Basic information

2017/2142(DEC) DEC - Discharge procedure	Procedure completed
2016 discharge: EU general budget, European Committee of the Regions **Subject** 8.70.03.06 2016 discharge	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	GRÄSSLE Ingeborg (PPE)	21/03/2018
	Shadow rapporteur SALAFRANCA SÁNCHEZ-NEYRA José Ignacio (PPE) KOHN Arndt (S&D) CZARNECKI Ryszard (ECR) TAKKULA Hannu (ALDE) DE JONG Dennis (GUE/NGL) JÁVOR Benedek (Verts/ALE) JALKH Jean-François (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	OETTINGER Günther

Key events

Date	Event	Reference	Summary
26/06/2017	Non-legislative basic document published	COM(2017)0365	Summary
13/09/2017	Committee referral announced in Parliament		
20/03/2018	Vote in committee		
27/03/2018	Committee report tabled for plenary	A8-0117/2018	Summary
18/04/2018	Decision by Parliament	T8-0129/2018	Summary
18/04/2018	Results of vote in Parliament		
18/04/2018	Debate in Parliament		
18/04/2018	End of procedure in Parliament		
03/10/2018	Final act published in Official Journal		

Technical information

Procedure reference	2017/2142(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/10721

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE612.037	29/01/2018	
Amendments tabled in committee		PE618.344	02/03/2018	
Committee report tabled for plenary, single reading		A8-0117/2018	27/03/2018	Summary
Text adopted by Parliament, single reading		T8-0129/2018	18/04/2018	Summary

Council of the EU

Document type	Reference	Date	Summary
Supplementary non-legislative basic document	05940/2018	09/02/2018	Summary

European Commission

Document type	Reference	Date	Summary

Non-legislative basic document	COM(2017)0365	26/06/2017	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofA	Court of Auditors: opinion, report	N8-0008/2018 OJ C 322 28.09.2017, p. 0001	13/07/2017	Summary

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

Final act	
Budget 2018/1331 OJ L 248 03.10.2018, p. 0137	Summary

2016 discharge: EU general budget, European Committee of the Regions

2017/2142(DEC) - 03/10/2018 - Final act

PURPOSE: to grant discharge to the Committee of the Regions for the financial year 2016.

NON-LEGISLATIVE ACT: Decision (EU) 2018/1331 of the European Parliament on discharge in respect of the implementation of the general budget of the European Union for the financial year 2016, Section VII — Committee of the Regions.

CONTENT: the European Parliament decided to **grant discharge** to the Secretary-General of the Committee of the Regions in respect of the implementation of the budget of the Committee of the Regions for the financial year 2016.

This decision is accompanied by a resolution of the European Parliament containing the observations which form an integral part of the discharge decision in respect of the implementation of the general budget of the European Union for the financial year 2016 (*please refer to the summary dated 18.4.2018*).

Parliament welcomed the Committee's overall prudent and **sound financial management** in the 2016 budget period while expressing support for the successful paradigm shift towards performance-based budgeting in the Commission's budget planning.

In 2016, the Committee had an approved budget of **EUR 90 500 000**, of which EUR 89 400 000 were commitment appropriations with a utilisation rate of 98.7 %.

The Parliament stressed the importance of deepening **cooperation between the Committee and the Parliament**, on the basis of the cooperation agreement that these institutions have concluded. It also welcomed the administrative cooperation agreement between the Committee and the European Economic and Social Committee, which entered into force in 2016. It called for the Committee's strategy to strengthen connections first of all with Parliament, but also with other Union institutions in order to increase the involvement of the regions in the Union legislative process.

Parliament deplored the decrease in the number of women in management positions while welcoming the adoption of a new five-year strategy for **equal opportunities**. It supported the organisation of **citizen dialogues** and advocated a steady increase in the power of these initiatives.

Lastly, it asked for further rationalisation measures to be put in place with regard to translations.

2016 discharge: EU general budget, European Committee of the Regions

2017/2142(DEC) - 26/06/2017 - Non-legislative basic document

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2016, as part of the 2016 discharge procedure.

Analysis of the accounts of the EU Institutions: **Committee of the Regions.**

Consolidated annual accounts of the EU: this Commission document concerns the EU's consolidated annual accounts for the year 2016, 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. It 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 European Parliament is the discharge authority within the EU. The **discharge** represents the **final step** of a budget lifecycle. It is 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.

(2) Implementation of the Committee of the Regions' appropriations for the financial year 2016: the appropriations available for 2016 amounted to **EUR 90.5 million** with 98.7% of these committed.

As regards the budgetary implementation of the CoR, the 2016 Annual Activity Report noted that the Committee focused on the following:

- the continuation of legislative monitoring with the adoption of opinions by the Committee of Regions (50 opinions and 9 resolutions);
- the continuation of cooperation with other EU institutions and regional and local authorities.

2016 was the second year of the CoR's sixth term of office 2015-2020 under the Presidency of Markku Markkula as its President and Karl-Heinz Lambertz as First Vice-President.

The CoR met five times in Plenary Session in 2016 and two extraordinary Bureau meetings were organised in Amsterdam and Bratislava marking the EU Presidencies of the Netherlands and Slovakia.

In 2016, the CoR undertook new ambitious horizontal and thematic initiative with a high potential for providing a meaningful input from local and regional authorities to the EU decision-making process.

These include:

- the launch of a consultation exercise reflecting on the future of Europe. Initiated by the European Council President, Donald Tusk, it will feed into an opinion to be adopted in 2018 well ahead of the European elections;
- various reports and conferences on investing in Europe's future;
- reinforced cooperation with the EU institutions.

2016 discharge: EU general budget, European Committee of the Regions

2017/2142(DEC) - 13/07/2017

PURPOSE: presentation of the Annual report of the Court of Auditors on the implementation of the budget concerning the financial year 2016.

CONTENT: the Court of Auditors published its 40th annual report on the implementation of the general budget of the Union for the year 2016. This report follows a five-part structure:

- the statement of assurance (DAS) and a summary of the results of our audit on the reliability of accounts and the regularity of transactions;
- the analysis of budgetary and financial management;
- the Commission's performance reporting framework;
- the findings on EU revenue;

- the presentation of the main headings of the current multiannual financial framework (MFF), the results of the testing of the regularity of transactions.

The Court concludes that **payments for 2016 are legal and regular, with the exception of those based on the cost reimbursement payments**. It believes that the EU accounts present a true and fair view of the EU's financial position.

The audit also focuses on the budget implementation of the **Committee of the Regions**.

Overall, audit evidence indicates that **spending on 'Administration' is not affected by a material level of error**. For this MFF heading area, testing of transactions indicates that the estimated level of error present in the population is 0.2 %.

The Court noted that the institutions had **collectively cut the number of posts** in the establishment plan by 4% over the period from 2013 to 2017. The institutions had reduced the number of staff (posts actually occupied by a staff member) by 1.4 % between 2013 and 2017.

The Court also examined how the budgeted number of **contract staff** had changed. This number rose from 4 517 to 5 417 between 2013 and 2017 - an increase of 19.9 %. Contract staff made up 11.4 % of the number of staff in the establishment plan in 2013, and 14.2 % in 2017.

The institutions are **achieving the 5 % reduction target** by eliminating vacant posts in the establishment plan and by not replacing staff members leaving upon retirement, illness or at the end of temporary contracts.

The Court **did not detect any specific problem regarding the Committee of the Regions**.

2016 discharge: EU general budget, European Committee of the Regions

2017/2142(DEC) - 27/03/2018 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Ingeborg GRÄSSLE (EPP, DE) calling on the European Parliament to **give discharge** to the Committee of the Regions in respect of the implementation of the general budget of the European Union for the financial year 2016, Section VII – Committee of the Regions.

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 Committee. The Court concluded that the payments as a whole for the year ended on 31 December 2016 for administrative and other expenditure of the institutions and bodies were **free from material error**.

Budgetary and financial management: Members welcomed the overall prudent and sound financial management of the Committee in the 2016 budget period and expressed support for the successful paradigm shift towards performance-based budgeting in the Commission's budget planning. They encouraged the Committee to apply that method to its own budget-planning procedure.

In 2016, the Committee had an approved budget of EUR 90.5 million (EUR 88.9 million in 2015), of which EUR 89.4 million were commitment appropriations with a **utilisation rate of 98.7 %.** The increase of the utilisation rate in 2016 was welcomed.

Members stressed the importance of deepening the **cooperation with Parliament** based on the cooperation agreement between the Committee and Parliament, and asked to be kept informed of any developments in this regard. They asked that the Committee's strategy strengthen connections first of all with Parliament, but also with other Union institutions in order to increase the involvement of the regions in the Union legislative process. The stressed that a joint assessment of the budgetary savings resulting from the cooperation between the Committee and Parliament is of interest to both institutions and to Union citizens and suggested that the Committee and Parliament consider carrying out this exercise as a complement to the ongoing political strategic dialogue.

The report welcomed the administrative cooperation agreement between the Committee and the European Economic and Social Committee, which entered into force in 2016 and provides for shared translation and logistics directorates. This agreement will ensure also further efficiency in both committees' performance and economic savings.

The reopening of the **direct access between the RMD and the REM buildings** was also welcomed following the decision by Belgian authorities to reduce the threat level for European Institutions. This will facilitate the communication and cooperation between the Parliament and the Committee.

Members observed the **lack of progress concerning the continued shortage of women** holding senior and middle management posts and encouraged the Committee to improve its performance in this regard.

Following an *ex post* control exercise carried in 2016, the Committee has a recurrent recommendation to update or establish **written procedures**. The Committee is urged to make sure that that recommendation is duly followed up.

Lastly, Members regretted the decision of the United Kingdom to withdraw from the European Union and observed that at this point no predictions can be made about the financial, administrative, human and other consequences related to the withdrawal. The Committee and the Court are called on to perform impact assessments and inform Parliament of the results by the end of 2018.

2016 discharge: EU general budget, European Committee of the Regions

2017/2142(DEC) - 09/02/2018 - 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 2016.

The Council notes with satisfaction that the **estimated level of error** reported by the Court for payments in the "Administration" policy area further decreased by 0.6 percentage points to **0.2 % in 2016**, well below the materiality threshold of 2 %. It welcomes that **no serious weaknesses** were identified by the Court in the systems examined.

The Council underlines the need to respect the principles of annuality and of sound financial management and that the carry-over of appropriations should always be compliant with the rules of the Financial Regulation and be motivated with factual and genuine reasons.

The Council regrets that not all the EU institutions, bodies and agencies have achieved **the 5 % reduction of posts in the establishment plan** by the end of 2017 and urges these institutions, bodies and agencies to carry out the remaining reduction as soon as possible in order to achieve this target fully.

The Council also notes the Court's findings that the total number of staff posts in the establishment plans decreased by 1.1 % between 2012 and 2017, the number of posts actually occupied by staff increased by 0.4 % over the period from 1 January 2013 to 1 January 2017, and the actual payments for salaries for permanent officials and temporary agents increased by 9.2 % between 2012 and 2016.

While recognising that during the period 2013-2017 some EU institutions, bodies and agencies were tasked with new responsibilities and equipped with new resources, the Council considers that the gap between the expectations and the outcome is significant.

In this context, the Council acknowledges that by focusing solely on the headcount based on establishment plan posts, the methodology chosen was **not suited** to achieve the goal of reducing administrative expenditure.

The Court did **not detect any specific problem concerning the Committee of the Regions**.

2016 discharge: EU general budget, European Committee of the Regions

2017/2142(DEC) - 18/04/2018 - Text adopted by Parliament, single reading

The European Parliament decided by 490 votes to 200, with 4 abstentions to **grant discharge** to the Committee of the Regions on the implementation of the EU’s general budget for the 2016 financial year, Section VII – Committee of the Regions.

Members 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 Committee. The Court concluded that the payments as a whole for the year ended on 31 December 2016 for administrative and other expenditure of the institutions and bodies were **free from material error**.

Parliament stressed that the discharge procedure needs to be streamlined and sped up. It requested that the Committee and the Court of Auditors follow best practice in the private sector and proposes in this regard to **review the timetable for the discharge procedure** so that the vote on the discharge would take place in Parliament’s plenary part-session in November, thereby closing the discharge procedure within the year following the accounting year in question.

Budgetary and financial management: Members welcomed the overall prudent and sound financial management of the Committee in the 2016 budget period and expressed support for the successful shift towards **performance-based budgeting** in the Commission’s budget planning. They encouraged the Committee to apply that method to its own budget-planning procedure.

In 2016, the Committee had an approved budget of EUR 90.5 million (EUR 88.9 million in 2015), of which EUR 89.4 million were commitment appropriations with a utilisation rate of 98.7 %.

The increase of the utilisation rate in 2016 was welcomed.

Committee activities: Members stressed the importance of **deepening the cooperation with Parliament** based on the cooperation agreement between the Committee and Parliament and asked to be kept informed of any developments in this regard. They asked that the Committee’s strategy strengthen connections first of all with Parliament, but also with other Union institutions in order to **increase the involvement of the regions** in the Union legislative process. They stressed that a joint assessment of the budgetary savings resulting from the cooperation between the Committee and Parliament is of interest to both institutions and to Union citizens and suggested that the Committee and Parliament consider carrying out this exercise as a complement to the ongoing political strategic dialogue.

The report welcomed the **administrative cooperation agreement between the Committee and the European Economic and Social Committee**, which entered into force in 2016 and provides for shared translation and logistics directorates. This agreement will ensure also further efficiency in both committees’ performance and economic savings.

Members addresses a series of recommendations to the Committee:

- correct the continued shortage of **women** holding senior and middle-management posts;
- put in place measures for improving wellbeing at work, but also of duly verifying absences;
- organise **citizen dialogues**, whilst avoiding overlap with the activities of other Union institutions;
- assess the possibility of further **interinstitutional cooperation** with regard to translation;
- report to the discharge authority on the actions undertaken to reverse the trend of the average time for payment to the Committee’s creditors which increased in 2016;

- establish an independent body with sufficient budgetary resources to support **whistleblowers** wishing to disclose information on possible irregularities negatively impacting on the Union's financial interests, while ensuring their confidentiality is protected.

Following an *ex post* control exercise carried in 2016, the Committee has a recurrent recommendation to update or establish **written procedures**. The Committee is urged to make sure that that recommendation is duly followed up.

Lastly, Members regretted the decision of the United Kingdom to withdraw from the European Union and observed that at this point no predictions can be made about the financial, administrative, human and other consequences related to the withdrawal. The Committee and the Court are called on to perform **impact assessments** and inform Parliament of the results by the end of 2018.