



# Procedure file

| Basic information                             |                                |                     |
|---|--------------------------------|---------------------|
| DEC - Discharge procedure                     | <a href="#">2011/2229(DEC)</a> | Procedure completed |
| 2010 discharge: European Railway Agency (ERA) |                                |                     |
| Subject<br>8.70.03.07 Previous discharges     |                                |                     |

| Key players         |   |   |            |
|---------------------|---|---|------------|
| European Parliament | Committee responsible                   | Rapporteur  | Appointed  |
|                     | <b>CONT</b> Budgetary Control           | PPE <a href="#">MACOVEI Monica</a><br>Shadow rapporteur<br>S&D <a href="#">HERCZOG Edit</a><br>ALDE <a href="#">GERBRANDY Gerben-Jan</a><br>Verts/ALE <a href="#">STAES Bart</a><br>ECR <a href="#">CZARNECKI Ryszard</a><br>EFD <a href="#">ANDREASEN Marta</a><br>NI <a href="#">EHRENHAUSER Martin</a> | 03/03/2011 |
| European Commission | Committee for opinion                   | Rapporteur for opinion  | Appointed  |
|                     | <b>TRAN</b> Transport and Tourism       | S&D <a href="#">FLECKENSTEIN Knut</a>   | 11/10/2011 |
|                     | Commission DG<br><a href="#">Budget</a> | Commissioner<br>ŠEMETA Algirdas   |            |

| Key events |  |   |         |
|------------|--|---|---------|
| 25/07/2011 | Non-legislative basic document published   | <a href="#">COM(2011)0473</a>   | Summary |
| 12/10/2011 | Committee referral announced in Parliament |   |         |
| 27/03/2012 | Vote in committee                          |   |         |
| 04/04/2012 | Committee report tabled for plenary        | <a href="#">A7-0118/2012</a>  | Summary |
| 10/05/2012 | Results of vote in Parliament              |  |         |
| 10/05/2012 | Debate in Parliament                       |  |         |
| 10/05/2012 | Decision by Parliament                     | <a href="#">T7-0179/2012</a>  | Summary |
| 10/05/2012 | End of procedure in Parliament             |   |         |
| 17/10/2012 | Final act published in Official Journal    |   |         |

| Technical information |
|-----------------------|
|                       |

|                            |                           |
|----------------------------|---------------------------|
| Procedure reference        | 2011/2229(DEC)            |
| Procedure type             | DEC - Discharge procedure |
| Other legal basis          | Rules of Procedure EP 159 |
| Stage reached in procedure | Procedure completed       |
| Committee dossier          | CONT/7/07254              |

### Documentation gateway

|   |      |  |            |      |         |
|---|------|--|------------|------|---------|
| Non-legislative basic document                      |      | <a href="#">COM(2011)0473</a>                                | 26/07/2011 | EC   | Summary |
| Court of Auditors: opinion, report                  |      | N7-0016/2012<br><a href="#">OJ C 366 15.12.2011, p. 0100</a> | 06/09/2011 | CofA | Summary |
| Committee draft report                              |      | <a href="#">PE473.994</a>                                    | 06/02/2012 | EP   |         |
| Committee opinion                                   | TRAN | <a href="#">PE476.007</a>                                    | 07/02/2012 | EP   |         |
| Document attached to the procedure                  |      | <a href="#">06083/2012</a>                                   | 08/02/2012 | CSL  | Summary |
| Amendments tabled in committee                      |      | <a href="#">PE483.632</a>                                    | 07/03/2012 | EP   |         |
| Committee report tabled for plenary, single reading |      | <a href="#">A7-0118/2012</a>                                 | 04/04/2012 | EP   | Summary |
| Text adopted by Parliament, single reading          |      | <a href="#">T7-0179/2012</a>                                 | 10/05/2012 | EP   | Summary |

### Final act

[Decision 2012/584](#)  
[OJ L 286 17.10.2012, p. 0229](#) Summary

## 2010 discharge: European Railway Agency (ERA)

**PURPOSE:** presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2010, as part of the 2010 discharge procedure.

Analysis of the accounts of the European Railway Agency (ERA)

**CONTENT:** this Commission document sets out the consolidated annual accounts of the European Union for the financial year 2010 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 European Railway Agency (ERA).

In 2010, the tasks and budget of this agency were as follows:

- description of ERA's tasks: ERA, which is located in Lille-Valenciennes, was created by [Regulation \(EC\) No 881/2004 of the European Parliament and of the Council of 29 April 2004](#). The Agency's aim is to enhance the level of interoperability of railway systems and to develop a common approach to safety in order to contribute to creating a more competitive European railway sector with a high level of safety;
- ERA's budget for the 2010 financial year: the Agency's 2010 budget amounted to EUR 24.1 million, compared with EUR 21 million the previous year. The number of staff employed by the Agency at the end of the year was 142, compared with 127 the previous year.

The complete version of ERA's final accounts may be found at the following address:  
<http://www.era.europa.eu/The-Agency/BudgetandAccounts/Pages/home.aspx>

## 2010 discharge: European Railway Agency (ERA)

**PURPOSE:** presentation of the EU Court of Auditors report on the annual accounts of the European Railway Agency (ERA), together with the Agency'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 concerned, amongst others, the annual accounts of the European Railway Agency (ERA).

In the Courts opinion, the Agncys Annual Accounts fairly present, in all material respects, its financial position as of 31 December 2010 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of its Financial Regulation.

The Court also considers that the transactions underlying the annual accounts of the Agency for the financial year ended 31 December 2010 are, in all material respects, legal and regular.

The report confirms that the Agencies 2010 budget amounted to EUR 24.1 million, and that the number of staff employed by the Agency at the end of the year was 142.

The report also makes a series of observations on the budgetary and financial management of the ERA, accompanied by the latters response. The main observations may be summarised as follows:

The Courts observations:

- budgetary and financial management: the appropriations carried forward to 2011 amounted to 5.5 million euro, of which 4.3 million euro (78%) are related to goods and services to be provided in 2011. This level of carryover is excessive and at odds with the principle of annuality.

The Agencys reply:

- the Agency is analysing the possibility to conclude framework contracts for studies, enabling it to sign specific contracts much sooner after the adoption of the budget. Furthermore, for the years 2011 and 2012, the Agency is reviewing its budget forecasts to better align them to its real needs and to optimise the use of its budgetary resources.

Lastly the Court of Auditors report contains a summary of the Agencies activities in 2010. Its main tasks may be described as follows:

- a series of recommendations concerning rail transport safety;
- recommendations regarding technical specifications in respect of interoperability;
- publication of a report on rail safety;
- provision of technical opinions;
- other activities designed to: i) set up and maintains a series of registers for interoperability; ii) acting as the system authority and change control manager for ERTMS (European Railway Traffic Management System); iii) drawing up of the reference document of national rules for vehicle authorisation.

## 2010 discharge: European Railway Agency (ERA)

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The Committee on Budgetary Control adopted the report by Monica Luisa MACOVEI (PPE, RO) on discharge in respect of the budget of the European Railway Agency, and called on the European Parliament to grant the Executive Director of the European Railway Agency discharge in respect of the implementation of the Agency's budget for the financial year 2010.

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts for the financial year 2010 are reliable and that the underlying transactions are legal and regular, Members approve the closure of the accounts of the European Railway Agency for the financial year 2010. However, they make a number of recommendations that need 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:

- Budget and Financial Management: Members note the low rate of utilisation for payment appropriations, particularly for operational expenditure and appreciate the fact that the Agency provides information on the use of the appropriations carried forward from 2009 to 2010. They take the view that it is extremely important to optimise the use of budgetary resources at a time of financial crisis and urges the Commission and the Agency to analyse and establish the real budgetary requirements in order for the Agency to be able to carry out all the tasks assigned to it.
- Transfers: Members regret that the errors in budgetary forecasts resulted in the cancellation or delay of certain investments. It urges the Agency to inform immediately the discharge authority of the measures implemented in order to allow for better expenditure forecasts.
- Carryover of appropriations: once more, Members note the significant carryover of credits and are of the opinion that the Agency did not adequately address the problem of appropriations being carried forward from one year to the next. They call on the Agency to inform the discharge authority about actions taken to improve the annual budget implementation and to decrease the carryovers of budget appropriations.
- Performance: the committee urges the Agency to create a Multi-Annual Plan translating long-term objectives into multi-annual tasks and associated Key Performance Indicators. This would better provide stakeholders with information on the objectives/activities, strategic priorities and resource allocation.
- Two locations: Members consider that using two locations (Lille and Valenciennes) for carrying out its activities exposes the Agency to additional costs. They note, also, that this observation has been made since 2006 and that no action has been taken by the Council to change the situation.
- Internal audit: lastly, Members call on the Agency to implement the Internal Audit Service (IAS) recommendations related to the audit on Human Resources (HR) management undertaken by the IAS in 2009.

## 2010 discharge: European Railway Agency (ERA)

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PURPOSE: to grant discharge to the European Railways Agency in respect of the implementation of the Agency's budget for the financial year 2010.

NON-LEGISLATIVE ACT: Decision 2012/584/EU of the European Parliament on discharge in respect of the implementation of the budget of the European Railways Agency for the financial year 2010.

CONTENT: with the present decision, and in accordance with Article 319 of the Treaty on the Functioning of the European Union, the European Parliament grants discharge to the Executive Director of the European Railways Agency for the implementation of its budget for the financial year 2010.

This decision is in line with the European Parliament's resolution adopted on 10 May 2012 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 10/05/2012).

A parallel decision, 2012/585/EU, adopted on the same day, approves the closure of this Agency's accounts for the 2010 financial year.

## 2010 discharge: European Railway Agency (ERA)

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The European Parliament adopted by 525 votes to 81 with 22 abstentions, a decision concerning the discharge to be granted to the Executive Director of the European Railway Agency in respect of the implementation of the Agency's budget for 2010. The decision to grant the discharge also closes the accounts for the Agency for that year.

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts for the financial year 2010 are reliable and that the underlying transactions are legal and regular, Parliament adopted by 546 votes to 67, with 9 abstentions, a resolution containing a number of recommendations that need to be taken into account when the discharge is granted, in addition to the general recommendations that appear in the [resolution](#) on performance, financial management and control of EU agencies:

- Budget and Financial Management: Parliament notes the low rate of utilisation for payment appropriations, particularly for operational expenditure and appreciates the fact that the Agency provides information on the use of the appropriations carried forward from 2009 to 2010. It takes the view that it is extremely important to optimise the use of budgetary resources at a time of financial crisis and urges the Commission and the Agency to analyse and establish the real budgetary requirements in order for the Agency to be able to carry out all the tasks assigned to it.
- Transfers: Parliament regrets that the errors in budgetary forecasts resulted in the cancellation or delay of certain investments. It urges the Agency to inform immediately the discharge authority of the measures implemented in order to allow for better expenditure forecasts.
- Carryover of appropriations: once more, Parliament notes the significant carryover of credits. It acknowledges from the Court of Auditors that the appropriations carried forward to 2011 amounted to EUR 5 500 000, of which EUR 4 300 000 (78 %) are related to goods and services that were to be provided in 2011. It is of the opinion that the Agency did not adequately address the problem of appropriations being carried forward from one year to the next. It calls on the Agency to inform the discharge authority about actions taken to improve this situation. It reminds the Agency that this request was already made during the previous discharge procedure;
- Performance: Parliament urges the Agency to create a Multi-Annual Plan translating long-term objectives into multi-annual tasks and associated Key Performance Indicators. This would better provide stakeholders with information on the objectives/activities, strategic priorities and resource allocation.
- Two locations: Parliament considers that using two locations (Lille and Valenciennes) for carrying out its activities exposes the Agency to additional costs. It notes, also, that this observation has been made since 2006 and that no action has been taken by the Council to change the situation.
- Internal audit: lastly, Parliament calls on the Agency to implement the Internal Audit Service (IAS) recommendations related to the audit on Human Resources (HR) management undertaken by the IAS in 2009.