Basic information

2017/2169(DEC) DEC - Discharge procedure	Procedure completed
2016 discharge: European Police Office (Europol) **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) MACOVEI Monica (ECR) ALI Nedzhmi (ALDE) DE JONG Dennis (GUE/NGL) VALLI Marco (EFDD) KAPPEL Barbara (ENF)	

Committee for opinion	Rapporteur for opinion	Appointed
LIBE Civil Liberties, Justice and Home Affairs	CHRYSOGONOS Kostas (GUE/NGL)	19/10/2017

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		
26/03/2018	Committee report tabled for plenary	A8-0109/2018	Summary
18/04/2018	Decision by Parliament	T8-0162/2018	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	2017/2169(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/10819

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE613.454	24/01/2018	
Committee opinion	LIBE	PE613.648	07/02/2018	
Amendments tabled in committee		PE618.268	02/03/2018	
Committee report tabled for plenary, single reading		A8-0109/2018	26/03/2018	Summary
Text adopted by Parliament, single reading		T8-0162/2018	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	N8-0040/2018 OJ C 417 06.12.2017, p. 0223	19/09/2017	Summary

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

Final act	
Budget 2018/1424 OJ L 248 03.10.2018, p. 0326	Summary

2016 discharge: European Police Office (Europol)

2017/2169(DEC) - 03/10/2018 - Final act

PURPOSE: to grant discharge to the European Police Office (Europol) for the financial year 2016.

NON-LEGISLATIVE ACT: Decision (EU) 2018/1424 of the European Parliament on discharge in respect of the implementation of the budget of the European Police Office (Europol) for the financial year 2016.

CONTENT: the European Parliament decided to **grant discharge** to the Director of the European Police Office 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 on 1 May 2017 the management board adopted rules for the prevention and management of conflicts of interest in respect of its members, including in relation to their declarations of interests. However, it noted with regret that Europol's approach has been to declare that there are no conflicts of interest. Europol should report back to the discharge authority if management board members have actually published their declarations of interests by the set deadline.

Parliament noted that, according to Europol, there are substantial financial and operational risks due to the Brexit. It called on Europol to remain proactive in identifying and addressing those risks and to keep the discharge authority fully informed of the future impact of Brexit on Europol.

Europol is urged to publish its annual reviews in time for future discharge procedures in order to allow the discharge authority to perform its work in a fully informed manner.

Lastly, noting the ever-increasing demand for Europol’s services from Member States, Parliament regretted the fact that the tight ICT resources available have resulted in a re-prioritisation of core systems development activities, project delays and have also triggered an exploration of further outsourcing possibilities with the increased risks that that implies.

2016 discharge: European Police Office (Europol)

2017/2169(DEC) - 26/03/2018 - 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 Police Office (Europol) for the financial year 2016.

The committee called on the European Parliament to grant the Executive Director of the European Union Agency for Law Enforcement Cooperation discharge in respect of the implementation of the Europol’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 Office 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 Europol’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:

- **Financial statements of Europol**: Members noted that the final budget of the European Police Office for the financial year 2016 was EUR 104 274 784, representing an increase of 9.27 % compared to 2015. This increase was due to new or additional tasks which expanded the mandate of Europol.

- **Commitments and carry-overs**: Members took note of the carry-overs of committed appropriations for administrative expenditure reached EUR 3.5 million (39 %), compared to EUR 4.2 million (41 %) in 2015. They noted that these carry-overs mainly concerned Europol's headquarters, which were only invoiced by the host state in 2017 (EUR 2 million). These carry-overs may be justified and do not necessarily indicate weaknesses in budget planning and implementation.

Members also made a series of observations regarding budgetary and financial management, procurement and staff policy, internal audits and controls. It deeply regretted that having regard to the total number of posts occupied on 31 December 2016, **gender balance has not been achieved** since the ratio is more than two to one – 32.4 % female to 67.6 % male.

They report welcomed the establishment of the **European Counter Terrorism Centre** and the European Migrant Smuggling Centre, including the on-the-spot deployment of staff to perform over 4 800 secondary security checks in migration hotspots by the end of 2016.

Lastly, they noted that, according to Europol, there are substantial financial and operational risks due to the **Brexit**. Europol is called on to remain proactive in identifying and addressing those risks and to keep the discharge authority fully informed of the future impact of Brexit on Europol.

2016 discharge: European Police Office (Europol)

2017/2169(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 Police Office (Europol), as well as the Court of Auditors' report on the annual accounts of Europol for the financial year 2016, accompanied by Europol's replies to the Court's observations, the Council recommended the European Parliament to give a discharge to the Executive Director of Europol 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, Europol'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 Europol's Financial Regulation, and that the underlying transactions for 2016 are legal and regular in all material respects.

Nevertheless, the following observation was made:

- **financial programming**: the Council called on Europol to continue improving its financial programming in order to reduce the level of commitments carried over to the next financial year in line with the budgetary principle of annuality.

2016 discharge: European Police Office (Europol)

2017/2169(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 Police Office (EUROPOL)**.

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 Police Office** (EUROPOL), 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 **EUROPOL**.

EUROPOL: the European Police Office (the Office), which is located in The Hague (NL), was established by Council Decision 2009/371/JHA. Europol's mission is to support the Member States in preventing and combating all forms of serious international and organised crime and terrorism. It works closely with law enforcement agencies in the 28 EU Member States and in other non-EU partner states.

As regards the accounts, the revenue of Europol was almost fully covered by the Community subsidy, amounting to EUR 102.27 million in 2016.

The commitment implementation rate at the end of December was 99.8%, which is similar to the rate at the same time last year and above the target of 95%. The payment rate was 91%, which is 2% higher than last year and above the target of 90%. The carry forward from 2016 to 2017 amounts to EUR 8.9 million.

Commitment appropriations:

- available: EUR 122 million;
- made: EUR 115 million.

Payment appropriations:

- available: EUR 133 million;
- paid: EUR 112 million.

For further details on expenditure, please refer to EUROPOL's consolidated annual activity report.

2016 discharge: European Police Office (Europol)

2017/2169(DEC) - 18/04/2018 - Text adopted by Parliament, single reading

The European Parliament decided to **grant discharge** to the Executive Director of the European Police Office (Europol) in respect of the implementation of the Agency's budget for the financial year 2016, 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 559 votes to 122 with 16 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:

- **Financial statements of Europol**: the final budget of the European Police Office for the financial year 2016 was EUR 104 274 784, representing an increase of 9.27 % compared to 2015. This increase was due to new or additional tasks that expanded the mandate of Europol.
- **Budget and financial management**: the budget monitoring efforts during the financial year 2016 resulted in a high budget implementation rate of 99.75 %. The payment appropriations execution rate was 90.98 %, indicating an increase of 1.98 % compared to 2015;
- **Commitments and carry-overs**: the carry-overs of committed appropriations for administrative expenditure reached EUR 3.5 million (39 %), compared to EUR 4.2 million (41 %) in 2015. Members noted that these carry-overs mainly concerned Europol's headquarters, which were only invoiced by the host state in 2017 (EUR 2 million). These carry-overs may be justified and do not necessarily indicate weaknesses in budget planning and implementation.

Members also made a series of observations regarding procurement and staff policy, internal audits and controls. They deeply regretted that having regard to the total number of posts occupied on 31 December 2016, **gender balance has not been achieved** since the ratio is more than two to one – 32.4 % female to 67.6 % male. On the other hand, they noted with satisfaction that Europol has established a network of 10 confidential counsellors as a part of the policy on protecting the dignity of the person and preventing psychological and sexual **harassment.**

They stressed the need to establish an independent body with sufficient budgetary resources to help **whistleblowers** to disclose information about possible irregularities affecting the Union's financial interests, while protecting their confidentiality.

Parliament welcomed the establishment of the **European Counter Terrorism Centre** and the European Migrant Smuggling Centre, including the on-the-spot deployment of staff to perform over 4 800 secondary security checks in migration hotspots by the end of 2016.

Lastly, Members noted that, according to Europol, there are substantial financial and operational risks due to the **Brexit.** Europol was called on to remain proactive in identifying and addressing those risks and to keep the discharge authority fully informed of the future impact of Brexit on Europol.

2016 discharge: European Police Office (Europol)

2017/2169(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 Police Office (Europol) for the year 2016, together with Europol'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 focused on the annual accounts of the European Police Office (**Europol**). To recall, the Office seeks to provide support and strengthen action by the Member States' police authorities and other law enforcement services and their mutual cooperation in preventing and combating serious crime affecting two or more Member States, terrorism and forms of crime which affect a common interest covered by a Union policy.

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 Office, 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 Office'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 made a series of observations on the budgetary and financial management of Europol, accompanied by the latter's response. The main observations may be summarised as follows:

The Court's observations:

- **budgetary management**: the Court noted that as in previous years carry-overs of committed appropriations have been high for administrative expenditure at EUR 3.5 million. They mainly concern 2016 expenditure for the Office's headquarters which will only be invoiced by the Host State in 2017 (EUR 2 million).

Europol's reply:

- **budgetary management**: Europol takes note of the ECA's comment and will continue its efforts to ensure efficient and compliant budget implementation, especially concerning carry-forwards in relation to administrative expenditure. Due to the work regarding Europol's headquarters being performed under the authority of the Host State as an external party, the handling of building-related costs is expected to spread across financial years also in future.

The Court of Auditors' report also contained **a summary of Europol's key figures in 2016**:

- **Budget**: EUR 104 million (in payment appropriations).
- **Staff**: 737 including officials, temporary and contract staff and seconded national experts.