











# Procedure file

Basic information		
DEC - Discharge procedure	<a href="#">2017/2174(DEC)</a>	Procedure completed
2016 discharge: Agency for the Cooperation of Energy Regulators (ACER)		
Subject 8.70.03.06 2016 discharge		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 Budgetary Control	 <a href="#">STAES Bart</a>	14/09/2017
		Shadow rapporteur	
		 <a href="#">SARVAMAA Petri</a>	
		 <a href="#">LIBERADZKI Bogusław</a>	
		 <a href="#">MARIAS Notis</a>	
		 <a href="#">ALI Nedzhmi</a>	
		 <a href="#">VALLI Marco</a>	
		 <a href="#">KAPPEL Barbara</a>	
	Committee for opinion	Rapporteur for opinion	Appointed
	 Industry, Research and Energy	The committee decided not to give an opinion.	
European Commission	Commission DG <a href="#">Budget</a>	Commissioner OETTINGER Günther	

Key events			
26/06/2017	Non-legislative basic document published	<a href="#">COM(2017)0365</a>	Summary
13/09/2017	Committee referral announced in Parliament		
20/03/2018	Vote in committee		
22/03/2018	Committee report tabled for plenary	<a href="#">A8-0074/2018</a>	Summary
18/04/2018	Results of vote in Parliament		
18/04/2018	Debate in Parliament		
18/04/2018	Decision by Parliament	<a href="#">T8-0134/2018</a>	Summary
	End of procedure in Parliament		

18/04/2018		
03/10/2018	Final act published in Official Journal	

### Technical information

Procedure reference	2017/2174(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/10830

### Documentation gateway

Non-legislative basic document	<a href="#">COM(2017)0365</a>	26/06/2017	EC	Summary
Court of Auditors: opinion, report	N8-0010/2018 <a href="#">OJ C 417 06.12.2017, p. 0025</a>	12/09/2017	CofA	Summary
Committee draft report	<a href="#">PE613.468</a>	24/01/2018	EP	
Supplementary non-legislative basic document	<a href="#">05941/2018</a>	09/02/2018	CSL	Summary
Amendments tabled in committee	<a href="#">PE618.232</a>	02/03/2018	EP	
Committee report tabled for plenary, single reading	<a href="#">A8-0074/2018</a>	22/03/2018	EP	Summary
Text adopted by Parliament, single reading	<a href="#">T8-0134/2018</a>	18/04/2018	EP	Summary

### Final act

Budget 2018/1340  
[OJ L 248 03.10.2018, p. 0162](#) Summary

## 2016 discharge: Agency for the Cooperation of Energy Regulators (ACER)

**PURPOSE:** presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2016, as part of the 2016 discharge procedure.

Analysis of the accounts of the Agency for the Cooperation of Energy Regulators (ACER).

**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.

This Commission document concerns the EU's consolidated accounts for the year 2016 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 Agency for the Cooperation of Energy Regulators (ACER), 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 ACER.

The Agency for the Cooperation of Energy Regulators (ACER): the Agency, which is located in Ljubljana (SI), was set up by [Regulation \(EU\) No 713/2009](#) of the European Parliament and of the Council with a view to helping the Member States regulatory authorities in the areas of

electricity and natural gas. Its aim is to give an opinion on any of the issues relating to the purpose for which it has been established.

Despite the fact that the Agency continued to struggle with resource constraints, it largely met its main objectives set out for 2016.

As regards the Agency's accounts, these are presented in detail in the document on the consolidated annual accounts of the European Union for 2016:

Commitment appropriations:

- available: EUR 16 million;
- made: EUR 16 million.

Payment appropriations:

- available: EUR 18 million;
- paid: EUR 12 million.

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

## 2016 discharge: Agency for the Cooperation of Energy Regulators (ACER)

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**PURPOSE:** presentation of the EU Court of Auditors report on the annual accounts of the Agency for Cooperation of Energy Regulators (ACER) for the year 2016, 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 focused on the annual accounts of the Agency for Cooperation of Energy Regulators (ACER). As a reminder, the Agency's main task is to assist National Regulatory Authorities in exercising, at Union level, the regulatory tasks that they perform in the Member States and, where necessary, to coordinate their action.

**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 Authority, which comprise the financial statements and the reports on the implementation of the budget for the financial year ended 31 December 2016; 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 2016 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 2016 are legal and regular in all material respects.

The report also made 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:** as regards operational expenditure, the Court stated that the Agency carried over EUR 4.9 million. These carry-overs were mainly related to the implementation of REMIT Regulation on wholesale energy market integrity and transparency. The increasing level of carry overs is a matter of concern.

The Agency's reply:

- **budgetary management:** the Agency acknowledges the high level of carried-over funds resulting from the multiannual nature of REMIT-related investments, which do not fit well with the budgetary principle of annuality. The high level of carry-overs is due to the timing of the annual contractual cycle which was established in 2013, when a substantial additional budget for the REMIT project was received by the Agency at the end of the year.

Lastly, the Court of Auditors report contained a summary of the Agency's key figures in 2016:

- Budget: EUR 15.9 million.
- Staff: 103 including officials, temporary and contract staff and seconded national experts.

## 2016 discharge: Agency for the Cooperation of Energy Regulators (ACER)

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Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 of the Agency for the Cooperation of Energy Regulators (ACER), as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2016, 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 2016.

The Council welcomed the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2016 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 2016 are legal and regular in all material respects.

Nevertheless, the following observation was made:

- financial programming: the Council regretted that, again, a high level of commitment appropriations was carried over to 2017. It called on the Agency to continue improving its financial programming and monitoring of the budget implementation, and introducing, where appropriate, the use of differentiated budget appropriations in order to reduce the level of commitments carried over to the following financial year to the minimum strictly necessary.

## 2016 discharge: Agency for the Cooperation of Energy Regulators (ACER)

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The Committee on Budgetary Control adopted the report by Bart STAES (Greens/EFA, BE) on discharge in respect of the implementation of the budget of the Agency for the Cooperation of Energy Regulators (ACER) for the financial year 2016.

The committee called 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 2016.

Noting that the Court of Auditors stated that it had obtained reasonable assurance that the annual accounts of the Agency for the financial year 2016 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 2016 was EUR 15 872 582, representing an increase of 40.89 % compared to 2015. The increase was due to new additional tasks expanding its mandate, including the completion of the internal energy market.
- Budget and financial management: Members noted that budget monitoring efforts during the financial year 2016 resulted in a budget implementation rate of 98.11 %, reaching the Agency's planned target and representing an increase of 3.02 % compared to 2015.
- Commitments and carry-overs: the carry-overs for operational expenditure were very high at EUR 4.9 million (86 %) of its committed appropriations, compared to EUR 1.4 million (59 %) in 2015. Members noted from the Agency's reply that the high level of carry-overs is due to the timing of the annual contractual cycle which was established in 2013, when a substantial additional budget for the REMIT project was received by the Agency at the end of the year. The commitment appropriation for the financial year 2016 under the budget Chapter of REMIT expenditure was implemented at the maximum 100 % level. The report noted that the high share of cancelled carry-overs (9.8 %) could be considered a sign of inaccurate budget planning.

Members also made a series of observations regarding staff policy and internal controls. In particular, they welcomed the decision adopted in 2017 of the administrative board on preventing psychological and sexual harassment.

Lastly, Members recalled that, according to the Seat Agreement between the Agency and the Slovenian government, a European School is to be established in Slovenia. They regretted however that, more than four years after the agreement, no European School has been set up.

## 2016 discharge: Agency for the Cooperation of Energy Regulators (ACER)

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The European Parliament decided to grant discharge to the Director of the Cooperation of Energy Regulators (ACER) in respect of the implementation of the Agency's budget for the financial year 2016, and to approve the closure of the accounts for the financial year in question.

Noting that the Court of Auditors has stated that it has obtained reasonable assurances that the Agency's annual accounts for the financial year 2016 are reliable and that the underlying transactions are legal and regular, Parliament adopted by 558 votes to 131 with 5 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: the final budget of the Agency for the financial year 2016 was EUR 15 872 582, representing an increase of 40.89 % compared to 2015. The increase was due to new additional tasks expanding its mandate, including the completion of the internal energy market.
- Budget and financial management: budget monitoring efforts during the financial year 2016 resulted in a budget implementation rate of 98.11 %, reaching the Agency's planned target and representing an increase of 3.02 % compared to 2015.
- Commitments and carry-overs: the carry-overs for operational expenditure were very high at EUR 4.9 million (86 %) of its committed appropriations, compared to EUR 1.4 million (59 %) in 2015. Members noted from the Agency's reply that the high level of carry-overs is due to the timing of the annual contractual cycle, which was established in 2013, when a substantial additional budget for the REMIT project was received by the Agency at the end of the year. The commitment appropriation for the financial year 2016 under the budget Chapter of REMIT expenditure was implemented at the maximum 100 % level. The resolution noted that the high share of cancelled carry-overs (9.8 %) could be considered a sign of inaccurate budget planning.

Members also made a series of observations regarding staff policy and internal controls. In particular, they welcomed the decision adopted in 2017 of the administrative board on preventing psychological and sexual harassment, and the decision to create a register of meetings of the Agency's Director with external actors. They noted that women accounted for 38% of staff and men for 62%.

Lastly, Parliament recalled that, according to the Seat Agreement between the Agency and the Slovenian government, a European School is to be established in Slovenia. It regretted however that, more than four years after the agreement, no European School has been set up.

## 2016 discharge: Agency for the Cooperation of Energy Regulators (ACER)

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PURPOSE: to grant discharge to the Agency for the Cooperation of Energy Regulators (ACER) for the financial year 2016.

NON-LEGISLATIVE ACT: Decision (EU) 2018/1340 of the European Parliament on discharge in respect of the implementation of the budget of the Agency for the Cooperation of Energy Regulators for the financial year 2016.

CONTENT: the European Parliament decided to grant discharge to the Director of the Agency for the Cooperation of Energy Regulators discharge in respect of the implementation of the Agency's budget for the financial year 2016.

This decision is accompanied by a resolution of the European Parliament containing the observations which form an integral part of the discharge decision in respect of the implementation of the general budget of the European Union for the financial year 2016 (please refer to the summary dated 18.4.2018).

In this resolution, Parliament recalled that, according to the Seat Agreement between the Agency and the Slovenian government, a European School is to be established in Slovenia. However, it regretted once again that more than four years after the agreement, no European School has been set up.

It acknowledged that the Agency continued in 2016 to implement its policies related to ethics and integrity, such as the policy on the prevention and management of conflicts of interest, as well as its anti-fraud and whistleblowing policies.