Basic information

2017/2157(DEC) DEC - Discharge procedure	Procedure completed
2016 discharge: European Maritime Safety Agency (EMSA) **Subject** 8.70.03.06 2016 discharge	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	STAES Bart (Verts/ALE)	14/09/2017
	Shadow rapporteur SARVAMAA Petri (PPE) LIBERADZKI Bogusław (S&D) MARIAS Notis (ECR) ALI Nedzhmi (ALDE) DE JONG Dennis (GUE/NGL) VALLI Marco (EFDD) KAPPEL Barbara (ENF)	

Committee for opinion	Rapporteur for opinion	Appointed
TRAN Transport and Tourism	MEISSNER Gesine (ALDE)	12/10/2017

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		
23/03/2018	Committee report tabled for plenary	A8-0078/2018	Summary
18/04/2018	Decision by Parliament	T8-0152/2018	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	2017/2157(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/10794

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE613.469	24/01/2018	
Committee opinion	TRAN	PE613.598	20/02/2018	
Amendments tabled in committee		PE618.257	02/03/2018	
Committee report tabled for plenary, single reading		A8-0078/2018	23/03/2018	Summary
Text adopted by Parliament, single reading		T8-0152/2018	18/04/2018	Summary

Council of the EU

Document type	Reference	Date	Summary
Supplementary non-legislative basic document	05941/2018	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	N8-0030/2018 OJ C 417 06.12.2017, p. 0156	17/10/2017	Summary

Additional information		
Source	Document	Date
European Commission	EUR-Lex	

Final act	
Budget 2018/1394 OJ L 248 03.10.2018, p. 0271	Summary

2016 discharge: European Maritime Safety Agency (EMSA)

2017/2157(DEC) - 23/03/2018 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Bart STAES (Greens/EFA, BE) on discharge in respect of the implementation of the budget of the European Maritime Safety Agency (EMSA) for the financial year 2016.

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 2016.

Noting that the Court of Auditors stated that it had obtained reasonable assurance that the annual accounts of the Agency for the financial year 2016 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**: the final budget of the Agency for the financial year 2016 was EUR 70 215 156, representing an increase of 6.05 % compared to 2015.
- **Budget and financial management**: Members noted that the budget monitoring efforts during the financial year 2016 resulted in a **budget implementation rate of 98.07 %,** representing a decrease of 1.16 % compared to 2015. The report took note of the implementation for Budget 2016 of the final phase of a two-part budget restructuring in 2014 and 2015 affecting budgetary years 2015 and 2016. The new structure is intended to better support the business needs of the Agency by isolating project financed activities and the financing earmarked for those specific actions. The Agency is invited to inform the discharge authority on the practical impact and efficiencies gained with the new budget structure.
- **Commitments and carry-overs**: out of the total amount carried forward from 2015 to 2016 (EUR 36 450 711), 54 % were consumed, 43 % remained as "open amount" (amount due, not yet paid) and 2 % of the total has been cancelled.
- Carry-overs are often justified and do not necessarily indicate weaknesses in budget planning and implementation.

Members also made a series of observations regarding transfers, the prevention and management of conflicts of interests, procurement and staff policy, internal audits and controls.

On performance, Members noted that during 2016, cooperation with participating Member States and Union bodies continued, including provision of services to Frontex (border control), EFCA (fisheries monitoring), OLAF (customs and illegal cross border activities), MAOC-N (law enforcement - narcotics) and EUNAVFOR (anti-piracy and anti-people smuggling).

They noted that the proposal for a revision of the Agency's Founding Regulation for the development of European cooperation on coastguard functions had a **significant impact** on the Agency's multi-annual programming exercises, conducted in 2016.

They also noted that the European Parliament funded pilot project aiming to explore and further develop, in 2016 and 2017, inter-agency synergies between EMSA, Frontex and EFCA to enhance cooperation on coastguard functions.

They welcomed the conclusion of the legislative process and adoption of the revision at the end of 2016.

Lastly, Members highlighted that the Agency has completed the procurement of services of Remotely Piloted Aircraft Systems (RPAS) for maritime surveillance. The Agency is urged to cooperate with other Union Agencies in addressing the **refugee crisis**, including in the performance of critically important activities outside its original mandate, such as by contributing knowhow, operational support and staff to help to tackle the refugee crisis.

2016 discharge: European Maritime Safety Agency (EMSA)

2017/2157(DEC) - 03/10/2018 - Final act

PURPOSE: to grant discharge to the European Maritime Safety Agency (EMSA) in respect of the Agency's budget for the financial year 2016.

NON-LEGISLATIVE ACT: Decision (EU) 2018/1394 of the European Parliament on discharge in respect of the implementation of the budget of the European Maritime Safety Agency for the financial year 2016.

CONTENT: the European Parliament decided to **grant discharge** to the Executive Director of the European Maritime Safety Agency for the implementation of its budget 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*).

In this resolution, Parliament noted that the legislative proposal to amend the Agency's founding regulation with the aim of developing European cooperation on coastguard functions had a significant impact on the Agency's multi-annual programming exercises, conducted in 2016. It took note, moreover, of the pilot project launched by the Parliament aiming to explore and further develop, in 2016 and 2017, inter-agency synergies between the Agency, Frontex and EFCA to enhance cooperation on coastguard functions.

Parliament welcomed the conclusion of the legislative procedure and the adoption of the amending act at the end of 2016.

2016 discharge: European Maritime Safety Agency (EMSA)

2017/2157(DEC) - 18/04/2018 - Text adopted by Parliament, single reading

The European Parliament decided to **grant discharge** to the Executive Director of the European Maritime Safety Agency in regard to the implementation of the agency's budget for the 2016 financial year and to approve the closure of the accounts for the financial year in question.

Noting that the Court of Auditors has stated that it has obtained reasonable assurances that the agency's annual accounts for the financial year 2016 are reliable and that the underlying transactions are **legal and regular**, Parliament adopted by 541 votes to 133 with 17 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:

- **Agency's financial statements:** the final budget of the Agency for the financial year 2016 was EUR 70 215 156, representing an increase of 6.05 % compared to 2015.
- **Budget and financial management:** Members noted that the budget monitoring efforts during the financial year 2016 resulted in a budget implementation rate of 98.07 %, representing a decrease of 1.16 % compared to 2015. The report took note of the implementation for Budget 2016 of the final phase of a two-part **budget restructuring** in 2014 and 2015 affecting budgetary years 2015 and 2016. The new structure is intended to better support the business needs of the Agency by isolating project financed activities and the financing earmarked for those specific actions. The Agency is invited to inform the discharge authority on the practical impact and efficiencies gained with the new budget structure.
- **Commitments and carry-overs:** out of the total amount carried forward from 2015 to 2016 (EUR 36 450 711), 54 % were consumed, 43 % remained as "open amount" (amount due, not yet paid) and 2 % of the total has been cancelled.
- Carry-overs are often justified and do not necessarily indicate weaknesses in budget planning and implementation.

Members also made a series of observations regarding transfers, the prevention and management of conflicts of interests, procurement and staff policy, internal audits and controls. They regretted the **significant gender imbalance** (of 19 % women to 81 % men) within the Agency's management board, showing no improvement from last year

While welcoming the fact that the agency has adopted a policy for whistleblowers, Parliament emphasised the need to 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.

On **performance**, Members noted that during 2016, cooperation with participating Member States and Union bodies continued, including provision of services to Frontex (border control), EFCA (fisheries monitoring), OLAF (customs and illegal cross border activities), MAOC-N (law enforcement - narcotics) and EUNAVFOR (anti-piracy and anti-people smuggling).

The proposal for a revision of the Agency's Founding Regulation for the development of European cooperation on coastguard functions had a **significant impact** on the Agency's multi-annual programming exercises, conducted in 2016.

They also noted that the European Parliament funded pilot project aiming to explore and further develop, in 2016 and 2017, inter-agency synergies between EMSA, Frontex and EFCA to enhance cooperation on coastguard functions.

Among the agency's main achievements in 2016 was the deployment of the first operational services under the **Copernicus** maritime surveillance project were rolled out, marking the beginning of a synergy that will sustain and boost the Agency's earth observation products and services for the years to come.

Lastly, Parliament highlighted that the agency has completed the procurement of services of **Remotely Piloted Aircraft Systems (RPAS)** for maritime surveillance. It urged the agency to cooperate with other Union agencies in addressing the **refugee crisis**, including in the performance of critically important activities outside its original mandate, such as by contributing knowhow, operational support and staff to help to tackle the refugee crisis.

2016 discharge: European Maritime Safety Agency (EMSA)

2017/2157(DEC) - 17/10/2017 - Court of Auditors: opinion, report

PURPOSE: presentation of the EU Court of Auditors' report on the annual accounts of the European Maritime Safety Agency (EMSA) for the year 2016, 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 Maritime Safety Agency (**EMSA**). The Agency's tasks are to ensure a high level of maritime safety and to prevent pollution by ships, provide the Commission and the Member States with technical assistance, and monitor the implementation of Union legislation, as well as to evaluate its effectiveness.

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 2016, 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 2016 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 2016 are legal and regular in all material respects.

The report also makes a series of observations regarding the Agency, accompanied by the latter's response. The main observations may be summarised as follows:

The Court's observations:

- **internal controls**: the Court noted that in 2014, the Agency concluded a framework contract amounting to EUR 3.5 million for the purchase of IT-related goods and services over a 6-year period. The Agency **underestimated the needs** and likely contract value, leading to an 80 % consumption of the contract at the end of 2016. A new procurement procedure has to be launched 4 years earlier than expected, resulting in additional administrative costs. In addition, in 2016, the Agency concluded seven framework contracts for the purchase of oil pollution response systems. The procurement procedure was launched under the assumption that the total value of the seven frameworks contracts would be EUR 7 million. However, this assumption underestimated the Agency's needs and seven framework contracts for an amount of EUR 7 million each were signed, leading to a total value of the contracts of EUR 49 million.

The Agency's replies:

- **internal controls**: as regards the IT contract, the Agency replied that defining the needs related to this contract was particularly challenging as at the time of the procurement the negotiations on the Delegation Agreement for Copernicus were still ongoing and, more importantly, it was not clear if and to which extent IT costs would be eligible under this agreement, mainly because of the issue how to deal with Copernicus specific needs in a hybrid and combined IT environment at EMSA. The fact that Copernicus would consume a substantial part of the above mentioned framework contract could not be foreseen at the time the contract was concluded. As regards the framework contracts, the Agency stipulated that it was originally foreseen to launch a six-lot procurement procedure with an overall estimated budget of EUR 7 million excluding VAT. However, in the period between the initial estimation of the needs and the actual launch of the tender the forecasted needs evolved and as a result the tender was launched with a **different number of lots and different budget ceiling per lot**. The whole package of tender documentation was adapted accordingly and published in a coherent way indicating EUR 7 million per lot.

Lastly, the Court of Auditors' report contains a summary of the **Agency's key figures in 2016**:

- **Budget**: EUR 71.1 million.
- **Staff**: 246 including officials, temporary and contract staff and seconded national experts.

2016 discharge: European Maritime Safety Agency (EMSA)

2017/2157(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 **European Maritime Safety Agency (EMSA)**.

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.

This Commission document concerns the EU's consolidated accounts for the year 2016 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 Maritime Safety Agency** (EMSA), 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 **EMSA**.

The European Maritime Safety Agency: the Agency, which is located in Lisbon (PT), was established by was set up by Regulation (EC) No 1406/2002 of the European Parliament and of the Council. The Agency’s tasks are to prevent pollution by ships and provide the Commission and Member States with appropriate technical assistance.

As regards the Agency's accounts, these are presented in detail in the document on the consolidated annual accounts of the European Union for 2016:

Commitment appropriations:

- available: EUR 80 million;
- made: EUR 72 million.

Payment appropriations:

- available: EUR 82 million;
- made: EUR 66 million.

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

2016 discharge: European Maritime Safety Agency (EMSA)

2017/2157(DEC) - 09/02/2018 - Supplementary non-legislative basic document

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 of the **European Maritime Safety Agency (EMSA)**, as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2016, 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 2016.

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 2016 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 2016 are legal and regular in all material respects.

The Council regretted the deficiencies found by the Court in the **Agency's procurement procedures**. The Council also expressed concern about the accuracy of the Agency's assessment of the needs prior to the procurement process for purchasing IT-related goods and services, whereby the severe underestimation of the coverage and the total value of the original framework contract has led to a new procurement procedure increasing the contract value from EUR 7 million to EUR 49 million.

The Agency was called on to **improve its procurement procedures**, including the steps related to defining the tendering specifications in order to ensure the effectiveness of the process, as well as the full transparency and equal treatment of tenders.