Basic information

2020/2176(DEC) DEC - Discharge procedure	Procedure completed
2019 discharge: European Securities and Markets Authority (ESMA) **Subject** 8.70.03.09 2019 discharge	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	CZARNECKI Ryszard (ECR)	08/09/2020
	Shadow rapporteur CHRISTOFOROU Lefteris (EPP) RÓNAI Sándor (S&D) BOYER Gilles (Renew) EICKHOUT Bas (Greens/EFA) OMARJEE Younous (GUE/NGL)	

Committee for opinion	Rapporteur for opinion	Appointed
ECON Economic and Monetary Affairs	EPPINK Derk Jan (ECR)	07/09/2020

European Commission

Commission DG	Commissioner
Budget	HAHN Johannes

Key events

Date	Event	Reference	Summary
29/06/2020	Non-legislative basic document published	COM(2020)0288	
15/09/2020	Committee referral announced in Parliament		
22/03/2021	Vote in committee		

31/03/2021	Committee report tabled for plenary	A9-0093/2021	
27/04/2021	Debate in Parliament		
28/04/2021	Decision by Parliament	T9-0200/2021	Summary
24/09/2021	Final act published in Official Journal		

Technical information

Procedure reference	2020/2176(DEC)
Procedure type	DEC - Discharge procedure
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	CONT/9/03912

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE657.196	11/01/2021	
Committee opinion	ECON	PE660.357	04/02/2021	
Amendments tabled in committee		PE680.792	04/03/2021	
Committee report tabled for plenary, single reading		A9-0093/2021	31/03/2021	
Text adopted by Parliament, single reading		T9-0200/2021	28/04/2021	Summary

Council of the EU

Document type	Reference	Date	Summary
Supplementary non-legislative basic document	05793/2021	05/02/2021	

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2020)0288	29/06/2020	

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Budget 2021/1640
OJ L 340 24.09.2021, p. 0401

2019 discharge: European Securities and Markets Authority (ESMA)

2020/2176(DEC) - 28/04/2021 - Text adopted by Parliament, single reading

The European Parliament decided by 610 votes to 59, with 29 abstentions, to **grant discharge** to the Executive Director of the European Securities and Markets Authority (ESMA) for the financial year 2019 and to approve the closure of the accounts for that year.

Noting that the Court of Auditors has stated that it has obtained reasonable assurance that the Authority's annual accounts for the financial year 2018 are reliable and that the underlying transactions are legal and regular, Parliament adopted, by 602 votes to 65, 24 abstentions, a resolution containing a series of recommendations which form an integral part of the discharge decision and which complement the general recommendations set out in the resolution on the performance, financial management and control of EU agencies.

Financial statements of the Authority

The Authority's final budget for the financial year 2019 was EUR 47 379 354, which represents an increase of 7.21% compared to 2018. The Authority's budget is financed by Union funds (28.73%), contributions from Member States' supervisory authorities (45.76%) and fees collected from supervised entities (24.33%).

Budgetary and financial management

Parliament welcomed the budget monitoring efforts during the 2019 financial year which resulted in a budget implementation rate of 99.95%, which represents a slight decrease of 0.03% compared to the 2018 financial year. The implementation rate for payment appropriations was 88.77% (a decrease of 0.11% compared to the previous year).

According to the Court's report, the Authority charges fees to CRAs and trade repositories in accordance with the Regulation on fees due to the Authority. These fees should exclusively cover the Authority's expenses related to the fees charged. Members noted that while the Authority has correctly applied the fees regulation, the Court of Auditors has identified some risks and reported them to the Commission. According to the Authority's reply, it will actively participate in all initiatives to avoid any shortcomings in the fees Regulation.

Other observations

Members also made a number of observations concerning performance, staff, public procurement and the prevention of conflicts of interest.

In particular, they noted that:

- the Authority has completed 95% of the activities foreseen in its annual work programme, which represents an increase of 5% compared to 2018;

- like the European Banking Authority and the European Insurance and Occupational Pensions Authority, ESMA is part of a joint committee whose aim is to ensure cross-sectoral consistency and establish common positions in the area of supervision of financial conglomerates and on other cross-sectoral issues;

- the Authority has made efforts to establish a more coordinated supervisory regime across the European financial system: Members look forward to receiving an update on future steps in this direction, including measures to address the challenges posed by the digital transition of the economy and sustainability measures;

- to be effective, the assignment of new responsibilities for direct supervision and for strengthening convergence must take place in a gradual and continuous manner;

- the changing workload of the Authority, with its tasks becoming less regulatory and more focused on the application and enforcement of EU law, requires the reallocation of budgetary and human resources internally;

- the integration of the digital transition and sustainability objectives into the regulatory and supervisory framework requires the provision of sufficient resources;

- at the end of 2019, 73.81% of the establishment plan was implemented on 31 December 2019, with 155 temporary appointed out of the 210 temporary agents authorised under the EU budget. The Authority is close to achieving gender balance in its Management Board (6 men and 5 women) and at staff level;

- the combination of public-private experience that its staff brings is beneficial to the Authority;

- measures have been implemented to mitigate conflicts of interest. The Authority is invited to consider extending the mandatory 12-month cooling-off period for senior members of staff that contemplate a move that may give rise to post-public employment conflicts of interest.