Basic information

2017/2161(DEC) DEC - Discharge procedure	Procedure completed
2016 discharge: European Union Agency for Network and Information Security (ENISA) **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
ITRE Industry, Research and Energy	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	A8-0114/2018	Summary
18/04/2018	Decision by Parliament	T8-0153/2018	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	2017/2161(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/10802

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE613.443	25/01/2018	
Amendments tabled in committee		PE618.258	02/03/2018	
Committee report tabled for plenary, single reading		A8-0114/2018	27/03/2018	Summary
Text adopted by Parliament, single reading		T8-0153/2018	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	N8-0031/2018 OJ C 417 06.12.2017, p. 0160	19/09/2017	Summary

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

Final act
Budget 2018/1397 OJ L 248 03.10.2018, p. 0277 Summary

2016 discharge: European Union Agency for Network and Information Security (ENISA)

2017/2161(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 Union Agency for Network and Information Security (ENISA)**.

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 Union Agency for Network and Information Security (ENISA), 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 **ENISA**.

The European Union Agency for Network and Information Security: ENISA, which is located in Heraklion (EL), was established under Regulation 460/2004/EC of the European Parliament and of the Council with a view to enhancing the Union's capability to prevent and respond to network and information security problems.

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 11 million;
- made: EUR 11 million.

Payment appropriations:

- available: EUR 12 million;
- made: EUR 10 million.

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

2016 discharge: European Union Agency for Network and Information Security (ENISA)

2017/2161(DEC) - 03/10/2018 - Final act

PURPOSE: to grant discharge to the European Union Agency for Network and Information Security (ENISA) for the financial year 2016.

NON- LEGISLATIVE ACT: Decision (EU) 2018/1397 of the European Parliament on discharge in respect of the implementation of the budget of the European Union Agency for Network and Information Security for the financial year 2016.

CONTENT: the European Parliament decided to **grant discharge** to the Executive Director of the European Union Agency for Network and Information Security 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 with concern that:

- the Agency did not include a chapter on transparency, accountability and integrity in the 2016 annual report and called on the Agency to include such a chapter in the 2017 annual activity report;
- payments from the Greek Government are still being made with considerable delay, which in turn causes the payments to the landlords in Athens and Heraklion to be delayed and, while acknowledging that the Agency made great efforts in liaising with the Greek government in order to change the situation, the Agency is called on to report to the discharge authority on the evolution of that situation.

On the other hand, it welcomed the fact that the Agency started to put in place a quality management system during 2016. The quality management manual as well as standard operation procedures and work instructions were drafted based on ISO 9001 standards. Parliament noted with satisfaction that all those documents are in the phase of revision by the management and will be implemented in 2017.

2016 discharge: European Union Agency for Network and Information Security (ENISA)

2017/2161(DEC) - 19/09/2017 - Court of Auditors: opinion, report

PURPOSE: presentation of the EU Court of Auditors' report on the annual accounts of the European Network and Information Security Agency (ENISA) 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 Network and Information Security Agency (**ENISA**). In brief, the Agency's main task is to enhance the Union's capability to prevent and respond to network and information security problems by building on national and Union efforts.

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 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's observations:

- **budgetary management**: the Court noted that the commitment appropriations carried over are high for administrative expenditure with EUR 300 000 of committed appropriations. This high level mainly results from transfers made from staff expenditure and operational expenditure and primarily relate to investments in IT and a service car near year-end. Improvements in communication were also called for.
- **staff relocation**: the Court noted that in 2016, the Agency moved eight additional staff to Athens, reducing the number of staff in Heraklion to 14.

The Agency's replies:

- **budgetary management**: the Agency stated that the carry-over is justified and related to the procurement of the SRM software which was finalised in December 2016 as well as the procurement for the Agency's service car. Communication was informed through updated videoconference facilities and new software;
- **staff relocation**: the Agency noted that seven staff members in 2016 and two in 2017, requested to move to Athens office, due to the constrains of the Heraklion location. The total staff expected to be in Heraklion at the end of 2017 are eight.

Regarding ENISA and its external relations, the Agency has discussed with its host country authorities the possibility to relocate fully the Agency's staff into its Athens' office.

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

- **Budget**: EUR 11 million.
- **Staff**: 69 including officials, temporary and contract staff and seconded national experts.

2016 discharge: European Union Agency for Network and Information Security (ENISA)

2017/2161(DEC) - 27/03/2018 - 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 Union Agency for Network and Information Security (ENISA) 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**: Members noted the final budget of the Agency for the financial year 2016 was EUR 11 033 974.16, representing an increase of 9.64 % compared to 2015. The Union's contribution for the financial year 2016 to the Agency's budget amounted to EUR 10 120 000, representing an increase of 10.53 % compared to 2015.
- **Follow-up of the 2013, 2014 and 2015 discharges**: Members noted with concern that the situation remains unchanged and the payments from the Greek Government are still made with considerable delays, which in turn makes the payments to the landlords in Athens and Heraklion to be delayed as well.
- **Budget and financial management**: budget monitoring efforts during the financial year 2016 resulted in a high budget implementation rate of 98.47 %, representing a decrease of 1.53 % compared to 2015, and that the payment appropriations execution rate was 89.18 %, representing an decrease of 3.71 % compared to 2015.
- **Commitments and carry-overs**: the carry-overs of committed appropriations for administrative expenditure were at EUR 300 000 (25 %), compared to EUR 150 000 (22 %) in 2015. Those carry-overs primarily related to investments in IT and a service car near year end - the use of this car and the reasons for its purchase will have to be communicated for information to the European Parliament's Committee on Budgetary Control.

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

They welcomed the fact that the Agency has been, with the aim of ensuring a cost-effective and environment-friendly working place, recycling paper, glass and plastics, encouraging staff to avoid printing documents and has introduced an electronic system for internal workflows which has significantly reduced the use of physical files. They also welcomed that the Agency has, with the aim of reducing or offsetting CO2 emissions, encouraged the use of electronic means of communication as an alternative to physical travel, and implemented the 'Greenhouse Gas Protocol (GHG) Transport tool' for the first time in 2017 in order to compile the statistical data of business travel undertaken by Agency staff.

2016 discharge: European Union Agency for Network and Information Security (ENISA)

2017/2161(DEC) - 18/04/2018 - Text adopted by Parliament, single reading

The European Parliament decided to **grant discharge** to the Executive Director of the EU Agency for Network and Information Security (ENISA) 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 557 votes to 111 with 29 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 11 033 974.16, representing an increase of 9.64 % compared to 2015. The Union's contribution for the financial year 2016 to the Agency's budget amounted to EUR 10 120 000, representing an increase of 10.53 % compared to 2015.
- **Follow-up of the 2013, 2014 and 2015 discharges:** Members noted with concern that the situation remains unchanged and the payments from the Greek Government are still made with **considerable delays**, which in turn makes the payments to the landlords in Athens and Heraklion to be delayed as well.
- **Budget and financial management:** budget monitoring efforts during the financial year 2016 resulted in a high budget implementation rate of **98.47 %**, representing a decrease of 1.53 % compared to 2015, and that the payment appropriations execution rate was 89.18 %, representing an decrease of 3.71 % compared to 2015.
- **Commitments and carry-overs:** the carry-overs of committed appropriations for administrative expenditure were at EUR 300 000 (25 %), compared to EUR 150 000 (22 %) in 2015. Those carry-overs primarily related to investments in IT and the purchase of a service car near year end — for official use only.

Members also made a series of observations regarding procurement, staff policy, internal audits and controls and the prevention and management of conflicts of interests. They noted that that the **gender balance** among senior management changed by the end of 2017 so that two out of three Head of Unit posts were occupied by women. In addition, they noted from the Agency's reply that it is in the process of writing a policy addressing the issue of improving **transparency** in its contacts with lobbyists and stakeholders.

Parliament welcomed the fact that the agency has been, with the aim of ensuring a **cost-effective and environment-friendly working place**, recycling paper, glass and plastics, encouraging staff to avoid printing documents and has introduced an electronic system for internal workflows which has significantly reduced the use of physical files. It also welcomed the fact that the agency has, with the aim of **reducing or offsetting CO2 emissions**, encouraged the use of electronic means of communication as an alternative to physical travel, and implemented the 'Greenhouse Gas Protocol (GHG) Transport tool' for the first time in 2017.

Lastly, Parliament noted that there is a need to improve communication between the agency and its stakeholders, who find the agency's mandate and outreach too limited.

2016 discharge: European Union Agency for Network and Information Security (ENISA)

2017/2161(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 Union Agency for Network and Information Security (ENISA)**, 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 Agency was called on to:

- continue improving its **financial programming** and monitoring of the budget implementation, in order to reduce the level of commitments carried over to the following financial year to the minimum strictly necessary, in line with the budgetary principle of annuality;
- take appropriate actions to address cumbersome work processes, lack of communication and cooperation, and additional costs due to the division of the Agency's activities between its two sites.