












Procedure file

Basic information		
DEC - Discharge procedure	2016/2166(DEC)	Procedure completed
2015 discharge: European Environment Agency (EEA)		
Subject 8.70.03.05 2015 discharge		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 Budgetary Control	 AYALA SENDER Inés	05/08/2016
		Shadow rapporteur	
		 ZDECHOVSKÝ Tomáš	
		 FITTO Raffaele	
		 ALI Nedzhmi	
		 JÁVOR Benedek	
		 VALLI Marco	
		 KAPPEL Barbara	
	Committee for opinion	Rapporteur for opinion	Appointed
	 Environment, Public Health and Food Safety	 LA VIA Giovanni	31/08/2016
European Commission	Commission DG Budget	Commissioner GEORGIEVA Kristalina	

Key events			
11/07/2016	Non-legislative basic document published	COM(2016)0475	Summary
04/10/2016	Committee referral announced in Parliament		
22/03/2017	Vote in committee		
28/03/2017	Committee report tabled for plenary	A8-0085/2017	Summary
26/04/2017	Debate in Parliament		
27/04/2017	Results of vote in Parliament		
	Decision by Parliament		Summary

27/04/2017		T8-0166/2017	
27/04/2017	End of procedure in Parliament		
29/09/2017	Final act published in Official Journal		

Technical information

Procedure reference	2016/2166(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/07461

Documentation gateway

Non-legislative basic document		COM(2016)0475	11/07/2016	EC	Summary
Court of Auditors: opinion, report		N8-0118/2016 OJ C 449 01.12.2016, p. 0087	13/09/2016	CofA	Summary
Committee opinion	ENVI	PE592.294	31/01/2017	EP	
Committee draft report		PE593.880	06/02/2017	EP	
Supplementary non-legislative basic document		05873/2017	07/02/2017	CSL	Summary
Amendments tabled in committee		PE599.883	06/03/2017	EP	
Committee report tabled for plenary, single reading		A8-0085/2017	28/03/2017	EP	Summary
Text adopted by Parliament, single reading		T8-0166/2017	27/04/2017	EP	Summary

Final act

Budget 2017/1663
[OJ L 252 29.09.2017, p. 0215](#) Summary

2015 discharge: European Environment Agency (EEA)

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2015, as part of the 2015 discharge procedure.

Analysis of the accounts of the European Environment Agency (EEA).

CONTENT: the organisational governance of the EU consists of institutions, agencies and other EU bodies whose expenditure is included in the general budget of the Union.

The EU's operational expenditure of these institutions takes different forms, depending on how the money is paid out and managed.

From 2014 onwards, the Commission classifies its expenditure as follows:

- Direct management: the budget is implemented directly by the Commission services.
- Indirect management: the Commission confers tasks of implementation of the budget to bodies of EU law or national law, such as the EU agencies.
- Shared management: under this method of budget implementation tasks are delegated to Member States. About 80 % of the expenditure falls under this management mode covering such areas as agricultural spending and structural actions.

This Commission document concerns the EU's consolidated accounts for the year 2015 and details how spending by the EU institutions and bodies was carried out. The consolidated annual accounts of the EU provide financial information on the activities of the institutions, agencies and other bodies of the EU from an accrual accounting and budgetary perspective.

It is the responsibility of the Commission's Accounting Officer to prepare the EU's consolidated annual accounts and ensure that they present fairly, in all material aspects, the financial position, the result of the operations and the cashflows of the EU institutions and bodies, including

the EEA, with a view to granting discharge.

Discharge procedure: the final step of a budget lifecycle is the discharge of the budget for a given financial year. It 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 (and other EU bodies) from its responsibility for management of a given budget by marking the end of that budget's existence. The European Parliament is the discharge authority within the EU.

The discharge procedure may produce three outcomes: (i) the granting; (ii) postponement or; (iii) the refusal of the discharge.

The final discharge report including specific recommendations to the Commission for action is adopted in plenary by the European Parliament and are subject to an annual follow up report in which the Commission outlines the concrete actions it has taken to implement the recommendations made.

Each agency is subject to its own discharge procedure, including the European Environment Agency (EEA).

The European Environment Agency: the Agency, which is located in Copenhagen (DK) was established by [Council Regulation \(EEC\) No 1210/90](#), is responsible for setting up an observation network to provide the Commission, the Parliament, the Member States and, more generally, the public with reliable information on the state of the environment. This information should, in particular, enable the European Union and the Member States to take action to safeguard the environment and assess the effectiveness of such action.

As regards EEAs accounts, these are presented in detail in the document on the consolidated annual accounts of the European Union for 2015:

Commitment appropriations:

- committed: EUR 68 million;
- paid: EUR 58 million;
- carried-over: EUR 10 million.

Payment appropriations:

- committed: EUR 73 million;
- paid: EUR 55 million;
- carried-over: EUR 17 million.

For further details on expenditure, please refer to the [final accounts of the EEA](#).

2015 discharge: European Environment Agency (EEA)

PURPOSE: presentation of the EU Court of Auditors report on the annual accounts of the European Environment Agency (EEA) for the financial year 2015, 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 Environment Agency (EEA). In brief, this Agency is responsible for setting up an observation network to provide the Commission, the Parliament, the Member States and, more generally, the public with reliable information on the state of the environment.

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 2015, and
- the legality and regularity of the transactions underlying those accounts.

Opinion on the reliability of the accounts: in the Courts opinion, the Agency's annual accounts present fairly, in all material respects, its financial position as at 31 December 2015 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 Courts opinion, the transactions underlying the annual accounts for the year ended 31 December 2015 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 Courts observations:

- **budgetary management:** the Court noted that the Agency signed framework contracts with a single contractor which are used for various services under fixed-price specific contracts. The Court stated that competition on price is neutralised and dependence upon the contractor is increased. The Agency should therefore conclude agreements with multiple suppliers with reopening of competition or direct service contracts, whenever possible.

The Agency's replies:

- **budgetary management:** the Agency emphasised that the level of competition of the particular market of satellite imagery production

and analysis is relatively limited due to the few number of service providers operating in the related sectors and the stability and consistency of the prices applied. Furthermore, the technical nature and complexity of the services to be provided require the combination of different expertise that the service providers operating in this market can only provide when joining forces into a consortium. The choice of awarding a framework contract with a single economic operator is therefore a conscious one resulting from an assessment of tangible factors rather than hypotheses.

Lastly, the Court of Auditors report contains a summary of the Agency's key figures in 2015:

- Budget: EUR 49.2 million.
- Staff: 198 including officials, temporary and contract staff and seconded national experts.

2015 discharge: European Environment Agency (EEA)

Having examined the revenue and expenditure accounts for the financial year 2015 and the balance sheet as at 31 December 2015 of the European Environment Agency (EEA), as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2015, accompanied by the Agency's replies to the Court's observations, the Council recommended the European Parliament to give a discharge to the Executive Director of the Agency in respect of the implementation of the budget for the financial year 2015.

The Council welcomed the Court's opinion that the Agency's annual accounts present fairly its financial position as at 31 December 2015 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 2015 are legal and regular in all material respects.

Nevertheless, it made the following observations:

- procurement: the Council encouraged the Agency to conclude framework agreements with reopening of competition rather than with fixed prices, whenever this is possible, with a view to protecting the Union's budget;
- internal audits: the Council welcomed the implementation of measures in relation to the execution of ex-ante on-the-spot checks and verifications.

2015 discharge: European Environment Agency (EEA)

The Committee on Budgetary Control adopted the report by Inés AYALA SENDER (S&D, ES) on discharge in respect of the implementation of the budget of the European Environment Agency for the financial year 2015.

The committee called on the European Parliament to grant the Executive Director of the Agency discharge in respect of the implementation of the agency's budget for the financial year 2015.

Noting that the Court of Auditors stated that it had obtained reasonable assurance that the annual accounts of the Agency for the financial year 2015 were reliable and that the underlying transactions were legal and regular, Members called 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 noted that the final budget of the Agency for the financial year 2015 was EUR 49 156 474, representing a decrease of 6.5 % compared to 2014.
- Prevention and management of conflicts of interest and transparency: Members noted that the anti-fraud strategy of the Agency was adopted by its Management Board in November 2014, with the aim of ensuring proper handling of conflict of interest issues and of developing anti-fraud activities especially through prevention, detection, awareness-raising and closer cooperation with the European Anti-Fraud Office (OLAF). However, Members regretted that no specific initiatives have been undertaken to create or increase transparency regarding contacts with lobbyists.

They encouraged the Agency further to raise awareness of the conflict-of-interest policy among its staff, alongside ongoing awareness-raising activities and the inclusion of integrity and transparency as an obligatory item to be discussed during recruitment procedures and performance reviews.

Members also made a series of observations regarding the budgetary and financial management, commitments and carry-overs, procurement and recruitment procedures and internal audits and controls.

As regards communication, Members noted that the Agency invested in better design, data visualisation and infographics and updated its corporate identity to this effect, as well as that more efforts were put into social media and media relations. They underlined that the Agency should continue promoting dialogue with stakeholders and citizens and incorporate it as part of the priorities and activities to be implemented.

Members took note that the audited procurement procedures showed that the Agency signed framework contracts with a single contractor which were used for various services under fixed-price specific contracts. They noted with concern that, as a consequence of requesting a fixed-price offer from a single contractor under those contracts, competition on price was neutralised and dependence upon the contractor was increased.

Lastly, they recalled that, since its creation, the Agency, together with its European Environment Information and Observation Network (EIONET), has been an information source for those involved in developing, adopting, implementing and evaluating Union environment and climate policies, as well as sustainable development policies, and also been an information source for the general public.

2015 discharge: European Environment Agency (EEA)

PURPOSE: to grant discharge to the European Environment Agency (EEA) for the financial year 2015.

NON-LEGISLATIVE ACT: Decision (EU) 2017/1663 of the European Parliament on discharge in respect of the implementation of the budget of the European Environment Agency for the financial year 2015.

CONTENT: with this Decision, the European Parliament grants discharge to the Executive Director of the European Environment Agency for the implementation of the Agency's budget for 2015.

The Decision is in line with the European Parliament's resolution adopted on 27 April 2017 and includes a series of observations that form an integral part of the discharge decision (refer to the summary of the opinion of 27 April 2017).

Amongst Parliament's main observations in the resolution accompanying the discharge decision, it noted with satisfaction that the Agency's management board adopted its own internal guidelines on whistleblowing in December 2016. The Agency is asked to report to the discharge authority on the implementation of its whistleblowing rules.

Parliament noted with concern, however, that the Agency has not undertaken specific initiatives to create or increase transparency regarding contacts with lobbyists.

2015 discharge: European Environment Agency (EEA)

The European Parliament decided to grant discharge to the Executive Director of the European Environment Agency (EEA) in respect of the implementation of the Agency budget for the financial year 2015.

The vote on the decision on discharge covers the closure of the accounts (in accordance with Annex IV, 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 2015 are reliable and that the underlying transactions are legal and regular, Parliament adopted by 518 votes to 104 with 2 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](#).

These recommendations may be summarised as follows:

- Agency's financial statements: Parliament noted that the final budget of the Agency for the financial year 2015 was EUR 49 156 474, representing a decrease of 6.5 % compared to 2014.
- Prevention and management of conflicts of interest and transparency: It noted that the anti-fraud strategy of the Agency was adopted by its Management Board in November 2014, with the aim of ensuring proper handling of conflict of interest issues and of developing anti-fraud activities especially through prevention, detection, awareness-raising and closer cooperation with the European Anti-Fraud Office (OLAF). However, Parliament regretted that no specific initiatives have been undertaken to create or increase transparency regarding contacts with lobbyists. It encouraged the Agency further to raise awareness of the conflict-of-interest policy among its staff, alongside ongoing awareness-raising activities and the inclusion of integrity and transparency as an obligatory item to be discussed during recruitment procedures and performance reviews.

Parliament also made a series of observations regarding the budgetary and financial management, commitments and carry-overs, procurement and recruitment procedures and internal audits and controls.

As regards communication, Parliament noted that the Agency invested in better design, data visualisation and infographics and updated its corporate identity to this effect, as well as that more efforts were put into social media and media relations. It underlined that the Agency should continue promoting dialogue with stakeholders and citizens and incorporate it as part of the priorities and activities to be implemented.

Parliament took note that the audited procurement procedures showed that the Agency signed framework contracts with a single contractor which were used for various services under fixed-price specific contracts. It noted with concern that, as a consequence of requesting a fixed-price offer from a single contractor under those contracts, competition on price was neutralised and dependence upon the contractor was increased.

EIONET: Parliament recalled that, since its creation, the Agency, together with its European Environment Information and Observation Network (EIONET), has been an information source for those involved in developing, adopting, implementing and evaluating Union environment and climate policies, as well as sustainable development policies, and also been an information source for the general public.

It recalled the importance of the on-going "Evaluation of the European Environment Agency and of its EIONET network", due for the end of 2017, in order to better assess the extent to which the Agency has achieved its objectives and implemented the tasks set out in its mandate.