Basic information

2017/2143(DEC) DEC - Discharge procedure	Procedure completed
2016 discharge: EU general budget, European Ombudsman **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		
26/03/2018	Committee report tabled for plenary	A8-0100/2018	Summary
18/04/2018	Decision by Parliament	T8-0131/2018	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	2017/2143(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/10741

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE612.039	29/01/2018	
Amendments tabled in committee		PE618.345	02/03/2018	
Committee report tabled for plenary, single reading		A8-0100/2018	26/03/2018	Summary
Text adopted by Parliament, single reading		T8-0131/2018	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 2018/1333 OJ L 248 03.10.2018, p. 0141	Summary

2016 discharge: EU general budget, European Ombudsman

2017/2143(DEC) - 03/10/2018 - Final act

PURPOSE: to grant discharge to the European Ombudsman for the financial year 2016.

NON-LEGISLATIVE ACT: Decision (EU) 2018/1333 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 VIII — European Ombudsman.

CONTENT: the European Parliament decided to **grant discharge** to the European Ombudsman in respect of the implementation of the budget of the European Ombudsman 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 Ombudsman'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. The Ombudsman’s budget is purely administrative and amounted in 2016 to **EUR 10 658 951** (EUR 10 346 105 in 2015) with a utilisation rate of 95.40 %.

Parliament encouraged the Ombudsman to pursue his strategic work to promote good governance of the Union institutions. It welcomed the fact that the Ombudsman's organisational chart had been clarified and was available on its website. It also welcomed the introduction of a new fast track procedure for access to case documents.

The results achieved in the **handling of complaints** in 2016 show that 84% of the Union institutions complied with the Ombudsman's decisions (the second highest rate of follow-up of the Ombudsman's decisions and recommendations to date). The resolution recommended that the Ombudsman continue its work with a view to analysing possible solutions to reach at least 88%. It also underlined the importance of **raising awareness among EU citizens** of the possibility of applying to the Ombudsman in cases of maladministration.

Parliament has expressed its concern at the ‘internal revolving door’ between the Ombudsman and other institutions. It encouraged the Ombudsman to strive for geographical balance in management positions in the long-term.

2016 discharge: EU general budget, European Ombudsman

2017/2143(DEC) - 26/03/2018 - 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 European Ombudsman in respect of the implementation of the budget of the European Ombudsman for the financial year 2016.

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 Ombudsman. 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**.

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

The Ombudsman's budget is purely administrative and amounted in 2016 to EUR 10 658 951 (EUR 10 346 105 in 2015). Of the total appropriations, 95.40% were committed (92.32% in 2015) and 85.89% paid (86.19% in 2015), with a **utilisation rate of 95.40%** (92.32% in 2015).

Ombudmans's actions: the report noted that the Ombudsman closed five strategic inquiries and opened four new ones in 2016 on issues related, *inter alia*, to transparency and conflicts of interest. Results in the handling of complaints was noted in 2016. Union institutions complied with the Ombudsman's decisions at a rate of 84% (83% in 2015). This has been the second highest rate of compliance with the Ombudsman's decisions and recommendations so far.

Members made a series of observations and recommendations to the Ombudsman:

- strive for geographical balance in management positions in the long-term;
- continue to improve transparency in Union decision-making;
- establish an independent disclosure, advice and referral body with sufficient budgetary resources, in order to help whistleblowers use the right channels to disclose their information on possible irregularities affecting the financial interests of the Union, while protecting their confidentiality and offering needed support and advice;
- perform impact assessments on the implications of Brexit and inform Parliament of the results by the end of the year 2018.

Lastly, Members regretted the lack of data from 2016 in different sections of the Ombudsman's annual activity report for 2016.

2016 discharge: EU general budget, European Ombudsman

2017/2143(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: **European Ombudsman.**

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 Ombudsman's appropriations for the financial year 2016: the appropriations available in the Ombudsman's budget for 2016 amount to **EUR 10 658 951**. Of the total appropriations, 95.40 % were committed.

As regards the implementation of the Ombudsman's budget, the 2016 Annual Activity Report stated that the Ombudsman concentrated on the three way strategy to improve the impact, relevance and visibility of the office.

This year was characterised by the following:

- 1 880 new complaints were dealt with; 235 inquiries opened and 291 closed with 182 still ongoing;
- the highest media coverage in the history of the Ombudsman was reached with a 21% increase in Twitter followers compared to 2015;
- launch of the process for the website overhaul and improved system to lodge complaints;
- significant savings on the budget lines for publications and translations.
- reform of the European Network of Ombudsmen (ENO) in order to increase focus on parallel inquiries and initiatives among interested ombudsman offices in areas of mutual interest, such as migration.

2016 discharge: EU general budget, European Ombudsman

2017/2143(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 **European Ombudsman**.

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 European Ombudsman**.

2016 discharge: EU general budget, European Ombudsman

2017/2143(DEC) - 18/04/2018 - Text adopted by Parliament, single reading

The European Parliament decided to **grant discharge** to the European Ombudsman in respect of the implementation of the budget of the European Ombudsman for the 2016 financial year.

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 Ombudsman. 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.

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

The Ombudsman's budget is purely administrative and amounted in 2016 to EUR 10 658 951 (EUR 10 346 105 in 2015). Of the total appropriations, 95.40% were committed (92.32% in 2015) and 85.89% paid (86.19% in 2015), with a utilisation rate of 95.40% (92.32% in 2015).

Ombudmans's actions: Parliament noted that the Ombudsman closed five strategic inquiries and opened four new ones in 2016 on issues related, inter alia, to transparency and conflicts of interest. The results in the handling of complaints in 2016 were noted. Union institutions complied with the Ombudsman's decisions at a rate of 84% (83% in 2015). This has been the second highest rate of compliance with the Ombudsman's decisions and recommendations so far.

Members addressed a series of observations and recommendations to the Ombudsman to:

- ensure that an updated version of its **organisational chart** is always available on its website;
- strive for **geographical balance** in management positions in the long-term;
- continue to improve **transparency** in Union decision-making;
- 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;
- perform impact assessments on the **implications of Brexit** and inform Parliament of the results by the end of the year 2018.

Given that the Ombudsman is experiencing a significant increase in complaints, Parliament called on the budgetary authorities, when the time comes to plan the future allocation of financial resources to staff to keep in mind the need for building on the capacity of experienced officials to take over management posts.

2016 discharge: EU general budget, European Ombudsman

2017/2143(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 European Ombudsman**.