Basic information

2016/2177(DEC) DEC - Discharge procedure	Procedure completed
2015 discharge: European Railway Agency (ERA) **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
TRAN Transport and Tourism	SCHMIDT Claudia (PPE)	06/10/2016

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		
30/03/2017	Committee report tabled for plenary	A8-0128/2017	Summary
26/04/2017	Debate in Parliament		
27/04/2017	Decision by Parliament	T8-0176/2017	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	2016/2177(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/07483

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE593.872	06/02/2017	
Committee opinion	TRAN	PE595.599	28/02/2017	
Amendments tabled in committee		PE600.886	06/03/2017	
Committee report tabled for plenary, single reading		A8-0128/2017	30/03/2017	Summary
Text adopted by Parliament, single reading		T8-0176/2017	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	N8-0128/2016 OJ C 449 01.12.2016, p. 0151	13/09/2016	Summary

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

Final act	
Budget 2017/1693 OJ L 252 29.09.2017, p. 0272	Summary

2015 discharge: European Railway Agency (ERA)

2016/2177(DEC) - 27/04/2017 - Text adopted by Parliament, single reading

The European Parliament decided to **grant discharge** to the Executive Director of the European Union Agency for Railways (ERA) in respect of the implementation of the 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 stated that it has obtained reasonable assurances that the Agency's annual accounts for the financial year 20154 are reliable and that the underlying transactions are legal and regular, Parliament adopted by 501 votes to 116 with 9 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 26 345 000, representing an increase of 2.45 % compared to 2014 deriving entirely from the Union budget.
- **Budget and financial management**: Parliament noted that, in accordance with the provisions of the new Agency Regulation that entered into force in June 2016, the Agency is authorised to charge fees for some of its new competences including the issuing of safety certificates, vehicle authorisations and pre-approval of ERTMS trackside projects. It noted that the Agency is establishing a **fee mechanism** and is taking into account the practices of other agencies and relevant national bodies.

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

It noted that, in 2015, the Agency adopted a **communication strategy** that aimed to increase social media activities, to re-launch its public newsletter and its corporate design. It will present a new public website by early 2017.

It also noted with satisfaction that in 2016 the Agency undertook several actions in order to **communicate its activities**, achievements and added value to the outside world through several public events, including the InnoTrans fair in September 2016, a forum on digitalisation of railways in Florence, a celebration on the occasion of the positive vote on the 4th Railway Package and its subsequent name change and numerous workshops organised by its operational units across Europe.

ERTMS: Parliament highlighted the Agency's role in ensuring the safety and **interoperability of European rail system**. It welcomed the Agency's role in the follow-up of the development, testing and implementation of European Railway Traffic Management System (ERTMS), as well as in evaluating the specific ERTMS projects. It noted furthermore that a review of the Agency's role and powers forms part of the Fourth Railway Package. As the Agency receives greater responsibilities, it will need to be given the **necessary financial, material and human resources** to perform its new and additional tasks effectively and efficiently.

Lastly, Parliament welcomed the launch of the ERTMS Stakeholder platform and recalled that **ERTMS is crucial for achieving a Single European Railway Area** and is a key priority for Europe.

2015 discharge: European Railway Agency (ERA)

2016/2177(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 Railway Agency (ERA) 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 concerned, amongst others, the annual accounts of the European Railway Agency (ERA). In brief, the Agency's task is to enhance the level of interoperability of railway systems and to develop a common approach to safety in order to contribute to creating a more competitive European railway sector with a high level of safety.

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 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 did not make any particular comment on the Agency's budgetary management.

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

- **Budget**: EUR 26.3 million.
- **Staff**: 157 including officials, temporary and contract staff and seconded national experts.

2015 discharge: European Railway Agency (ERA)

2016/2177(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 Railway Agency (ERA), 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 implementation of the budget of the Agency is such as to allow a discharge to be given in respect of that implementation. The Council welcomed the fact that the observations in the Court of Auditors' report in relation to the financial year 2015 do not call for any comments.

2015 discharge: European Railway Agency (ERA)

2016/2177(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 Railway Agency (ERA)**.

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 Railway Agency (ERA), 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 ERA.

The European Railway Agency: the Agency, which is located in Lille-Valenciennes (FR), was created by Regulation (EC) No 881/2004 of the European Parliament and of the Council. Its aim is to enhance the level of interoperability of railway systems and develop a common approach to safety in order to contribute to creating a more competitive European railway sector with a high level of safety.

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 27 million;
- **paid**: EUR 26 million;
- **carried-over**: 0.

Payment appropriations:

- **committed**: EUR 30 million;
- **paid**: EUR 27 million;
- **carried-over**: EUR 3 million.

For further details on expenditure, please refer to the final accounts of the ERA.

2015 discharge: European Railway Agency (ERA)

2016/2177(DEC) - 30/03/2017 - 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 Railway Agency (ERA) 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. 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 26 345 000, representing an increase of 2.45 % compared to 2014 deriving entirely from the Union budget.
- **Budget and financial management**: Members noted that, in accordance with the provisions of the new Agency Regulation that entered into force in June 2016, the Agency is authorised to charge fees for some of its new competences including the issuing of safety certificates, vehicle authorisations and pre-approval of ERTMS trackside projects. They noted that the Agency is establishing a **fee mechanism** and is taking into account the practices of other agencies and relevant national bodies.

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

They noted that, in 2015, the Agency adopted a **communication strategy** that aimed to increase social media activities, to re-launch its public newsletter and its corporate design. It will present a new public website by early 2017.

They also noted with satisfaction that in 2016 the Agency undertook several actions in order to **communicate its activities**, achievements and added value to the outside world through several public events, including the InnoTrans fair in September 2016, a forum on digitalisation of railways in Florence, a celebration on the occasion of the positive vote on the 4th Railway Package and its subsequent name change and numerous workshops organised by its operational units across Europe.

Lastly, Members highlighted the Agency's role in ensuring the safety and **interoperability of European rail system**. They welcomed the Agency's role in the follow-up of the development, testing and implementation of European Railway Traffic Management System (ERTMS), as well as in evaluating the specific ERTMS projects. They stressed that, as the Agency receives greater responsibilities, it will need to be given the necessary **financial, material and human resources** to perform its new and additional tasks effectively and efficiently.

2015 discharge: European Railway Agency (ERA)

2016/2177(DEC) - 27/04/2017 - Final act

PURPOSE: to grant discharge to the European Railway Agency (ERA) for the financial year 2015.

NON-LEGISLATIVE ACT: Decision (EU) 2017/1693 of the European Parliament on discharge in respect of the implementation of the budget of the European Railway Agency (now European Union Agency for Railways) for the financial year 2015.

CONTENT: with the present decision, the European Parliament grants discharge to the Executive Director of the European Railway 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 welcomed the fact that the Agency’s new policy on prevention and management of conflicts of interest for its administrative board members was approved.

On internal controls, Parliament noted that the 2015 risk assessment exercise highlighted risks related to the extension of the Agency's mandate in view of the entry into force of the technical pillar of the Fourth Railway Package as well as risks regarding potential security issues impacting interoperability and innovation challenges affecting railway competitiveness.

On communication, the Agency will present a new public website by early 2017.

Lastly, Parliament supported the initiative taken by the Agency in 2015 to put in place a new process to get stronger engagement from Member States and stakeholders in the development of the 2016 work programme and welcomed the launch of the ERTMS Stakeholder platform.