Union for Foreign Affairs and Security Policy discharge in respect of the implementation of the budget of the European External Action Service for the financial year 2015.

Members noted that, according to the Court of Auditors, the **overall level of error** in Heading 5 (Administration), including the budget of the European External Action Service (EEAS), continues to be **relatively low** with an estimation at 0.6 % in 2015. No significant weaknesses were identified as regards the annual activity report and the internal control system of the EEAS.

Budget and financial management: Members noted that the total budget of the EEAS for 2015 was EUR 602.8 million, representing a total **increase of 16.2 % compared to 2014**, which resulted from the transfer to its budget of EUR 71.5 million from the Commission's administrative budget (EUR 25.2 million) and from other budget lines (up to EUR 46.3 million) to finance the common costs of the Union's delegations such as rents, offices' security and IT costs.

Members regretted the increase **of the average rate of anomaly on commitments** to 22.4 % in 2015 (compared to 18.3 % in 2014) at the level of ex ante controls. They pointed out that the **execution of the EEAS administrative budget** remains a point of concern as certain delegations receive budget contributions from the Commission.

EEAS actions: Members made a series of observations on the management of the EEAS:

- remedy certain weaknesses found by the Court in the **recruitment procedures** of local agents in delegations and in **procurement procedures**;
- pay attention, especially in delegations, to 'business continuity' and 'document management' as key internal control standards;
- ensure a more **balanced distribution of staff**: the **share of Member States' diplomats** represents 32.9 % of the EEAS overall AD staff in comparison to 33.8 % in 2014; this proportion is higher in delegations with 43.1 %;
- reshape its conditions and recruitment policies in order to attract both genders equally for management positions, the ratio is currently at 21.4 % / 78.6 %.
- make **geographical balance** an important element of the EEAS human resources management, particularly with respect to the Member States that have acceded the Union in 2004 or after;
- develop the role of **Union delegations**, particularly facilitating and supporting coordination between Member States in providing consular assistance;
- join the future Inter-Institutional Agreement on a Mandatory **Transparency Register**, including for the Union delegations, insofar as this is legally possible.

The EEAS is called upon to present a **review of its human resources policy** in the course of 2017, addressing issues such as gender balance and mobility of staff between institutions, while taking also into consideration its impact in terms of human resources for the strengthening of the Union 'external action and visibility through the Union global strategy.

Members called on the EEAS for an **overhaul of its building policies** in line with the recommendations made by the Court of Auditors. They supported the implementation of a medium and long term strategy to identify all possible options in this area from investment priorities or possibilities of purchases to renting renewals or to the sharing of premises with Member States, taking into account staff projections and policy planning and development.

Members urged the EEAS to reinforce its management control and monitoring tools of all the **costs incurred** in the building policy in order to ensure an accurate overview and follow-up of all the expenditure in this area.

Lastly, Members stated that the **security** of the EEAS and of its delegations needs to be further strengthened. They called on the EEAS to give priority to it when choosing buildings and spaces for its delegations.

2015 discharge: EU general budget, European External Action Service (EEAS)

2016/2160(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**.

The Council also regretted the shortcomings observed by the Court in the European External Action Service, notably concerning the procurement procedures for low value contracts under the responsibility of delegations.

It regretted that supervisory and control systems in delegations are not yet fully sound and reliable. It called on the European External Action Service to reinforce its guidance on the **design, coordination and execution of procurement** and selection procedures in delegations and to provide more training opportunities to its staff in delegations to avoid similar weaknesses in the future.

2015 discharge: EU general budget, European External Action Service (EEAS)

2016/2160(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 External Action Service**.

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 EEAS's appropriations for the financial year 2015: the document comprises a series of detailed tables, the most important concerning the implementation of the budget.

As regards the EEAS's expenditure, the document stated that the available appropriations in 2015 amounted to **EUR 920 million**, with an implementation rate of payments of 85.53%.

As regards the budget implementation of the EESC, the Annual Activity Report 2015 stated that the 2015 was marked by following missions:

- consolidation of the External Action Service and improving internal governance;
- opening of an EU delegation in Tehran, Somalia (with the relocation of the Somalian Delegation from Nairobi to Mogadishu);
- the objective employing at least one third of Member States diplomats;
- the network of EU delegations was stable (no delegations were closed nor were any new ones opened): delegations in Liberia, Sierra Leone, Guinea Conakry and Nigeria were affected by the Ebola crisis and some were evacuated;
- improving administrative support to delegations and staff training.

Lastly, the report noted that an EEAS staff member, Mr. Ronny Piens, was killed in Bamako (Mali) in a terrorist attack.

2015 discharge: EU general budget, European External Action Service (EEAS)

2016/2160(DEC) - 27/04/2017 - Final act

PURPOSE: to grant discharge to the European External Action Service (EEAS) for the financial year 2015.

NON-LEGISLATIVE ACT: Decision (EU) 2017/1620 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 X — European External Action Service.

CONTENT: with the present decision, the European Parliament grants the High Representative of the Union for Foreign Affairs and Security Policy discharge in respect of the implementation of the budget of the European External Action Service 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 on the EEAS to remedy certain weaknesses found by the Court in the recruitment procedures of local agents in delegations (i.e. a lack of transparency as regards certain steps of the procedure) and in procurement procedures (notably incorrect appraisals of offers compared to technical specifications or use of the incorrect procurement procedure) organised by delegations.

2015 discharge: EU general budget, European External Action Service (EEAS)

2016/2160(DEC) - 27/04/2017 - Text adopted by Parliament, single reading

The European Parliament decided to **grant discharge** to the High Representative of the Union for Foreign Affairs and Security Policy discharge in respect of the implementation of the budget of the European External Action Service for the financial year 2015.

In its resolution accompanying the decision on discharge, adopted by 512 votes to 120 with 3 abstentions, Parliament welcomed the fact that the overall level of error in the administrative budget has been estimated by the Court of Auditors at 0.5 % and that **no significant weaknesses** were identified as regards the annual activity report and the internal control system of the EEAS;

Budget and financial management: Parliament noted that the total budget of the EEAS for 2015 was EUR 602.8 million, representing a total increase of 16.2 % compared to 2014, which resulted from the transfer to its budget of EUR 71.5 million from the Commission's administrative budget (EUR 25.2 million) and from other budget lines (up to EUR 46.3 million) to finance the common costs of the Union's delegations such as rents, offices' security and IT costs.

Members regretted the **increase of the average rate of anomaly on commitments** to 22.4 % in 2015 (compared to 18.3 % in 2014) at the level of ex ante controls. They pointed out that the execution of the EEAS administrative budget remains a point of concern and invited all the stakeholders to further refine and simplify the budget sources and arrangements.

EEAS actions: Parliament made a series of observations on the management of the EEAS:

- remedy certain weaknesses found by the Court in the recruitment procedures of local agents in delegations and in procurement procedures;
- pay attention, especially in delegations, to 'business continuity' and 'document management' as key internal control standards, particularly for the availability and reliability of information used for various management purposes;
- ensure a **more balanced distribution of staff**: the share of Member States' diplomats represents 32.9 % of the EEAS overall AD staff in comparison to 33.8 % in 2014; this proportion is higher in delegations with 43.1 %;
- reshape its conditions and recruitment policies in order to **attract both genders equally for management positions**, the ratio is currently at 21.4 % / 78.6 %.
- make geographical balance an important element of the EEAS human resources management, particularly with respect to the Member States that have acceded the Union in 2004 or after;
- develop the role of **Union delegations**, particularly facilitating and supporting coordination between Member States in providing consular assistance;
- join the future Inter-Institutional Agreement on a Mandatory Transparency Register, including for the Union delegations, insofar as this is legally possible.

The EEAS is called upon to:

- present a **review of its human resources policy** in the course of 2017, addressing issues such as gender balance and mobility of staff between institutions;
- overhaul its **building policies** notably as regards the need for consistency and improved selecting of delegation buildings. Members welcomed the increase in co-location projects of Union delegations and encouraged the EEAS to further seek ways to extend this good practice;
- give priority to **strengthening the security** of the EEAS and when choosing buildings and spaces for its delegations.

Lastly, the EEAS should improve its communication policy towards Union citizens.