

Procedure file

Basic information		
DEC - Discharge procedure	2013/2241(DEC)	Procedure completed
2012 discharge: Body of European Regulators for Electronic Communications (BEREC)		
Subject 8.70.03.07 Previous discharges		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 Budgetary Control		04/07/2014
		 SARVAMAA Petri	
	Former committee responsible		09/10/2013
	 Budgetary Control	PPE SARVAMAA Petri	
	Committee for opinion	Rapporteur for opinion	Appointed
 Industry, Research and Energy		The committee decided not to give an opinion.	
	Former committee for opinion		
 Industry, Research and Energy			
European Commission	Commission DG Budget	Commissioner ŠEMETA Algirdas	

Key events			
26/07/2013	Non-legislative basic document published	COM(2013)0570	Summary
22/10/2013	Committee referral announced in Parliament		
20/03/2014	Committee report tabled for plenary	A7-0206/2014	Summary
02/04/2014	Debate in Parliament		
03/04/2014	Results of vote in Parliament		
03/04/2014	Decision by Parliament	T7-0301/2014	Summary
23/09/2014	Vote in committee		
26/09/2014	Committee report tabled for plenary	A8-0011/2014	Summary
22/10/2014	Debate in Parliament		
23/10/2014	Decision by Parliament	T8-0043/2014	Summary
23/10/2014	End of procedure in Parliament		
21/11/2014	Final act published in Official Journal		

Technical information	
Procedure reference	2013/2241(DEC)
Procedure type	DEC - Discharge procedure
Other legal basis	Rules of Procedure EP 159
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/00247

Documentation gateway					
Non-legislative basic document		COM(2013)0570	26/07/2013	EC	Summary
Court of Auditors: opinion, report		N7-0013/2014 OJ C 365 13.12.2013, p. 0015	10/09/2013	CofA	Summary
Document attached to the procedure		05849/2014	05/02/2014	CSL	Summary
Committee report tabled for plenary, single reading		A7-0206/2014	20/03/2014	EP	Summary
Text adopted by Parliament, single reading		T7-0301/2014	03/04/2014	EP	Summary
Committee draft report		PE535.988	07/07/2014	EP	
Amendments tabled in committee		PE537.350	08/09/2014	EP	
Committee report tabled for plenary, single reading		A8-0011/2014	26/09/2014	EP	Summary
Text adopted by Parliament, single reading		T8-0043/2014	23/10/2014	EP	Summary

Final act	
Decision 2014/822 OJ L 334 21.11.2014, p. 0088	Summary

2012 discharge: Body of European Regulators for Electronic Communications (BEREC)

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2012, as part of the 2012 discharge procedure.

Analysis of the accounts of the Body of European Regulators for Electronic Communications (BEREC).

CONTENT: this Commission document sets out the consolidated annual accounts of the European Union for the financial year 2012 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 Body of European Regulators for Electronic Communications (BEREC).

In 2012, the tasks and budget of this agency were as follows:

- description of BEREC's tasks: BEREC, which is located in Riga, was set up by [Regulation \(EU\) No 1211/2009 of the European Parliament and of the Council](#) with a view to developing the single market for electronic communication networks and services, as well as to improving its operation by ensuring the consistent application of the European Unions regulatory framework for electronic communications;
- BEREC's budget for the 2012 financial year: BERECs budget for 2012, as presented in the Commission document on the consolidated annual accounts of the European Union, gives the following figures:

§ Commitment appropriations :

- committed : EUR 3 million;
- paid : EUR 3 million;
- carried-over : 0.

§ Payment appropriations :

- committed : EUR 3 million;
- paid : EUR 2 million;
- carried-over : EUR 1 million.

Please refer also to the [final accounts of the Body of the European Regulators](#).

2012 discharge: Body of European Regulators for Electronic Communications (BEREC)

PURPOSE: presentation of the EU Court of Auditors report on the annual accounts of the Office of the Body of European Regulators for Electronic Communications (BEREC) for the year 2012, together with the Offices 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 Body of European Regulators for Electronic Communications (BEREC).

In the Courts opinion, BERECs Annual Accounts fairly present, in all material respects, its financial position as of 31 December 2012 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 Commissions accounting officer.

The Court also considers that the transactions underlying the annual accounts of the Office for the financial year ended 31 December 2012 are, in all material respects, legal and regular.

The report confirms that the Offices 2012 budget amounted to EUR 3.1 million.

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

The Courts observations:

- carried-over commitments: the level of carryovers of committed appropriations to 2013 was high at EUR 611 000 or 19 % of the total, indicating difficulties in the planning of the Offices activities. Some EUR 101 000, 45 % of the committed appropriations carried over from 2011, were cancelled ;
- recruitment : the recruitment procedures examined revealed significant shortcomings affecting transparency.

The Offices reply:

- to address the situation of commitments being carried forward irregularly, the Office has undertaken the development of a financial manual, which will address, the definition, conditions, follow-up procedure and the corresponding workflow inside the organisation that will be implemented for the carry-forward exercise to be performed at the end of the year ;
- as of 2013, the recruitment procedures? consistency is ensured by the Human Resources team in the Office through policies and guidelines.

Lastly, the Court of Auditors report contains a summary of the Offices activities in 2012. This is focused on the following:

- professional and administrative support services to BEREC ;
- collection of information from NRAs and exchange and transmission of information ;
- dissemination of regulatory best practices among NRAs within the EU and to third parties ;
- assistance to the Chair in the preparation of the work of the Board of Regulators and the Management Committee of the Office ;
- support to the Expert Working Groups set up by the Board of Regulators.

2012 discharge: Body of European Regulators for Electronic Communications (BEREC)

The Committee on Budgetary Control adopted the report by Petri SARVAMAA (EPP, FI) in which it recommended the European Parliament to postpone its decision on granting the Administrative Manager of the Body of European Regulators for Electronic Communications discharge in respect of the implementation of the Bodys budget for the financial year 2012. In parallel, Members postponed the closure of the Bodys accounts and made a number of recommendations in addition to those that appear in the [draft resolution on performance, financial management and control of EU agencies](#).

- Legality and regularity of transactions: Members regretted that the Bodys accounting system has been validated in 2013. They called on the Body to take steps in order to avoid such situations in the future and to report on the steps taken by 1 September 2014. Members regretted that the committed appropriations carried over, amounting to EUR 61.5 million (10% of the total committed appropriations carried over), did not correspond to legal commitments and were thus irregular.
- Budget and financial management: Members noted with concern that budget monitoring efforts during the financial year 2012 resulted in a budget implementation rate of 63.4% and that the payment appropriations execution rate was 66.16%.
- Commitments and carryovers: Members also regretted that 45% of the committed appropriations carried over from 2011 were cancelled and that appropriations of EUR 545 000 were not used and had to be cancelled. They are worried that the level of carry-overs of committed appropriations to 2013 was high at EUR 611 000. They believed that this indicates difficulties in the planning and/or implementation of the Bodys activities.
- Recruitment procedures: Members regretted that the recruitment procedures examined showed significant shortcomings affecting transparency, namely that questions for written tests and interviews were set after the applications had been examined by the

selection board. Improvements should be made in this area.

- Conflicts of interests: Members regretted that the Body has provided limited information regarding conflicts of interests policy. They noted that personal conflicts of interests declarations are requested from the members of the Body's Management Committee and the Board of Regulators, as well as from their staff members. They called on the Body to inform the discharge authority of whether it plans to review its conflict of interests arrangements on the basis of the Commission's Guidelines on the Prevention and Management of Conflict of Interests in EU Decentralised Agencies.

Members also made a series of observations on transfers, procurement and recruitment procedures as well as comments on internal controls.

2012 discharge: Body of European Regulators for Electronic Communications (BEREC)

The European Parliament adopted a decision to postpone its decision on granting the Administrative Manager of the Body of European Regulators for Electronic Communications (BEREC) discharge in respect of the implementation of the Bodys budget for the financial year 2012. In parallel, Parliament postponed the closure of the Bodys 2012 accounts.

Parliament adopted by 572 votes to 10, with 14 abstentions, a resolution containing a series of recommendations that form an integral part of the discharge decision and as well as the general recommendations that appear in the [draft resolution on performance, financial management and control of EU agencies](#).

These recommendations are summarised as follows:

- Legality and regularity of transactions: Parliament regretted that the Bodys accounting system has not been validated in 2013. It called on the Body to take steps in order to avoid such situations in the future and to report on the steps taken by 1 September 2014. It regretted that the committed appropriations carried over, amounting to EUR 61.5 million (10% of the total committed appropriations carried over), did not correspond to legal commitments and were thus irregular.
- Budget and financial management: it noted with concern that budget monitoring efforts during the financial year 2012 resulted in a budget implementation rate of 63.4% and that the payment appropriations execution rate was 66.16%.
- Commitments and carryovers: Parliament also regretted that 45% of the committed appropriations carried over from 2011 were cancelled and that appropriations of EUR 545 000 were not used and had to be cancelled. It worried that the level of carry-overs of committed appropriations to 2013 was high at EUR 611 000. It believed that this indicates difficulties in the planning and/or implementation of the Bodys activities.
- Recruitment procedures: Parliament regretted that the recruitment procedures examined showed significant shortcomings affecting transparency, namely that questions for written tests and interviews were set after the applications had been examined by the selection board. Improvements should be made in this area.
- Conflicts of interests: it also regretted that the Body has provided limited information regarding conflicts of interests policy. It noted that personal conflicts of interests declarations are requested from the members of the Body's Management Committee and the Board of Regulators, as well as from their staff members. Parliament called on the Body to inform the discharge authority of whether it plans to review its conflict of interests arrangements on the basis of the Commission's Guidelines on the Prevention and Management of Conflict of Interests in EU Decentralised Agencies.
- Performance: Parliament requested that the Body communicate the results and impact its work has on European citizens in an accessible way, mainly through its website.

Lastly, it made a series of observations on transfers, procurement and recruitment procedures as well as comments on internal controls.

2012 discharge: Body of European Regulators for Electronic Communications (BEREC)

The Committee on Budgetary Control adopted the report by Petri SARVAMAA (EPP, FI) in which it called on the European Parliament to grant the Management Committee of the Office of the Body of European Regulators for Electronic Communications discharge for implementation of the Office's budget for the financial year 2012.

Taking note that in order to address the shortcomings related to the legality and regularity of transactions, the Office has included in its Financial and Accounting Manuals clear procedures, detailed steps and workflows to be used by all financial actors, Members welcomed the changes and improvements made to procedures applied by the Office as regards:

- financial and budget management, in particular as regards the rate of budget implementation;
- commitments and carryovers, even if necessary efforts still need to be made as regards the cancellation of appropriations;
- procurement and recruitment procedures since the revision of the recruitment guidelines implemented in 2013.

Members also welcomed the Office's revised communication policy, which ensures the attribution of mobile phones to staff based on professional needs, and the internal controls made for monitoring compliance with that policy.

Prevention and management of conflicts of interest and transparency: Members noted that the conflicts of interests policy concerning the Office's staff members follows the same principles, and that the staff members' conflicts of interests declarations are also available through the Office's public register. They acknowledged that the Office aims at raising awareness of its policy on conflicts of interest, as well as that of its Board.

In parallel, Members stated that the Office has met all formal requirements for the Internal Control Standard (ICS) on Information and Communication and noted that a review of the ICS is scheduled by the Internal Audit Service and that the Office should report to the discharge authority on the results of that review as soon as they are available.

Performances: lastly, Members noted that the Office has begun to increase its profile as a Union body by uploading the Union logo on some pages on its website, and looks forward to this being extended to the BEREC's home page and systematically to all communications, thereby ensuring visibility of the contribution from the Union budget to the Office.

2012 discharge: Body of European Regulators for Electronic Communications (BEREC)

PURPOSE: to grant discharge to the Office of the Body of European Regulators for Electronic Communications for the financial year 2012 (BEREC).

NON-LEGISLATIVE ACT: Decision 2014/822/EU of the European Parliament and of the Council on discharge in respect of the implementation of the budget of the Office of the Body of European Regulators for Electronic Communications for the financial year 2012.

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 Management Committee of the Office of the Body of European Regulators for Electronic Communications for implementation of the Office's budget for the financial year 2012.

This decision is in line with the European Parliament's resolution adopted on 23 October 2014 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 23/10/2014).

A parallel decision, 2014/823/EU, adopted on the same day, approves the closure of this Agency's accounts for the 2012 financial year.

2012 discharge: Body of European Regulators for Electronic Communications (BEREC)

In accordance with Annex V, Article 5, paragraph 2(a) of the European Parliaments Rules of Procedure, Parliament decided by 493 votes to 137, with 52 abstentions, to grant the Management Committee of the Office of the Body of European Regulators for Electronic Communications discharge for implementation of the Office's budget for the financial year 2012.

In so doing, Parliament approved the closure of the Offices accounts for 2012.

Improvement of the Offices internal management: taking note that in order to address the shortcomings related to the legality and regularity of transactions, the Office has included in its Financial and Accounting Manuals clear procedures, detailed steps and workflows to be used by all financial actors, Parliament welcomed the changes and improvements made to procedures applied by the Office as regards:

- financial and budget management, in particular as regards the rate of budget implementation (89.55%);
- commitments and carryovers, even if necessary efforts still need to be made as regards the cancellation of appropriations (28% of cancelled credits or carried over to 2013);
- procurement and recruitment procedures since the revision of the recruitment guidelines implemented in 2013.

Parliament also welcomed the Office's revised communication policy, which ensures the attribution of mobile phones to staff based on professional needs, and the internal controls made for monitoring compliance with that policy.

Prevention and management of conflicts of interest and transparency: Parliament noted that the conflicts of interests policy concerning the Office's staff members follows the same principles, and that the staff members' conflicts of interests declarations are also available through the Office's public register. It acknowledged that the Office aims at raising awareness of its policy on conflicts of interest, as well as that of its Board.

In parallel, Parliament stated that the Office has met all formal requirements for the Internal Control Standard (ICS) on Information and Communication and noted that a review of the ICS is scheduled by the Internal Audit Service and that the Office should report to the discharge authority on the results of that review as soon as they are available.

Performances: lastly, Parliament noted that the Office has begun to increase its profile as a Union body by uploading the Union logo on some pages on its website, and looks forward to this being extended to the BEREC's home page and systematically to all communications, thereby ensuring visibility of the contribution from the Union budget to the Office.