Basic information

2017/2172(DEC) DEC - Discharge procedure	Procedure completed
2016 discharge: European Insurance and Occupational Pensions Authority (EIOPA) **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) FITTO Raffaele (ECR) ALI Nedzhmi (ALDE) DE JONG Dennis (GUE/NGL) VALLI Marco (EFDD) KAPPEL Barbara (ENF)	

Committee for opinion	Rapporteur for opinion	Appointed
ECON Economic and Monetary Affairs	SWINBURNE Kay (ECR)	05/10/2017
EMPL Employment and Social Affairs	The committee decided not to give an opinion.	

European Commission

Commission DG	Commissioner
Budget	OETTINGER Günther

Key events

Date	Event	Reference	Summary
		COM(2017)0365	Summary

26/06/2017	Non-legislative basic document published		
13/09/2017	Committee referral announced in Parliament		
20/03/2018	Vote in committee		
23/03/2018	Committee report tabled for plenary	A8-0088/2018	Summary
18/04/2018	Decision by Parliament	T8-0148/2018	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	2017/2172(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/10825

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE613.451	24/01/2018	
Committee opinion	ECON	PE613.564	01/03/2018	
Amendments tabled in committee		PE618.249	02/03/2018	
Committee report tabled for plenary, single reading		A8-0088/2018	23/03/2018	Summary
Text adopted by Parliament, single reading		T8-0148/2018	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	N8-0026/2018 OJ C 417 06.12.2017, p. 0126	19/09/2017	Summary

Additional information		
Source	Document	Date
European Commission	EUR-Lex	

Final act	
Budget 2018/1382 OJ L 248 03.10.2018, p. 0246	Summary

2016 discharge: European Insurance and Occupational Pensions Authority (EIOPA)

2017/2172(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 Insurance and Occupational Pensions Authority (EIOPA), as well as the Court of Auditors' report on the annual accounts of the Authority for the financial year 2016, accompanied by the Authority's replies to the Court's observations, the Council recommended the European Parliament to give a discharge to the Executive Director of the Authority in respect of the implementation of the budget for the financial year 2016.

No further comments were made as regards the accounts.

2016 discharge: European Insurance and Occupational Pensions Authority (EIOPA)

2017/2172(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 Insurance and Occupational Pensions Authority (EIOPA) for the financial year 2016.

The committee called on the European Parliament to grant the Executive Director of the Authority discharge in respect of the implementation of the Authority'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 Authority 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 Authority'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:

- **Authority's financial statements**: Members noted that the final budget of the Authority for the financial year 2016 was EUR 21 762 500, representing an increase of 7.67 % compared to 2015.
- **Budget and financial management**: budget monitoring efforts during the financial year 2016 resulted in a budget implementation rate of 99.68 %, reaching the Authority's planned target and representing a decrease of 0.29 % compared to 2015.
- Members noted the Authority's efforts to reallocate the Authority's budget and manpower internally, as the Authority's workload is increasingly shifting from regulatory tasks to supervisory convergence and enforcement. They regard it as essential that the Authority have sufficient resources to carry out its assignments in full, including dealing with any additional workload necessitated by such assignments, whilst ensuring an appropriate level of prioritisation as regards resource allocation and budgetary efficiency.

- **Commitments and carryovers**: the commitments carried forward to the following year reduced from 16.21 % in 2015 to 10.71 % in 2016, demonstrating the Authority's stricter budget monitoring. Members welcomed the fact that in 2016, the Authority achieved the lowest carry-forward percentage ever.

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

They pointed out that 2016 marked the first phase of the move to open office: a quarter of the Authority's staff is now working in an open office environment in order to accommodate the increase in staff within the existing premises and reduce building related costs.

Members welcomed the fact that the Authority proactively engages with its members to understand the extent of the impact of the United Kingdom's decision to withdraw from the Union on the supervision of insurance and pension activity as well as the impact on the Authority as an institution. A future decrease in the Authority's revenue resulting from the United Kingdom's decision to withdraw from the Union is likely.

2016 discharge: European Insurance and Occupational Pensions Authority (EIOPA)

2017/2172(DEC) - 03/10/2018 - Final act

PURPOSE: to grant discharge to the European Insurance and Occupational Pensions Authority (EIOPA) for the financial year 2016.

NON-LEGISLATIVE ACT: Decision (EU) 2018/1382 of the European Parliament on discharge in respect of the implementation of the budget of the European Insurance and Occupational Pensions Authority for the financial year 2016.

CONTENT: the European Parliament decided to **grant discharge** to the Executive Director of the European Insurance and Occupational Pensions Authority for the implementation of the latter's 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 welcomed the fact that the Authority proactively engages with its members to understand the extent of the impact of the United Kingdom's decision to withdraw from the Union on the supervision of insurance and pension activity as well as the impact on the Authority as an institution. It noted that the Authority is in contact and exchanges informally with the Commission.

It noted that the review of Authority's website has been completed and that the redesign is planned to be implemented by the end of 2018 with the aim of making information about the Authority's activities more accessible to a broader audience.

Lastly, Parliament noted with great satisfaction that in 2016 the Authority was engaged in ensuring a cost-effective and environment-friendly working place and in reducing or offsetting CO2 emissions.

2016 discharge: European Insurance and Occupational Pensions Authority (EIOPA)

2017/2172(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 Insurance and Occupational Pensions Authority (EIOPA) for the year 2016, together with the EIOPA'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 Insurance and Occupational Pensions Authority (**EIOPA**). To recall, the Authority's task is to contribute to the establishment of high-quality common regulatory and supervisory standards and practices, to contribute to the consistent application of legally binding Union acts, to stimulate and facilitate the delegation of tasks and responsibilities among competent authorities, to monitor and assess market developments in the area of its competence and to foster the protection of policyholders, pension scheme members and beneficiaries.

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 Authority'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 Court's observations: without calling into question its opinion, the Court draws attention to the fact that the United Kingdom (UK) notified the European Council on 29 March 2017 of its decision to withdraw from the European Union. An agreement setting out the arrangements for its withdrawal will be negotiated. EIOPA's budget is financed by 40 % from European Union funds and by 60 % through direct contributions from EU Member States. A future decrease of the Authority's revenue resulting from the UK's decision to leave the EU is possible.

The Court did not make any other particular comment on the Authority's budgetary management.

Lastly, the Court of Auditors' report also contained a summary of the **Authority's key figures in 2016**:

- **Budget**: EUR 21.8 million.
- **Staff**: 139 including officials, temporary and contract staff and seconded national experts.

2016 discharge: European Insurance and Occupational Pensions Authority (EIOPA)

2017/2172(DEC) - 18/04/2018 - Text adopted by Parliament, single reading

The European Parliament decided to **grant discharge** to the Executive Director of the European Insurance and Occupational Pensions Authority (EIOPA) 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 578 votes to 114 with 7 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:

- **Authority's financial statements**: the final budget of the Authority for the financial year 2016 was EUR 21 762 500, representing an increase of 7.67 % compared to 2015.
- **Budget and financial management**: budget monitoring efforts during the financial year 2016 resulted in a budget implementation rate of 99.68 %, reaching the Authority's planned target and representing a decrease of 0.29 % compared to 2015.
- Members noted the Authority's efforts to **reallocate the Authority's budget and manpower internally**, as the Authority's workload is increasingly shifting from regulatory tasks to supervisory convergence and enforcement. They regard it as essential that the Authority have sufficient resources to carry out its assignments in full, including dealing with any additional workload necessitated by such assignments, whilst ensuring an appropriate level of prioritisation as regards resource allocation and budgetary efficiency.
- **Commitments and carryovers**: the commitments carried forward to the following year reduced from 16.21 % in 2015 to 10.71 % in 2016, demonstrating **the Authority's stricter budget monitoring.** 94.55% of the credits carried over from 2015 to 2016 were used. Members welcomed the fact that in 2016, the Authority achieved the lowest carry-forward percentage ever.

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

The resolution stressed that a quarter of the Authority's staff is now working in an **open office environment** in order to accommodate the increase in staff within the existing premises and reduce building related costs. The issues with **recruitment** might be related to the high cost of housing in the Authority's seat in Frankfurt, as well as to the lack of financial attractiveness of the Authority compared to other European bodies such as the European Central Bank and the Single Supervisory Mechanism. The Authority was asked to report to the discharge authority on the measures taken to address this issue.

Members welcomed the fact that the Authority proactively engages with its members to understand the extent of the **impact of the United Kingdom's decision** to withdraw from the Union on the supervision of insurance and pension activity as well as the impact on the Authority as an institution. A future decrease in the Authority's revenue resulting from the United Kingdom's decision to withdraw from the Union is likely.

2016 discharge: European Insurance and Occupational Pensions Authority (EIOPA)

2017/2172(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 Insurance and Occupational Pensions Authority (EIOPA)**.

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 Insurance and Occupational Pensions Authority (**EIOPA**), 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 **EIOPA**.

The European Insurance and Occupational Pensions Authority (EIOPA): the EIOPA, which is located in Frankfurt (DE), was set up by Regulation (EU) No 1094/2010 of the European Parliament and of the Council with a view to improving the functioning of the internal market by means of ensuring a high, effective and consistent level of prudential regulation and supervision, protecting policyholders, pension scheme members and other beneficiaries.

As regards the accounts, EIOPA's operating budget for 2016 was EUR 21 762 500. By the end of 2016, the budget implementation rate was 99.68% for commitment appropriations.

Commitment appropriations:

- available: EUR 22 million;
- made: EUR 22 million.

Payment appropriations:

- available: EUR 25 million;
- paid: EUR 22 million.

For further details on expenditure, please refer to the 2016 final accounts of the Insurance and Occupational Pensions Authority.