










Procedure file

| Basic information | | |
|--|----------------|---------------------|
| DEC - Discharge procedure | 2018/2171(DEC) | Procedure completed |
| 2017 discharge: EU general budget, Court of Auditors | | |
| Subject 8.70.03.02 2017 discharge | | |

| Key players | | | |
|--|---|---|------------|
| European Parliament | Committee responsible | Rapporteur | Appointed |
| | CONT Budgetary Control |  KOHN Arndt | 27/07/2018 |
| | | Shadow rapporteur | |
| | |  SALAFRANCA SÁNCHEZ-NEYRA José Ignacio | |
| | |  MACOVEI Monica | |
| | |  KLINZ Wolf | |
| | |  JÁVOR Benedek | |
| | |  VALLI Marco | |
| | |  JALKH Jean-François | |
| | Committee for opinion | Rapporteur for opinion | Appointed |
| AFET Foreign Affairs | The committee decided not to give an opinion. | | |
| DEVE Development | The committee decided not to give an opinion. | | |
| INTA International Trade | The committee decided not to give an opinion. | | |
| BUDG Budgets | The committee decided not to give an opinion. | | |
| ECON Economic and Monetary Affairs | The committee decided not to give an opinion. | | |
| EMPL Employment and Social Affairs | The committee decided not to give an opinion. | | |
| ENVI Environment, Public Health and Food Safety | The committee decided not to give an opinion. | | |
| ITRE Industry, Research and Energy | The committee decided not to give an opinion. | | |
| IMCO Internal Market and Consumer Protection | The committee decided not to | | |

| | | |
|---------------------|---|---|
| | | give an opinion. |
| | TRAN Transport and Tourism | The committee decided not to give an opinion. |
| | REGI Regional Development | The committee decided not to give an opinion. |
| | AGRI Agriculture and Rural Development | The committee decided not to give an opinion. |
| | PECH Fisheries | The committee decided not to give an opinion. |
| | CULT Culture and Education | The committee decided not to give an opinion. |
| | JURI Legal Affairs | The committee decided not to give an opinion. |
| | LIBE Civil Liberties, Justice and Home Affairs | The committee decided not to give an opinion. |
| | AFCO Constitutional Affairs | The committee decided not to give an opinion. |
| | FEMM Women's Rights and Gender Equality | The committee decided not to give an opinion. |
| | PETI Petitions | The committee decided not to give an opinion. |
| European Commission | Commission DG Budget | Commissioner OETTINGER Günther |

| Key events | | | |
|------------|--|---|---------|
| 28/06/2018 | Non-legislative basic document published | COM(2018)0521 | Summary |
| 11/09/2018 | Committee referral announced in Parliament | | |
| 20/02/2019 | Vote in committee | | |
| 27/02/2019 | Committee report tabled for plenary | A8-0097/2019 | Summary |
| 26/03/2019 | Results of vote in Parliament |  | |
| 26/03/2019 | Debate in Parliament |  | |
| 26/03/2019 | Decision by Parliament | T8-0248/2019 | Summary |
| 26/03/2019 | End of procedure in Parliament | | |
| 27/09/2019 | Final act published in Official Journal | | |

| Technical information | |
|----------------------------|---------------------------|
| Procedure reference | 2018/2171(DEC) |
| Procedure type | DEC - Discharge procedure |
| Other legal basis | Rules of Procedure EP 165 |
| Stage reached in procedure | Procedure completed |

| Documentation gateway | | | | | |
|--|--|--|------------|------|---------|
| Non-legislative basic document | | COM(2018)0521 | 28/06/2018 | EC | Summary |
| Court of Auditors: opinion, report | | N8-0013/2019 OJ C 357 04.10.2018, p. 0001 | 12/07/2018 | CofA | Summary |
| Committee draft report | | PE626.820 | 13/12/2018 | EP | |
| Amendments tabled in committee | | PE634.531 | 05/02/2019 | EP | |
| Supplementary non-legislative basic document | | 05824/2019 | 11/02/2019 | CSL | Summary |
| Committee report tabled for plenary, single reading | | A8-0097/2019 | 27/02/2019 | EP | Summary |
| Text adopted by Parliament, single reading | | T8-0248/2019 | 26/03/2019 | EP | Summary |
| Final act | | | | | |
| Budget 2019/1422 OJ L 249 27.09.2019, p. 0105 | | | | | |

2017 discharge: EU general budget, Court of Auditors

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2017, as part of the 2017 discharge procedure.

Analysis of the accounts of the EU Institutions: European Court of Auditors.

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 2017 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 with a view to granting discharge.

Discharge procedure: the final step of a budget lifecycle is the discharge. It is the decision by which the European Parliament releases the Commission from its responsibility for management of a given budget by marking the end of that budget's existence. It is granted by the European Parliament on the recommendation of the Council.

The decision is based in particular on the European Court of Auditors reports, in particular its annual report, in which the Court provides a Statement of Assurance (DAS) on the legality and regularity of transactions (payments and commitments).

The procedure results in the granting, postponement or refusal of 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.

All EU institutions and other agencies, bodies and joint undertakings are subject to their own discharge procedures.

(2) Implementation of Court of Auditors appropriations for the financial year 2017: the CoAs budget amounted to around EUR 141 million. This represents less than 0.1 % of total EU spending or around 1.5 % of EUs total administrative spending. The proportion of the 2017 budget used was 98 %.

As regards the Court of Auditors expenditure, the information is drawn from the Court of Auditors [2017 Annual Activity Report](#) and highlighted that 2017 was marked by:

- the official celebration of the Courts 40th anniversary;
- a landscape review of EU action on energy and climate change and a rapid case review of the EU institutions staff reduction;
- the production of 55 specific annual reports on the accounts of the EUs various agencies, bodies and joint undertakings located across the Union; 28 special reports examining the effectiveness and added value of EU policies and programmes in areas such as youth unemployment, environment, migration and the banking union; five opinions on proposed new or updated EU laws with significant financial management implications, including one on the Financial Regulation for the EU budget and one on the funding of European political parties.

2017 discharge: EU general budget, Court of Auditors

Based on the observations contained in the report by the Court of Auditors, the Council called on the European Parliament to grant discharge to all of the EU institutions in respect of the implementation of their respective budgets for the financial year 2017.

However, it considered that budget implementation required a series of comments from the Council which should be fully taken into account by the Commission.

The Council welcomed the fact that the administrative and related expenditure of the EU institutions remained, as in previous years, free from material error with an estimated level of error of 0.5 %, which while being well below the materiality threshold is higher by 0.3 % compared to the Court's findings for 2016 (0.2 %). It noted with satisfaction that no serious weaknesses were identified by the Court in the supervisory and control systems and in the examined annual activity reports.

The Council took note that, as in previous years, there was a small number of errors relating to staff costs and some weaknesses in the Office for Administration and Payment of individual entitlements' (PMO) management of family allowances. It called on the Commission to improve its procedures to avoid errors related to staff expenditure.

The Court did not identify any specific problems concerning the Court of Auditors of the European Union.

2017 discharge: EU general budget, Court of Auditors

The Committee on Budgetary Control adopted the report by Arndt KOHN (S&D, DE) calling on the European Parliament to give discharge to the Secretary-General of the European Court of Auditors in respect of the implementation of the budget of the Court for the financial year 2017, Section V Court of Auditor.

Members took note of the opinion of the external auditor that the financial statements of the Court give a true and fair view of the financial position of the Court.

Budgetary and financial management

In 2017, the Courts final appropriations amounted to a total of EUR 141 240 000 (compared to EUR 137 557 000 in 2016) and that the overall rate of implementation for the budget was 97.73 % (compared to 99 % in 2016).

Staff

Members noted that the reduction of 5 % in staff numbers over the period 2013-2017 has been achieved. However, they are concerned by the increase in sick leave taken by staff from 8 636 days in total (for 687 members of staff) in 2015 to 10 327 days (for 677 members of staff) in 2017. They welcomed the transparency of the Court regarding the number of cases of staff burnout which occurred in 2017. The Court is called on to acknowledge this worrying trend and to prepare an action plan on improving the well-being of the staff, thus strengthening its efforts to improve staff well-being and work-life balance.

Brexit

The report noted that the United Kingdoms decision to withdraw from the European Union will not have a major impact on the structure and human resources of the Court. Members welcomed the fact that the Court has decided to follow a case-by-case approach to deciding on the extension of contracts for British temporary and contract agents and not to dismiss them on the sole ground that they are no longer nationals of a Member State.

Moreover, they noted that the member of the Court from the United Kingdom will not be in service as of 1 April 2019 and that the budgetary impact of his departure, eight months earlier than the termination of the mandate, will amount to about EUR 108 000.

2017 discharge: EU general budget, Court of Auditors

The European Parliament decided by 519 votes to 94, with 24 abstentions, to grant discharge to the Secretary-General of the Court of Auditors of the European Union with regard to the implementation of the Courts budget for the 2017 financial year, Section V Court of Auditors.

It took note of the opinion of the external auditor that the financial statements of the Court give a true and fair view of the financial position of the Court.

Budgetary and financial management

In 2017, the Courts final appropriations amounted to a total of EUR 141 240 000 (compared to EUR 137 557 000 in 2016) and that the overall rate of implementation for the budget was 97.73 % (compared to 99 % in 2016). Parliament stressed that the Courts budget is purely administrative, with a large amount being used for expenditure in relation to persons working within the institution and in relation to buildings, movable property, equipment and miscellaneous operating expenditure.

The Court is called on to continue improving payment execution rates.

Staff

Members noted that the reduction of 5 % in staff numbers over the period 2013-2017 has been achieved. However, they are concerned by the increase in sick leave taken by staff from 8 636 days in total (for 687 members of staff) in 2015 to 10 327 days (for 677 members of staff) in 2017. They welcomed the transparency of the Court regarding the number of cases of staff burnout which occurred in 2017. The Court is

called on to acknowledge this worrying trend and to prepare an action plan on improving the well-being of the staff, thus strengthening its efforts to improve staff well-being and work-life balance.

Brexit

The resolution noted that the United Kingdoms decision to withdraw from the European Union will not have a major impact on the structure and human resources of the Court. Members welcomed the fact that the Court has decided to follow a case-by-case approach to deciding on the extension of contracts for British temporary and contract agents and not to dismiss them on the sole ground that they are no longer nationals of a Member State.

Moreover, they noted that the member of the Court from the United Kingdom will not be in service as of 1 April 2019 and that the budgetary impact of his departure, eight months earlier than the termination of the mandate, will amount to about EUR 108 000.