











Procedure file

Basic information		
DEC - Discharge procedure	2015/2166(DEC)	Procedure completed
2014 discharge 2014: European Union Agency for Fundamental Rights (FRA)		
Subject 8.70.03.04 2014 discharge		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	CONT Budgetary Control	 VAUGHAN Derek Shadow rapporteur  DEUTSCH Tamás  VISTISEN Anders  ALI Nedzhami  JÁVOR Benedek  VALLI Marco  KAPPEL Barbara	19/08/2015
European Commission	Committee for opinion	Rapporteur for opinion	Appointed
	LIBE Civil Liberties, Justice and Home Affairs	 MACOVEI Monica	19/11/2015
	Commission DG Budget	Commissioner GEORGIEVA Kristalina	

Key events			
23/07/2015	Non-legislative basic document published	COM(2015)0377	Summary
05/10/2015	Committee referral announced in Parliament		
04/04/2016	Vote in committee		

08/04/2016	Committee report tabled for plenary	A8-0108/2016	Summary
27/04/2016	Debate in Parliament		
28/04/2016	Results of vote in Parliament		
28/04/2016	Decision by Parliament	T8-0189/2016	Summary
28/04/2016	End of procedure in Parliament		
14/09/2016	Final act published in Official Journal		

Technical information

Procedure reference	2015/2166(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/04169

Documentation gateway

Non-legislative basic document		COM(2015)0377	23/07/2015	EC	Summary
Court of Auditors: opinion, report		N8-0150/2015 OJ C 409 09.12.2015, p. 0334	08/09/2015	CofA	Summary
Supplementary non-legislative basic document		05584/2016	27/01/2016	CSL	Summary
Committee draft report		PE569.767	01/02/2016	EP	
Committee opinion	LIBE	PE575.090	19/02/2016	EP	
Amendments tabled in committee		PE576.971	04/03/2016	EP	
Committee report tabled for plenary, single reading		A8-0108/2016	08/04/2016	EP	Summary
Text adopted by Parliament, single reading		T8-0189/2016	28/04/2016	EP	Summary

Final act

Budget 2016/1573
[OJ L 246 14.09.2016, p. 0368](#) Summary

2014 discharge 2014: European Union Agency for Fundamental Rights (FRA)

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2014, as part of the 2014 discharge procedure.

Analysis of the accounts of the European Fundamental Rights Agency (FRA).

CONTENT: this Commission document sets out the consolidated annual accounts of the European Union for the financial year 2014 as prepared on the basis of the information presented by the institutions, organisations and bodies of the EU, in accordance with Article 148(2) of the Financial Regulation applicable to the EU's General Budget, including the European Fundamental Rights Agency (FRA).

The document contains the figures on which the discharge procedure is based.

On this basis, the Financial Controller of the European Commission ensures the certification of the consolidated accounts as declared by the institutions, agencies and bodies of the European Union.

Discharge procedure of the EU agencies: the EU Budget finances a wide range of policies and programmes throughout the EU. In accordance

with the priorities set by the European Parliament and the Council in the multi-annual financial framework (MFF), the European Commission carries out specific programmes, activities and projects in the field with the technical support of some specialised agencies.

The consolidated annual accounts of the EU provide information on the activities of the institutions, agencies and other bodies of the EU from a budgetary and accrual accounting perspective.

The consolidated reports on the implementation of the general budget of the EU include the budget implementation of all Institutions. Agencies do not have a separate budget inside the EU budget; and they are partially financed by a Commission budget subsidy.

This document sets out how the Agencies spent and implemented their budget in 2014. Each agency is subject to its own discharge procedure.

FRA: in 2014, the tasks and budget of this agency were as follows:

- description of FRA's tasks: the Agency, which is located in Vienna, was established by [Council Regulation \(EC\) No 168/2007](#). Its main objective is to provide the relevant authorities of the Union and its Member States with assistance and expertise when implementing Union law relating to fundamental rights. The Agency's task is to collect information as well as providing expert advice to the institutions on a range of issues.
- FRA's budget for the 2014 financial year: the Agency's budget for 2014, as presented in the Commission document on the consolidated annual accounts of the European Union, gives the following figures:

Commitment appropriations :

- committed : EUR 22 million;
- paid : EUR 22 million;
- carried-over : 0.

Payment appropriations :

- committed : EUR 28 million;
- paid : EUR 21 million;
- carried-over : EUR 7 million.

Please refer also to the [final accounts of the FRA](#).

2014 discharge 2014: European Union Agency for Fundamental Rights (FRA)

PURPOSE: presentation of the EU Court of Auditors report on the annual accounts of the European Fundamental Rights Agency (FRA) for the financial year 2014, 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 Fundamental Rights Agency (FRA).

Statement of assurance: pursuant to the provisions of Article 287 of the Treaty on the Functioning of the European Union (TFEU), the Court has audited:

- the annual accounts of the Agency, which comprise the financial statements and the reports on the implementation of the budget for the financial year ended 31 December 2014; and
- the legality and regularity of the transactions underlying those accounts.

Opinion on the reliability of the accounts: in the Court's opinion, the Agency's annual accounts present fairly, in all material respects, its financial position as at 31 December 2014 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.

Opinion on the legality and regularity of the transactions underlying the accounts: in the Court's opinion, the transactions underlying the annual accounts for the year ended 31 December 2014 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 Agency's response. The main observations may be summarised as follows:

The Court's observations:

- budgetary management: the Court noted that the 2014 budget appropriations were fully committed. However, the level of committed appropriations carried over to 2015 was high at 25% for administrative expenditure and 75% for operating expenditure. The carry-overs mainly reflect the multiannual nature of the Agency's operational projects, where payments are made according to planned schedules;
- remuneration of officials: in 2005 new EU Staff Regulations entered into force, including provisions that future remuneration of officials recruited before 1 May 2004 should not be less than under the previous EU Staff Regulations. The Court's audit revealed that this was not complied with and, in the case of 10 of the 26 officials employed at that time, this led to a total underpayment of EUR 45 892 for the period 2005 to 2014.

The Agency's replies:

- budgetary management: the Agency acknowledged the understanding from the Court on the well-monitored and justified carry-overs;

- remuneration of officials: the Agency has taken the necessary corrective measures and executed the supplementary salary payments.

Lastly, the Court of Auditors report contains a summary of the Agency's activities in 2014. This is focused on the following:

Budget: EUR 21.52 million of which the Union subsidy amounts to 99%.

Activities:

- a number of contributions in the framework of FRANET (such as comparative analyses with the participation of 28 contractors);
- publication of research reports and annual reports;
- key conferences and events;
- cooperation with institutions and bodies at EU and Member State level.

2014 discharge 2014: European Union Agency for Fundamental Rights (FRA)

Having examined the revenue and expenditure accounts for the financial year 2014 and the balance sheet as at 31 December 2014 of the European Union Fundamental Rights Agency (FRA), as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2014, accompanied by the Agency's replies to the Court's observations, the Council recommended the European Parliament to give a discharge to the Director of the Agency in respect of the implementation of the budget for the financial year 2014.

The Council welcomed the Court's opinion that, in all material respects, the Agency's annual accounts fairly present its financial position as at 31 December 2014 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 2014 are legal and regular in all material respects.

Nevertheless, the Council has made some observations which may be summarised as follows:

- financial programming: while acknowledging the multiannual nature of many of the Agency's projects, in particular as regards IT projects, the Council noted that a high level of commitment appropriations was carried over to 2015. It encouraged the Agency to continue improving its financial programming and monitoring of the budget implementation, in order to reduce the level of commitments carried over to the following financial year to the strict minimum, in line with the budgetary principle of annuality;
- staff remunerations: lastly, the Council noted the Court's observation that the Agency did not comply with certain of the Staff Regulations' provisions on remuneration and welcomed the corrective measures taken by the Agency to address these shortcomings.

2014 discharge 2014: European Union Agency for Fundamental Rights (FRA)

The Committee on Budgetary Control adopted the report by Derek VAUGHAN (S&D, UK) on discharge in respect of the implementation of the budget of the European Union Agency for Fundamental Rights for the financial year 2014.

The parliamentary committee calls on the European Parliament to grant the Director of the Agency discharge in respect of the implementation of the Agency's budget for the financial year 2014.

Noting that the Court of Auditors issued a statement of assurance as to the reliability of the accounts and the legality and regularity of the underlying transactions for the financial year 2014, Members call 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: Members note that the final budget of the European Union Agency for Fundamental Rights for the financial year 2014 was EUR 21 229 000, representing a decrease of 0.56 % compared to 2013. 99 % of the budget of the Agency derives from the Union budget.
- Budget and financial management: Members note that budget monitoring efforts during the financial year 2014 resulted in a budget implementation rate of 100 %. However, committed appropriations carried over to 2015 were at 25 % administrative expenditure and at 75 % for operating expenditure.

Members also made a series of observations regarding commitments and carryovers, preventing and managing conflicts of interest, as well as on contract award, recruitment and internal audit procedures.

Members ascertain that an independent evaluation of the Agency was undertaken in 2012 to evaluate the effectiveness, efficiency, added value, utility, coordination and coherence of the Agency's work. They note that one of key priorities included in the Agency's Strategic plan 2013-2017 is to help enhance the Agency's contribution to processes at national level. They also note that in February 2014 the Agency launched a webpage for children as part of its website section on the rights of the child where children can find information on what their rights are, who decides on their rights, what the Agency does for children and links if they want to know more.

Lastly, Members call for an overall improvement in the prevention of, and the fight against, corruption through a holistic approach, commencing with better public access to documents and more stringent rules on conflicts of interest.

2014 discharge 2014: European Union Agency for Fundamental Rights (FRA)

The European Parliament decided to grant discharge to the Director of the European Union Agency for Fundamental Rights (FRA) in respect of the implementation of its budget for the financial year 2014. The vote on the decision on discharge covers the closure of the accounts (in accordance with Annex V, Article 5 (1)(a) to Parliament's Rules of Procedure.

Noting that the Court of Auditors has stated that it has obtained reasonable assurances that the Agency's annual accounts for the financial year 2014 are reliable and that the underlying transactions are legal and regular, Parliament adopted by 510 votes to 117 with 10 abstentions, 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 [resolution on performance, financial management and control of EU agencies](#):

- Agency's financial statements: Parliament noted that the final budget of the European Union Agency for Fundamental Rights for the financial year 2014 was EUR 21 229 000, representing a decrease of 0.56 % compared to 2013. 99 % of the budget of the Agency derives from the Union budget.
- Budget and financial management: Parliament noted that budget monitoring efforts during the financial year 2014 resulted in a budget implementation rate of 100 %. However, committed appropriations carried over to 2015 were at 25 % administrative expenditure and at 75 % for operating expenditure.

Parliament also made a series of observations regarding commitments and carryovers, preventing and managing conflicts of interest, as well as on contract award, recruitment and internal audit procedures.

Members ascertain that an independent evaluation of the Agency was undertaken in 2012 to evaluate the effectiveness, efficiency, added value, utility, coordination and coherence of the Agency's work. They noted that one of key priorities included in the Agency's Strategic plan 2013-2017 is to help enhance the Agency's contribution to processes at national level. They also noted that in February 2014 the Agency launched a webpage for children as part of its website section on the rights of the child where children can find information on what their rights are, who decides on their rights, what the Agency does for children and links if they want to know more.

Lastly, Parliament called for an overall improvement in the prevention of, and the fight against, corruption through a holistic approach, commencing with better public access to documents and more stringent rules on conflicts of interest. Parliament stated that the annual reports of the Agency could play an important role in compliance regarding transparency, accountability and integrity.

2014 discharge 2014: European Union Agency for Fundamental Rights (FRA)

PURPOSE: to grant discharge to the European Union Agency for Fundamental Rights (FRA) for the financial year 2014.

NON-LEGISLATIVE ACT: Decision (EU) 2016/1573 of the European Parliament on discharge in respect of the implementation of the budget of the European Union Agency for Fundamental Rights for the financial year 2014.

CONTENT: with the present decision, the European Parliament grants discharge to the Director of the European Union Agency for Fundamental Rights for the implementation of its budget for the financial year 2014.

This decision is in line with the European Parliament's resolution adopted on 28 April 2016 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 28 April 2016).

Amongst Parliament's main observations in the resolution accompanying the discharge decision, the latter acknowledged that the Agency adopted guidelines for the prevention of conflicts of interest for its staff and that it applies the Commission's whistle-blowing guidelines. It also noted that its staff members are obliged to report facts pointing to possible illegal activity, including fraud or corruption, or to a serious failure to comply with their professional obligations.