Basic information

2018/2182(DEC) DEC - Discharge procedure	Procedure completed
2017 discharge: European Environment Agency (EEA) **Subject** 8.70.03.02 2017 discharge	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	SARVAMAA Petri (PPE)	25/07/2018
	Shadow rapporteur KADENBACH Karin (S&D) CZARNECKI Ryszard (ECR) ALI Nedzhmi (ALDE) DE JONG Dennis (GUE/NGL) STAES Bart (Verts/ALE) KAPPEL Barbara (ENF)	

Committee for opinion	Rapporteur for opinion	Appointed
ENVI Environment, Public Health and Food Safety	VĂLEAN Adina (PPE)	30/08/2018

European Commission

Commission DG	Commissioner
Budget	OETTINGER Günther

Key events

Date	Event	Reference	Summary
28/06/2018	Non-legislative basic document published	COM(2018)0521	Summary
11/09/2018	Committee referral announced in Parliament		
20/02/2019	Vote in committee		

01/03/2019	Committee report tabled for plenary	A8-0127/2019	Summary
26/03/2019	Decision by Parliament	T8-0265/2019	Summary
26/03/2019	Results of vote in Parliament		
26/03/2019	Debate in Parliament		
26/03/2019	End of procedure in Parliament		
27/09/2019	Final act published in Official Journal		

Technical information

Procedure reference	2018/2182(DEC)
Procedure type	DEC - Discharge procedure
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/14281

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE626.793	17/12/2018	
Committee opinion	ENVI	PE627.702	24/01/2019	
Amendments tabled in committee		PE634.470	31/01/2019	
Committee report tabled for plenary, single reading		A8-0127/2019	01/03/2019	Summary
Text adopted by Parliament, single reading		T8-0265/2019	26/03/2019	Summary

Council of the EU

Document type	Reference	Date	Summary
Supplementary non-legislative basic document	05825/2019	31/01/2019	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2018)0521	28/06/2018	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofA	Court of Auditors: opinion, report	N8-0012/2019 OJ C 434 30.11.2018, p. 0001	18/09/2018	Summary

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

Final act
Budget 2019/1467 OJ L 249 27.09.2019, p. 0204

2017 discharge: European Environment Agency (EEA)

2018/2182(DEC) - 26/03/2019 - Text adopted by Parliament, single reading

The European Parliament decided to grant discharge to the Executive Director of the European Environment Agency (EEA) for the financial year 2017 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 2017 are reliable and that the underlying transactions are legal and regular, Parliament adopted by 508 votes to 124 with 1 abstention, 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 draft resolution on performance, financial management and control of EU agencies:

Agency's financial statements

The final budget of the European Environment Agency for the financial year 2017 was EUR 70 430 306, representing a significant increase of 39.44 % compared to 2017. The increase was related to the future role of the Agency and the new tasks allocated to it.

Budget and financial management

The budget monitoring efforts during the financial year 2017 resulted in a budget implementation rate of 99.97 %, representing the same rate as in 2016. Payment appropriations execution rate was 89.04 %, representing a slight decrease of 0.78 % compared to the previous year. Parliament regretted the high level of cancellations of carry-overs from 2016 to 2017, amounting to EUR 443 566 and representing 10.55 % of the total amount carried over, showing a considerable increase of 5.16 % in comparison to 2016.

Members also made a series of observations regarding performance, staff, procurement and internal controls.

In particular, they noted that:

- the Agency achieved satisfactory results with regard to the targets set out in the annual work programme for 2017. However, certain activities could not be fully delivered due to a number of circumstances such as limited staff resources or the late delivery of input data;

- on 31 December 2017, the establishment plan was 99.21 % filled, with 126 officials or temporary agents appointed out of 127 posts authorised under the Union budget;

- the gender imbalance within the Agency's senior management continues to be an issue;

- several weaknesses were pointed out in the recruitment and procurement procedures.

2017 discharge: European Environment Agency (EEA)

2018/2182(DEC) - 28/06/2018 - Non-legislative basic document

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2017, as part of the 2017 discharge procedure.

Analysis of the accounts of the **European Environment Agency (EEA)**.

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 2017** 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 with a view to granting discharge.

Discharge procedure: **the final step of a budget lifecycle is the discharge**. It is the decision by which the European Parliament '**releases**' the Commission from its responsibility for management of a given budget by marking the end of that budget's existence. It is granted by the European Parliament on the recommendation of the Council.

The decision is based in particular on the European Court of Auditors reports, in particular its annual report, in which the Court provides a Statement of Assurance (DAS) on the legality and regularity of transactions (payments and commitments).

The procedure results in the granting, postponement or refusal of 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.

All EU institutions and other agencies, bodies and joint undertakings are subject to their own discharge procedures.

The European Environment Agency: the Agency, which is located in Copenhagen (DK) was established by Council Regulation (EEC) No 1210/90, is responsible for setting up an observation network to provide the Commission, the Parliament, the Member States and, more generally, the public with reliable information on the state of the environment. This information should, in particular, enable the European Union and the Member States to take action to safeguard the environment and assess the effectiveness of such action.

As regards EEA's accounts, these are presented in detail in the document on the consolidated annual accounts of the European Union for 2017:

Commitment appropriations:

- available: EUR 90 million;
- made: EUR 74 million.

Payment appropriations:

- available: EUR 95 million;
- made: EUR 56 million.

For further details on expenditure, please refer to the 2017 final accounts of the EEA.

2017 discharge: European Environment Agency (EEA)

2018/2182(DEC) - 31/01/2019 - Supplementary non-legislative basic document

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the European Environment Agency (EEA), as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2017, 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 2017.

The Council welcomed the Court's opinion that the Agency's annual accounts present fairly its financial position as at 31 December 2017 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 2017 are legal and regular in all material respects.

Nevertheless, the following observations were made:

- ***accounting***: the Council regretted the deficiencies found by the Court in the Agency's accounting environment. It called on the Agency to take appropriate actions mainly to ensure the accounting officer's independence;

- ***performance***: the Council welcomed the improvements in the financial and performance checks for grants carried out by the Agency, which led to a reduction in the final grant amount paid to one of the European Topic Centres (ETC) for the implementation of its 2016 action plan;

- ***procurement***: weaknesses were found by the Court in the Agency's procurement procedures, the Council called on the Agency to take appropriate actions in order to ensure the effectiveness of the process, an appropriate assessment of bidders, as well as the full implementation without unjustified delay of electronic public procurement.

2017 discharge: European Environment Agency (EEA)

2018/2182(DEC) - 01/03/2019 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Petri SARVAMAA (EPP, FI) on discharge in respect of the implementation of the budget of the European Environment Agency for the financial year 2017.

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 2017.

Noting that the Court of Auditors stated that it had obtained reasonable assurance that the annual accounts of the Agency for the financial year 2017 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 European Environment Agency for the financial year 2017 was EUR 70 430 306, representing a significant increase of 39.44 % compared to 2017. The increase was related to the future role of the Agency and the new tasks allocated to it.

Budget and financial management

The budget monitoring efforts during the financial year 2017 resulted in a budget implementation rate of 99.97 %, representing the same rate as in 2016. Payment appropriations execution rate was 89.04 %, representing a slight decrease of 0.78 % compared to the previous year.

Members regretted the high level of cancellations of carry-overs from 2016 to 2017, amounting to EUR 443 566 and representing 10.55 % of the total amount carried over, showing a considerable increase of 5.16 % in comparison to 2016.

Members also made a series of observations regarding performance, staff, procurement and internal controls.

In particular, they noted that:

- the Agency achieved satisfactory results with regard to the targets set out in the annual work programme for 2017. However, certain activities could not be fully delivered due to a number of circumstances such as limited staff resources or the late delivery of input data;

- on 31 December 2017, the establishment plan was 99.21 % filled, with 126 officials or temporary agents appointed out of 127 posts authorised under the Union budget;

- the gender imbalance within the Agency's senior management continues to be an issue;

- several weaknesses were pointed out in the recruitment and procurement procedures.

2017 discharge: European Environment Agency (EEA)

2018/2182(DEC) - 18/09/2018

PURPOSE: presentation of the EU Court of Auditors' report on the annual accounts of the European Environment Agency for the financial year 2017, together with the Agency's replies.

CONTENT: the Court of Auditors carried out the audit on the annual accounts of the European Environment Agency (EEA).

In brief, this Agency is responsible for setting up an observation network to provide the Commission, the Parliament, the Member States and, more generally, the public with reliable information on the state of the environment.

Statement of assurance and reliability of the accounts

The Court considered that:

- the Agency's annual accounts present fairly, in all material respects, its financial position as at 31 December 2017 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;

- the transactions underlying the annual accounts for the year ended 31 December 2017 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

Procurement

Some weaknesses were identified in several public procurement procedures. The tender specifications used by the Agency for different calls for tenders did not specify any minimum requirements for the selection criteria with respect to economic and financial capacity. Framework contracts were signed with one tenderer only whereas a reopening of competition between different tenderers would lead to better results for the specific contracts.

Financial management

Agencies should introduce a single solution for the electronic exchange and storage of information with third parties participating in public procurement procedures (e-procurement). As the same requirement exists for all EU Institutions, the Commission is developing a comprehensive IT solution covering all phases of public procurement procedures. The Commission launched tools for electronic invoicing (e-invoicing), for the electronic publication of documents related to contract notices (e-tendering) and for the electronic submission of tenders (e-submission). By the end of 2017, the Agency had introduced e-invoicing and e-tendering for certain procedures, but not e-submission.

Recruitment

Several weaknesses were noted in the recruitment procedures organised by the Agency. There is a need to better define the criteria used at each stage of the selection procedure and the role of each member of the selection committee, in order to strengthen transparency and equal treatment of candidates.

The Agency's replies

Procurement

The Agency reiterates that the choice of awarding framework contracts to single contractors is deliberate and with due consideration to the limited competition prevailing on the relevant markets as well as the nature and the complexity of the services to be procured.

Financial management

The Agency introduced e-invoicing for certain procedures in the course of 2014 and is now in the process of extending it to all its procedures, whereas e-Tendering is been implemented since 1 January 2015 for all open calls for tenders.

Recruitment

The Agency takes note of the Court's observation and confirms that it is in the process of adapting its selection/recruitment procedures.

Lastly, the Court of Auditors' report contains a summary of the Agency's key figures in 2017:

Budget

EUR 70 million.

Staff

212 including officials, temporary and contract staff and seconded national experts.