

# Procedure file

Basic information		
DEC - Discharge procedure	<a href="#">2018/2195(DEC)</a>	Procedure completed
2017 discharge: European Border and Coast Guard Agency (Frontex)		
Subject 8.70.03.02 2017 discharge		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 Budgetary Control	 <a href="#">SARVAMAA Petri</a>	26/07/2018
		Shadow rapporteur	
		 <a href="#">KADENBACH Karin</a>	
		 <a href="#">CZARNECKI Ryszard</a>	
		 <a href="#">ALI Nedzhmi</a>	
		 <a href="#">STAES Bart</a>	
		 <a href="#">KAPPEL Barbara</a>	
	Committee for opinion	Rapporteur for opinion	Appointed
	 Foreign Affairs	The committee decided not to give an opinion.	
	 Civil Liberties, Justice and Home Affairs		18/10/2018
		 <a href="#">FRANZ Romeo</a>	
European Commission	Commission DG <a href="#">Budget</a>	Commissioner OETTINGER Günther	

Key events			
28/06/2018	Non-legislative basic document published	<a href="#">COM(2018)0521</a>	Summary
11/09/2018	Committee referral announced in Parliament		
20/02/2019	Vote in committee		

04/03/2019	Committee report tabled for plenary	<a href="#">A8-0153/2019</a>	Summary
26/03/2019	Results of vote in Parliament		
26/03/2019	Debate in Parliament		
26/03/2019	Decision by Parliament	<a href="#">T8-0285/2019</a>	Summary
26/03/2019	End of procedure in Parliament		
27/09/2019	Final act published in Official Journal		

### Technical information

Procedure reference	2018/2195(DEC)
Procedure type	DEC - Discharge procedure
Other legal basis	Rules of Procedure EP 159
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/14307

### Documentation gateway

Non-legislative basic document		<a href="#">COM(2018)0521</a>	28/06/2018	EC	Summary
Court of Auditors: opinion, report		<a href="#">N8-0012/2019</a> <a href="#">OJ C 434 30.11.2018, p. 0001</a>	18/09/2018	CofA	Summary
Committee draft report		<a href="#">PE626.813</a>	17/12/2018	EP	
Committee opinion	<b>LIBE</b>	<a href="#">PE630.584</a>	23/01/2019	EP	
Supplementary non-legislative basic document		<a href="#">05825/2019</a>	31/01/2019	CSL	Summary
Amendments tabled in committee		<a href="#">PE634.519</a>	31/01/2019	EP	
Committee report tabled for plenary, single reading		<a href="#">A8-0153/2019</a>	04/03/2019	EP	Summary
Text adopted by Parliament, single reading		<a href="#">T8-0285/2019</a>	26/03/2019	EP	Summary

### Final act

Budget 2019/1527  
[OJ L 249 27.09.2019, p. 0305](#)

## 2017 discharge: European Border and Coast Guard Agency (Frontex)

**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 Agency for the Management of Operational Cooperation at the External Borders (Frontex).

**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.

FRONTEX: the Agency, which is located in Warsaw (PL), was established by [Council Regulation \(EC\) No 2007/2004](#), amended by [Regulation \(EC\) No 863/2007](#) of the European Parliament and of the Council.

In 2016, Frontex's mandate was boosted with the adoption of the [European Border and Coast Guard Regulation \(EU\) 2016/1624](#). Under the new mandate, the role and activities were significantly expanded with its permanent staff being more than doubled. While the European Border and Coast Guard Agency replaces the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union, it has the same legal personality and the same name: Frontex.

In 2017, Member States reported a 60% drop in the detections of illegal border crossing along the EU's external border compared to 2016.

As regards Frontex'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 310 million;
- made: EUR 297 million.

Payment appropriations:

- available: EUR 384 million;
- made: EUR 264 million.

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

## 2017 discharge: European Border and Coast Guard Agency (Frontex)

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Having examined the revenue and expenditure accounts for the financial year 2017 and the European Agency for the Management of Operational Cooperation at the External Borders of the Member States (Frontex), 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:

- budgetary programming: while acknowledging the substantially extended mandate, and the increase of the budget and staff since 2016 in the context of the migration crisis, the Council urged the Agency to take immediate actions to ensure an adequate level of control and monitoring in order to remedy the weaknesses found by the Court in the Agency's internal controls system, as well as to prevent weaknesses in future operations, and to undertake measures to solve address the recurrent issue of insufficient proof of expenditure claimed provided by cooperating countries. The Council urged the Agency to implement introduce a simplified cost reimbursement model for operational activities;

- carry-overs: taking account of the Court's changes in its reporting approach on carryovers, as well as the multiannual nature of the Agency's operations, the Council regretted that, again, a high level of commitment appropriations was carried over to 2018. The Council encourages urges the Agency to continue improving its financial programming and monitoring of the budget implementation in order to reduce the unjustified level of commitments carried over and the amounts cancelled at the end of the following year to the strict minimum, in line with the budgetary principle of annuality;

- recruitment: deficiencies were found by the Court in the Agency's procurement and staff recruitment procedures. The Council urged the Agency to further improve its procurement and staff recruitment procedures in order to ensure the effectiveness and the regularity of the processes.

## 2017 discharge: European Border and Coast Guard Agency (Frontex)

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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 Border and Coast Guard Agency (Frontex) 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 Agencys 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 Agencys 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](#):

#### Agencys financial statements

The final budget of the European Border and Coast Guard Agency for the financial year 2017 was EUR 280 560 000, representing an increase of 20.54 % compared to 2016. This increase was related to the considerable extension of the Agencys mandate in 2017, in response to the migration crisis faced by the Union.

#### Budget and financial management

The budget-monitoring efforts during the financial year 2017 resulted in a budget implementation rate of 97.63 % representing a slight decrease of 0.27 % compared to 2016. Payment appropriations execution rate was low at 66.42 %, representing a slight increase of 0.35 % compared to 2016. Members noted that the initial budget of the Agency included EUR 8.8 million statutory financial operational reserve for financing the deployment of rapid border interventions and return interventions. The Agency transferred overall EUR 3.8 million from the reserve to its operational budget to fund other activities. Members noted with concern that the transfers are not in compliance with the Agencys financial regulation and called on the Agency to avoid such non-compliant actions in the future.

Members also regretted the high level of cancellations of carryovers from 2016 to 2017, amounting to EUR 11 125 174 and representing 14.96 % of the total amount carried forward, a similar rate as in 2016.

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

In particular, they noted that:

- that in 2017 systems and procedures were still in the process of being adapted to cope with the new mandate of the Agency which was updated in 2016;
- all Member States and Schengen associated countries participated in at least one joint operation and that 26 Member States took part as organisers or participants in return operations coordinated and co-financed by the Agency, amounting to two more Member States than in 2016;
- on 31 December 2017, the establishment plan was only 74.43 % filled, with 262 temporary agents appointed out of 352 temporary agents authorised under the Union budget;
- 2017 was the second year of the five-year growth plan that significantly increased resources in the area of the Agencys budget and staff. However, the Agency experiences difficulties in finding staff with the required profiles, often because of the low salary correction coefficient (66.7%);
- the headquarters agreement between the Agency and the Polish government entered into force as of 1 November 2017. This has an effect on several processes of the Agency with major consequences on the working conditions and the management facilities. Members called on the Agency to report to the discharge authority on the resulting projects, in particular the construction of the new headquarters building and the establishment of a European school in Warsaw.

## 2017 discharge: European Border and Coast Guard Agency (Frontex)

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The European Parliament decided to grant discharge to the Executive Director of the European Border and Coast Guard Agency (Frontex) 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 Agencys annual accounts for the financial year 2017 are reliable and that the underlying transactions are legal and regular, Parliament adopted by 470 votes to 131 with 30 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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