













Procedure file

Basic information		
DEC - Discharge procedure	2016/2190(DEC)	Procedure completed
2015 discharge: Office of the Body of European Regulators for Electronic Communications (BEREC Office)		
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
	 Industry, Research and Energy	The committee decided not to give an opinion.	
	 Internal Market and Consumer Protection	The committee decided not to give an opinion.	
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		
31/03/2017	Committee report tabled for plenary	A8-0143/2017	Summary
26/04/2017	Debate in Parliament		
27/04/2017	Results of vote in Parliament		

27/04/2017	Decision by Parliament	T8-0157/2017	Summary
27/04/2017	End of procedure in Parliament		
29/09/2017	Final act published in Official Journal		

Technical information

Procedure reference	2016/2190(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/07511

Documentation gateway

Non-legislative basic document		COM(2016)0475	11/07/2016	EC	Summary
Court of Auditors: opinion, report		N8-0113/2016 OJ C 449 01.12.2016, p. 0022	13/09/2016	CofA	Summary
Committee draft report		PE593.875	30/01/2017	EP	
Supplementary non-legislative basic document		05873/2017	07/02/2017	CSL	Summary
Amendments tabled in committee		PE599.863	06/03/2017	EP	
Committee report tabled for plenary, single reading		A8-0143/2017	31/03/2017	EP	Summary
Text adopted by Parliament, single reading		T8-0157/2017	27/04/2017	EP	Summary

Final act

Budget 2017/1636
[OJ L 252 29.09.2017, p. 0166](#) Summary

2015 discharge: Office of the Body of European Regulators for Electronic Communications (BEREC Office)

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

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 cash flows of the EU institutions and bodies, including the Office of the Body of European Regulators for Electronic Communications (BEREC Office), 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 BEREC office.

The Office of the Body of European Regulators for Electronic Communications (BEREC Office): the Office, which is located in Riga (LV), 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.

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

Commitment appropriations:

- committed: EUR 4 million;
- paid: EUR 4 million;
- carried-over: 0.

Payment appropriations:

- committed: EUR 5 million;
- paid: EUR 4 million;
- carried-over: 1 million.

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

2015 discharge: Office of the Body of European Regulators for Electronic Communications (BEREC Office)

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 2015, 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 focused on the annual accounts of the Body of European Regulators for Electronic Communications (BEREC). The Offices main task is to provide professional and administrative support services to the Body of European Regulators for Electronic Communications (BEREC) and, under the guidance of the Board of Regulators, to collect and analyse information on electronic communications and to disseminate among National Regulatory Authorities regulatory best practices such as common approaches, methodologies or guidelines on the implementation of the EU regulatory framework.

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 Offices 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 Commissions 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 Court noted that in 2013 the Office signed a 4-year framework contract for the provision of professional event organisation services. However, it underestimated its needs and the contract had reached its maximum amount in December 2014. A procurement procedure to sign a new framework contract was launched, but only in August 2015. In the meantime, the Office procured these services from the same provider using purchase orders and low-value contracts (negotiated procedures). According to the Court, an open procurement procedure where all interested economic partners may submit a tender should have been used.

The report also made 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:

- budgetary management: the Court noted that the Offices audited budgetary implementation report differs from the level of detail

provided by most other agencies. It noted that the carry-overs of committed appropriations for administrative expenditure were high at EUR 134 228. These carry-overs are mainly related to the delivery of services that go beyond 2015.

The Offices reply:

- budgetary management: the BEREC Office stated that these carry-overs are mainly related to the delivery of services that go beyond 2015 and are coming from normal operations of the BEREC Office, which were planned in advance. The BEREC Office has set a target to reduce the level of committed appropriations carried over in 2016 for administrative expenditure.

Lastly, the Court of Auditors report contained a summary of the Offices key figures in 2015:

- Budget: EUR 4 million.
- Staff: 26 including officials, temporary and contract staff and seconded national experts.

2015 discharge: Office of the Body of European Regulators for Electronic Communications (BEREC Office)

Having examined the revenue and expenditure accounts for the financial year 2015 and the balance sheet as at 31 December 2015 of the Office of the Body of European Regulators for Electronic Communications (BEREC), as well as the Court of Auditors' report on the annual accounts of the Office for the financial year 2015, accompanied by the Office's replies to the Court's observations, the Council recommended the European Parliament to give a discharge to the Management Committee of the Office in respect of the implementation of the budget for the financial year 2015.

The Council welcomed the Court's opinion that, in all material respects, the Office'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 Office's Financial Regulation, and that the underlying transactions for 2015 are legal and regular in all material respects.

Nevertheless, some observations were made by the Council:

- public procurement: the Council regretted the deficiencies found by the Court in the Office's procurement procedures. It urged the Office to take appropriate action in order to improve its planning and ensure sufficient competition in its procurements;
- financial programming: the Council noted that a high level of commitment appropriations was carried over to 2016. It encouraged the Office 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 minimum strictly necessary;
- transparency: the Council invited the Office to revise the level of detail included in its budgetary implementation reports, also in the framework of the establishment of guidelines for the agencies' budget reporting.

2015 discharge: Office of the Body of European Regulators for Electronic Communications (BEREC Office)

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 Office of the Body of European Regulators for Electronic Communications (BEREC) for the financial year 2015.

The committee called on the European Parliament to grant the Management Committee of the Office of the Body of European Regulators for Electronic Communications discharge in respect of the implementation of the Bodys 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 Office 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](#):

- Offices financial statements: Members noted that the final budget of the Office for the financial year 2015 was EUR 4 017 244, representing a decrease of 3.5 % compared to 2014.
- Budget and financial management: Members noted budget monitoring efforts during the financial year 2015 resulted in a budget implementation rate of 95.65 %, representing a decrease of 2.26 % compared to the year 2014.

Members also made a series of observations regarding commitments, carry-overs, transfers, procurement, recruitment procedures, the prevention and management of conflicts of interests and internal audits.

Lastly, Members noted that a draft regulation was issued by the Commission in September 2016 in which the Commission proposed to turn the Office into a fully-fledged Agency with expanded responsibilities. They underlined that any reforms implemented upon the conclusion of the legislative process must ensure maximum efficiency and cost-effectiveness, as well as the highest possible level of transparency and protection against conflicts of interest.

2015 discharge: Office of the Body of European Regulators for Electronic Communications (BEREC Office)

The European Parliament decided to grant the Management Committee of the Office of the Body of European Regulators for Electronic Communications discharge in respect of the implementation of Authority's 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 Parliaments Rules

of Procedure).

Noting that the Court of Auditors has stated that it has obtained reasonable assurances that the Offices annual accounts for the financial year 2015 are reliable and that the underlying transactions are legal and regular, Parliament adopted by 520 votes to 110 with 4 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:

- Offices financial statements: Parliament noted that the final budget of the Office for the financial year 2015 was EUR 4 017 244, representing a decrease of 3.5 % compared to 2014.
- Budget and financial management: it also noted budget monitoring efforts during the financial year 2015 resulted in a budget implementation rate of 95.65 %, representing a decrease of 2.26 % compared to the year 2014.
- Parliament also made a series of observations regarding commitments, carry-overs, transfers, procurement, the prevention and management of conflicts of interests and internal audits.

As regards recruitment, Parliament noted that the number of posts was reduced from 28 at the end of 2014 to 27 at the end of 2015. It noted that the Office undertook additional tasks resulting in an additional workload, which added to the difficulties in recruitment caused by the turnover of expert staff.

Lastly, it noted that a draft regulation was issued by the Commission in September 2016 in which the Commission proposed to turn the Office into a fully-fledged Agency with expanded responsibilities. It underlined that any reforms implemented upon the conclusion of the legislative process must ensure maximum efficiency and cost-effectiveness, as well as the highest possible level of transparency and protection against conflicts of interest.

2015 discharge: Office of the Body of European Regulators for Electronic Communications (BEREC Office)

PURPOSE: to grant discharge to the Office of the Body of European Regulators for Electronic Communications for the financial year 2015.

NON-LEGISLATIVE ACT: Decision (EU) 2017/1636 of the European Parliament 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 2015.

CONTENT: with the present decision, the European Parliament grants the Management Committee of the Office of the Body of European Regulators for Electronic Communications discharge in respect of the implementation of the Office's budget for the financial year 2015.

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

Amongst Parliaments main observations in the resolution accompanying the discharge decision, the latter noted that the Office expects to conclude its internal rules on whistleblowing in the first half of 2017 and has already sent its draft policy to the European Data Protection Supervisor (EDPS) for prior checking. The Agency is called on to adopt an internal whistleblowing policy which will foster a culture of transparency and accountability in the workplace.