










Procedure file

Basic information		
DEC - Discharge procedure	2018/2189(DEC)	Procedure completed
2017 discharge: European Aviation Safety Agency (EASA)		
Subject 8.70.03.02 2017 discharge		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	CONT Budgetary Control	 SARVAMAA Petri	25/07/2018
		Shadow rapporteur	
		 KADENBACH Karin	
		 CZARNECKI Ryszard	
		 ALI Nedzhmi	
		 DE JONG Dennis	
		 STAES Bart	
		 KAPPEL Barbara	
	Committee for opinion	Rapporteur for opinion	Appointed
	TRAN Transport and Tourism	 LEONTINI Innocenzo	15/10/2018
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, 1st reading/single reading		
20/02/2019	Vote in committee, 1st reading/single reading		
28/02/2019	Committee report tabled for plenary, single reading	A8-0120/2019	Summary
26/03/2019	Debate in Parliament		
26/03/2019	Decision by Parliament, 1st reading/single reading	T8-0260/2019	Summary

26/03/2019	End of procedure in Parliament		
27/09/2019	Final act published in Official Journal		

Technical information

Procedure reference	2018/2189(DEC)
Procedure type	DEC - Discharge procedure
Other legal basis	Rules of Procedure EP 159
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/14295

Documentation gateway

Non-legislative basic document		COM(2018)0521	28/06/2018	EC	Summary
Court of Auditors: opinion, report		N8-0012/2019 OJ C 434 30.11.2018, p. 0001	18/09/2018	CofA	Summary
Committee draft report		PE626.788	17/12/2018	EP	
Committee opinion	TRAN	PE630.389	23/01/2019	EP	
Supplementary non-legislative basic document		05825/2019	31/01/2019	CSL	Summary
Amendments tabled in committee		PE634.464	31/01/2019	EP	
Committee report tabled for plenary, single reading		A8-0120/2019	28/02/2019	EP	Summary
Text adopted by Parliament, single reading		T8-0260/2019	26/03/2019	EP	Summary

Final act

Budget 2019/1452
[OJ L 249 27.09.2019, p. 0174](#)

2018/2189(DEC) - 28/06/2018 Non-legislative basic document

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 European Aviation Safety Agency (EASA).

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.

The European Aviation Safety Agency: the EASA, which is located in Cologne (DE), was established by [Regulation \(EC\) No 1592/2002](#) of the European Parliament and of the Council and its role is to maintain a high uniform level of civil aviation safety in Europe and to ensure the proper development of civil aviation safety.

As regards the Agency's accounts, these are presented in detail in the document on the consolidated annual accounts of the European Union for 2017:

Commitment appropriations:

- available: EUR 227 million;
- made: EUR 160 million.

Payment appropriations:

- available: EUR 236 million;
- made: EUR 147 million.

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

2018/2189(DEC) - 18/09/2018 Court of Auditors: opinion, report

PURPOSE: presentation of the EU Court of Auditors report on the annual accounts of the European Aviation Safety Agency for the year 2017, together with the Agency's reply.

CONTENT: the Court of Auditors carried out the audit on the annual accounts of the European Aviation Safety Agency (EASA).

In brief, the Agency has been given specific regulatory and executive tasks in the field of aviation safety.

Statement of assurance and reliability of the accounts

The Court considered that:

- the Agency's annual accounts present fairly, in all material respects, its financial position as at 31 December 2017 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;
- the transactions underlying the annual accounts for the year ended 31 December 2017 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

Internal controls

The Court noted a lack of transparency as regards one IT framework contract for a maximum amount of EUR 15 million which had been procured and signed although the financing decision covered an amount of EUR 5 million only. In addition, in the case of one audited payment amounting to some EUR 300 000 the Agency purchased, through the contractor, IT services without any competitive procedure.

Financial management

Agencies should introduce a single solution for the electronic exchange and storage of information with third parties participating in public procurement procedures (e-procurement). As the same requirement exists for all EU Institutions, the Commission is developing a comprehensive IT solution covering all phases of public procurement procedures. The Commission launched tools for electronic invoicing (e-invoicing), for the electronic publication of documents related to contract notices (e-tendering) and for the electronic submission of tenders (e-submission). By the end of 2017 the Agency had introduced e-tendering and e-submission for certain procedures, but not e-invoicing.

The Agency's replies

Internal controls

Regarding the framework contract. It intends to support the proof of concept and inception phase of a novel project (Data4Safety) for which the funding and structure has been evolving over months with a number of parties. The contract was for EUR 15 million, however the financial commitments amount finally to a maximum EUR 4 million. Thus, eliminating the possibility to make payments above this amount.

Financial management

The e-submission tool for procurement procedures was implemented last year. For the e-invoicing, the business specifications have been finalised in 2017 and an IT solution is being sought within the constraints of resources and priorities of the Agency.

Lastly, the Court of Auditors report contains a summary of the Agency's key figures in 2017:

Budget

EUR 192 million.

Staff

2018/2189(DEC) - 31/01/2019 Supplementary non-legislative basic document

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the European Aviation Safety Agency (EASA), as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2017, 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 2017.

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 2017 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 2017 are legal and regular in all material respects.

Nevertheless, the following observations were made:

- accounting: the Council regretted the weaknesses found by the Court in the Agency's accounting environment. It called on the Agency to take appropriate actions mainly to ensure the accounting officer's independence;
- procurement: deficiencies were also found by the Court in three specific procedures for the procurement of IT services where in one case the Agency has not followed the rules of application of the Financial Regulation relating to a requirement of having a competitive selection procedure, where in another case it has significantly exceeded the financing decision for a framework contract and in a further case where the Agency has made a purchase without a required competitive procedure. The Council called on the Agency to ensure competitive procurement and purchase procedures, fully aligned with the Agency's Financial Regulation.

2018/2189(DEC) - 28/02/2019 Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Petri SARVAMAA (EPP, FI) on discharge in respect of the implementation of the budget of the European Aviation Safety Agency (EASA) for the financial year 2017.

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 2017.

Noting that the Court of Auditors stated that it had obtained reasonable assurance that the annual accounts of the Agency for the financial year 2017 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

The final budget of the Agency for the financial year 2017 was EUR 191 611 843, representing a decrease of 0.92 % compared to 2016.

Budget and financial management

The budget monitoring efforts during the financial year 2017 resulted in a budget implementation rate of 99 %, representing the same rate as in 2016. Payments appropriations execution rate was 93.75 %, showing an increase of 2.55 % compared to 2016.

Members noted with concern from the Courts report in its comments from previous years, as an ongoing remark that, although Industry financed activities resulted in a deficit of EUR 7 600 000 in 2016, budgetary results fluctuate over the years and the Agency has accumulated EUR 52 000 000 surplus from this category of activity. The Agency's founding Regulation establishes that Industry fees levied should be adequate to cover the Agency's cost for the related certification activities and thus does not foresee an accumulated surplus. Such surplus should be avoided in the future.

The cancellations of carryovers from 2016 to 2017 amounted to EUR 239 829, representing 2.6% of the total amount carried over, showing a decrease of 1.07 % in comparison to 2016.

Members also made a series of observations regarding performance, staff policy, procurement and internal controls.

In particular, they noted that:

- in 2017, the Agency was audited by the International Civil Aviation Organization. While the official results pend publication, initial input suggests that the Agency is amongst the top aviation authorities in the world;
- it signed agreements with France, Germany and Italy regarding cooperation between civil and military aviation safety;
- it may propose to the Commission the technical expertise to regulate drones of all sizes, including the small ones;
- necessary resources are needed for the new and reinforced competences concerning, among others, risks to civil aviation arising from conflict zones, environmental related topics and the certification and registration of unmanned aircraft;
- on 31 December 2017, the establishment plan was 100 % executed, with 673 temporary agents appointed out of 678 temporary agents authorised under the Union budget.

2018/2189(DEC) - 26/03/2019 Text adopted by Parliament, single reading

The European Parliament decided to grant discharge to the Executive Director of the European Aviation Safety Agency (EASA) for the financial year 2017 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 2017 are reliable and that the underlying transactions are legal and regular, Parliament adopted by 506 votes to 107 with 19 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 [draft resolution on performance, financial management and control of EU agencies](#):

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