



Procedure file

Basic information		
DEC - Discharge procedure	2010/2146(DEC)	Procedure completed
2009 discharge: EU general budget, Court of Auditors		
Subject 8.70.03.07 Previous discharges		

Key players			
European Parliament	Committee responsible		Rapporteur
	CONT Budgetary Control		Appointed 23/03/2010
			PPE RIVELLINI Crescenzo
			Shadow rapporteur
			S&D AYALA SENDER Inés
			ALDE DE MAGISTRIS Luigi
			Verts/ALE STAES Bart
	Committee for opinion		Rapporteur for opinion
	AFET Foreign Affairs		Appointed
			The committee decided not to give an opinion.
	DEVE Development		The committee decided not to give an opinion.
	INTA International Trade		The committee decided not to give an opinion.
	BUDG Budgets		The committee decided not to give an opinion.
	ECON Economic and Monetary Affairs		The committee decided not to give an opinion.
	EMPL Employment and Social Affairs		The committee decided not to give an opinion.
	ENVI Environment, Public Health and Food Safety		The committee decided not to give an opinion.
	ITRE Industry, Research and Energy		The committee decided not to give an opinion.
	IMCO Internal Market and Consumer Protection		The committee decided not to give an opinion.
	TRAN Transport and Tourism		The committee decided not to give an opinion.
	REGI Regional Development		The committee decided not to give an opinion.
	AGRI Agriculture and Rural Development		The committee decided not to give an opinion.
	PECH Fisheries		The committee decided not to give an opinion.
	CULT Culture and Education		The committee decided not to give an opinion.
	JURI Legal Affairs		The committee decided not to

European Commission		give an opinion.
	LIBE Civil Liberties, Justice and Home Affairs	The committee decided not to give an opinion.
	AFCO Constitutional Affairs	The committee decided not to give an opinion.
	FEMM Women's Rights and Gender Equality	The committee decided not to give an opinion.
	PETI Petitions	The committee decided not to give an opinion.
	Commission DG Budget	Commissioner ŠEMETA Algirdas

Key events			
20/07/2010	Non-legislative basic document published	SEC(2010)0963	Summary
07/10/2010	Committee referral announced in Parliament		
22/03/2011	Vote in committee		Summary
07/04/2011	Committee report tabled for plenary	A7-0138/2011	
10/05/2011	Results of vote in Parliament		
10/05/2011	Debate in Parliament		
10/05/2011	Decision by Parliament	T7-0198/2011	Summary
10/05/2011	End of procedure in Parliament		
27/09/2011	Final act published in Official Journal		

Technical information	
Procedure reference	2010/2146(DEC)
Procedure type	DEC - Discharge procedure
Other legal basis	Rules of Procedure EP 159
Stage reached in procedure	Procedure completed
Committee dossier	CONT/7/03948

Documentation gateway					
Non-legislative basic document		SEC(2010)0963	20/07/2010	EC	Summary
Court of Auditors: opinion, report		N7-0083/2010 OJ C 303 09.11.2010, p. 0001	09/09/2010	CofA	Summary
Committee draft report		PE450.687	19/01/2011	EP	
Document attached to the procedure		05891/2011	03/02/2011	CSL	Summary
Amendments tabled in committee		PE458.804	21/02/2011	EP	

Committee report tabled for plenary, single reading		A7-0138/2011	07/04/2011	EP	
Text adopted by Parliament, single reading		T7-0198/2011	10/05/2011	EP	Summary

Final act

[Decision 2011/559](#)
[OJ L 250 27.09.2011, p. 0093](#) Summary

2009 discharge: EU general budget, Court of Auditors

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2009, as part of the 2009 discharge procedure.

Analysis of the accounts of the EU Institutions: Section V ? Court of Auditors.

CONTENT: this Commission document sets out the consolidated annual accounts of the European Union for the financial year 2009 as prepared on the basis of the information presented by the institutions, organisations and bodies of the EU, in accordance with Article 129 (2) of the Financial Regulation applicable to the EU's General Budget, including the Court of Auditors.

The document helps to bring insight into the EU budget mechanism and the way in which the budget has been managed and spent in 2009. It recalls that European Union's operational expenditure covers the various headings of the financial framework and takes different forms, depending on how the money is paid out and managed.

In accordance with the Financial Regulation, the Commission implements the general budget using the following methods:

- direct centralised management: direct implementation of the budget by the Commission services;
- indirect centralised management: the Commission confers tasks of implementation of the budget to bodies of EU law or national law, such as the EU agencies of public law or with public service missions;
- decentralised management: the Commission delegates certain tasks for implementation of the budget to third countries;
- shared management: under this method of management budget implementation tasks are delegated to Member States. The majority of the expenditure falls under this mode ?Shared Management? involving the delegation of tasks to Member States, covering such areas as agricultural spending and Structural Actions;
- joint management: under this method, the Commission entrusts certain implementation tasks to an international organisation.

The document also presents the different financial actors involved in the budget process (accounting officers, internal officers and authorising officers) and recalls their respective roles in the context of the tasks of sound financial management.

Amongst the other legal elements relating to the implementation of the EU budget presented in this document, the paper focuses on the following issues:

- the way in which EU public expenditure is committed and spent;
- the means of recovery following irregularities detected;
- the modus operandi of the accounting system;
- the audit process followed by the European Parliament's granting of the discharge.

To recall, the final control is the discharge of the budget for a given financial year. The discharge 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 from its responsibility for management of a given budget by marking the end of that budget's existence.

Lastly, the document presents a series of tables and detailed technical indicators on (i) the balance sheet; (ii) the economic outturn account; (iii) cashflow tables; (iv) technical annexes concerning the financial statements.

Implementation of appropriations under Section V of the budget for the financial year 2009: the document comprises a series of detailed tables, the most important concerning the implementation of the budget. As regards the Court of Auditor's expenditure, the table on the financial and budgetary implementation of this institution shows the following:

A) Table showing the commitment appropriations:

- Commitments: EUR 173 million (92.19% rate of implementation)
- Carry-overs to 2010: (0.21% of authorised appropriations)
- Cancelled: EUR 14 million

B) Table showing the implementation of payments:

- Payments: EUR 123 million (61.35% rate of implementation)
- Carry-overs to 2010: EUR 62 million (30.76% of authorised appropriations)
- Cancellations: EUR 16 million.

Lastly, the annexes detail specific expenditure of the institutions, in particular:

- pensions: an administrative budget heading includes the pension obligations towards the Members and former members of the Court of Auditors;
- joint sickness insurance scheme: a valuation is also made for the estimated liability that the EU has regarding its contributions to the Joint Sickness Insurance Scheme in relation to its retired staff. This gross liability has been valued at EUR 3 535 million. The calculations take into account active officials and pensioners from the various EU Institutions and Agencies, and their families, and active Members and pensioners from the Court of Auditors.

For further details on the budgetary implementation of expenditure of Section V of the budget (Court of Auditors), please refer to the [Report on budgetary and financial management for 2009](#) and the [Financial Statements for 2009](#). These documents outline the main administrative objectives of the Court of Auditors for 2009. The main challenges were:

- the continuation of the implementation of the Court's Audit Strategy 2009-2012 and towards the goals of improving the impact of its work and making better use of European resources; the Court's decision to ask the Council of the European Union to approve new Rules of Procedure to help streamline our procedures for adopting reports and opinions;
- increase in the number of reports produced by the Court (from 42 in 2008 to 57 in 2009) ;
- continued cooperation with the Supreme Audit Institution (SAIs) of the Member States to develop common approaches for the audit of EU funds and in considering how SAIs can assist governments in responding to the financial economic crisis.

The report gives an overview of the results achieved as against the objectives set for 2009.

2009 discharge: EU general budget, Court of Auditors

The Committee on Budgetary Control adopted the report by Crescenzo RIVELLINI (EPP, IT) recommending the European Parliament to grant the Court of Auditors' Secretary-General discharge in respect of the implementation of its budget for the financial year 2009.

The committee cites that in 2009 the Court of Auditors had commitment appropriations available amounting to a total of EUR 188 million (2008: EUR 133 million), with a utilisation rate of 92.19%, below the average of the other institutions (97.69%).

The report recalls that, as regards the financial year 2009, the Court's accounts were audited by an external firm, PricewaterhouseCoopers and that the conclusions were favourable. Members note that the 2009 report of the Court's internal auditor was very positive.

Members welcome the audit strategy of the Court of Auditors for the period 2009 to 2012 and support its priority goals (maximising the overall impact from its audits and increasing efficiency by making best use of resources). They welcome, in particular, the Court's intention to publish follow-up reports concerning special reports in order to give them greater weight. They note the considerably increased number of the reports produced by the Court of Auditors, in particular, the increase of the number of special reports (from 12 to 18) and specific annual reports (from 29 to 37) and point out that these latter reports contribute to the better control of the Union's finances. However, Members are concerned about the reduced amount of detailed information provided in the Court's annual reports on the agencies.

Members note that the Court of Auditors performed an in-depth assessment of supervisory and control systems in the Court of Justice, the European Ombudsman and the European Data Protection Supervisor, which included the examination of an additional sample of transactions of payments relating to human resources and to other administrative expenditure. They call on the Court to continue and broaden this practice, in particular, to consider performing an in-depth assessment of supervisory and control systems in the Council.

At the same time, Members consider that the cooperation between the Court of Auditors and Parliament could be enhanced by streamlining working methods and approaches and by improving further the synergies between the two institutions. They welcome the measures taken by the Court to reform and improve its role in line with Parliament's requests, with a view to giving greater impact to its assessments and checks. In this regard, they await with interest the follow up peer review that the Court of Auditors intends to launch during 2011 (three years after the positive peer review of 2008) and announce, in this respect, that Parliament intends to produce an own-initiative report on possible improvements that could be proposed to the Court of Auditors;

Members note that the Court of Auditors recruited 112 employees in 2009 and the overall number of vacant posts at the end of 2009 (49) was considerably reduced in comparison to the end of 2008 (68). They also welcome the steady improvement as regards the proportion of men and women on the staff of the Court of Auditors, in particular the diminishing of the disproportion at the level of assistants as well as head of units and directors.

They welcome the ongoing successful interinstitutional cooperation with the European Administrative School and the Court of Justice as regards training.

In relation to declarations of members' financial interests, they reconfirm their position that, in the interests of transparency, declarations of financial interests of members of all EU institutions should be accessible on the Internet via a public register, and call upon the Court of Auditors to take the necessary steps in this regard.

Lastly, they consider that a deeper reflection on the news that recently appeared in the media should be carried out in order to reassert, once more, the objectivity and impartiality of the audits of the Court of Auditors, as well as to dissipate any possible doubt cast on its professionalism and independence. They recall that during the presentation of the peer review report, the President of the Court of Auditors announced that a follow-up peer review would be conducted after three years. They invite the Court of Auditors to present the results of this review to Parliament's competent committee, in order to reassert, once more, the importance of those values.

2009 discharge: EU general budget, Court of Auditors

The European Parliament adopted by 571 votes to 78, with 10 abstentions a decision to grant discharge to the Court of Auditors' Secretary-General in respect of the implementation of its budget for the financial year 2009.

Furthermore, Parliament adopted by 496 votes to 142, with 14 abstentions a resolution with observations which are an integral part of the decision to grant discharge.

The resolution recalls that, in 2009, the Court of Auditors had commitment appropriations available amounting to a total of EUR 188 million (2008: EUR 133 million), with a utilisation rate of 92.19%, below the average of the other institutions (97.69%).

Recalling that, as regards the financial year 2009, the Court's accounts were audited by an external firm, PricewaterhouseCoopers and that the conclusions were favourable, Parliament notes that the 2009 report of the Court's internal auditor was very positive.

Parliament welcomes the audit strategy of the Court of Auditors for the period 2009 to 2012 and supports its priority goals (maximising the overall impact from its audits and increasing efficiency by making best use of resources). It welcomes, in particular, the Court's intention to publish follow-up reports concerning special reports in order to give them greater weight. It notes the considerably increased number of the reports produced by the Court of Auditors, in particular, the increase of the number of special reports and points out that these latter reports contribute to the better control of the Union's finances. However, Parliament is concerned about the reduced amount of detailed information provided in the Court's annual reports on the agencies.

Parliament notes that the Court of Auditors performed an in-depth assessment of supervisory and control systems in the Court of Justice, the European Ombudsman and the European Data Protection Supervisor, which included the examination of an additional sample of transactions of payments relating to human resources and to other administrative expenditure. It calls on the Court to continue and broaden this practice, in particular, to consider performing an in-depth assessment of supervisory and control systems in the Council.

At the same time, Parliament considers that the cooperation between the Court of Auditors and Parliament could be enhanced by streamlining working methods and by improving further the synergies between the two institutions. It welcomes the measures taken by the Court to reform and improve its role in line with Parliament's requests, with a view to giving greater impact to its assessments and checks.

In relation to declarations of members' financial interests, Parliament calls once again for these to be made accessible on the Internet by the Court of Auditors in accordance with the institution's code of conduct, via a public register.

Lastly, Parliament recalls that objectivity, impartiality, excellence and professionalism are the Court of Auditors' key values and considers that deeper reflection on the news that recently appeared in the media should be carried out. It recalls, in this regard, that it awaits with interest the follow up peer review that the Court of Auditors intends to launch during 2011 (three years after the positive peer review of 2008) and announces that Parliament intends to produce an own-initiative report on possible improvements that could be proposed to the Court of Auditors. It also invites the President of the Court of Auditors to present the results of this review to Parliament's competent committee.

2009 discharge: EU general budget, Court of Auditors

PURPOSE: to grant discharge to the Court of Auditors for the financial year 2009.

NON-LEGISLATIVE ACT: Decision 2011/559/EU of the European Parliament on discharge in respect of the implementation of the European Union general budget for the financial year 2009, Section V - Court of Auditors.

CONTENT: with the present decision, the European Parliament grants discharge to the Secretary-General of the Court of Auditors for the implementation of its budget for the financial year 2009.

This decision is in line with the European Parliament's resolution adopted on 10 May 2011 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 10/05/2011).

A parallel decision, adopted on the same day, approves the closure of this Institution's accounts.