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II

(Non-legislative acts)

DECISIONS

DECISION (EU) 2015/1614 OF THE EUROPEAN PARLIAMENT

of 29 April 2015

on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section I — European Parliament

THE EUROPEAN PARLIAMENT,

- having regard to the general budget of the European Union for the financial year 2013 ⁽¹⁾,
- having regard to the consolidated annual accounts of the European Union for the financial year 2013 (COM(2014) 510 — C8-0147/2014) ⁽²⁾,
- having regard to the report on budgetary and financial management for the financial year 2013, Section I — European Parliament ⁽³⁾,
- having regard to the Internal Auditor's annual report for the financial year 2013,
- having regard to the Court of Auditors' annual report on the implementation of the budget for the financial year 2013, together with the institutions' replies ⁽⁴⁾,
- having regard to the statement of assurance ⁽⁵⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to Article 314(10) and Article 318 of the Treaty on the Functioning of the European Union,
- having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
- having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁷⁾, and in particular Articles 164, 165 and 166 thereof,
- having regard to the Bureau decision of 27 April 2005 on the Internal Rules on the implementation of the European Parliament's budget ⁽⁸⁾, and in particular Article 13 thereof,
- having regard to its resolution of 16 February 2012 on the guidelines for the 2013 budget procedure — Sections I, II, IV, V, VI, VII, VIII, IX, and X ⁽⁹⁾,

⁽¹⁾ OJ L 66, 8.3.2013.

⁽²⁾ OJ C 403, 13.11.2014, p. 1.

⁽³⁾ OJ C 201, 30.6.2014, p. 1.

⁽⁴⁾ OJ C 398, 12.11.2014, p. 1.

⁽⁵⁾ OJ C 403, 13.11.2014, p. 128.

⁽⁶⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁷⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁸⁾ PE 349.540/Bur/ann/fin.

⁽⁹⁾ OJ C 249 E, 30.8.2013, p. 18.

- having regard to its resolution of 29 March 2012 on Parliament's estimates of revenue and expenditure for the financial year 2013 ⁽¹⁾,
 - having regard to Rule 94 and Rule 98(3) of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0082/2015),
- A. whereas the President adopted Parliament's accounts for the financial year 2013 on 25 June 2014;
- B. whereas the Secretary-General, as principal authorising officer by delegation, certified, on 6 November 2014, his reasonable assurance that the resources assigned for the Parliament's budget have been used for their intended purpose and in accordance with the principles of sound financial management;
- C. whereas the audit of the Court of Auditors stated that, as regards administrative expenditure in 2013, all the institutions satisfactorily operated the supervisory and control systems required by Regulation (EU, Euratom) No 966/2012;
- D. whereas Article 166(1) of Regulation (EU, Euratom) No 966/2012 requires each Union institution to take all appropriate steps to act on the observations accompanying the Parliament's discharge decision;
1. Grants its President discharge in respect of the implementation of the budget of the European Parliament for the financial year 2013;
 2. Sets out its observations in the resolution below;
 3. Instructs its President to forward this decision and the resolution forming an integral part of it to the Council, the Commission, the Court of Justice of the European Union, the Court of Auditors, the European Ombudsman and the European Data Protection Supervisor, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

⁽¹⁾ OJ C 257 E, 6.9.2013, p. 104.

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section I — European Parliament**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section I — European Parliament,
 - having regard to the Decision of the European Ombudsman of 26 February 2015 closing her own-initiative inquiry OI/1/2014/PMC concerning whistleblowing,
 - having regard to Rule 94 and Rule 98(3) of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0082/2015),
- A. whereas in his certification of the final accounts, Parliament's accounting officer stated his reasonable assurance that the accounts present a true and fair view of the financial position of Parliament in all material respects and that no issues requiring a reservation have been brought to his attention;
- B. whereas, through its audit, the Court of Auditors concluded that the audit did not identify any serious weaknesses in respect of the topics audited for Parliament and the supervisory and control systems, as regards administrative expenditure in 2013, were assessed as effective;
- C. whereas, in accordance with the usual procedure, a questionnaire was sent to the Parliament administration and the majority of replies were discussed by the Committee on Budgetary Control, in the presence of the Vice-Presidents responsible for budget, the Secretary-General and the Internal Auditor; whereas for the first time, a series of questions from Members did not receive any reply, either in writing or orally, thus preventing Parliament from having the relevant information and being able to make an informed decision as to certain important aspects relating to the discharge of Parliament;
- D. whereas scrutiny is necessary to ensure that Parliament's administration and political leadership is held accountable to Union citizens; whereas there is permanent scope for improvement in terms of quality, efficiency, and effectiveness in the management of public finances;
- E. Whereas the Court of Auditors' report adopted on 11 July 2014 states that the potential savings for the Union budget would be about EUR 114 million a year if Parliament centralised its activities;
- F. Whereas Parliament is the only institution among all the Institutions to grant discharge not to the Secretary-General or to a Vice-President in charge but rather to its President;

The European Parliament's accounts

1. Notes that Parliament's final appropriations for 2013 totalled EUR 1 750 463 939, or 19,07 % of heading V of the Multiannual Financial Framework set aside for the 2013 administrative expenditure of the Union institutions as a whole representing a 1,9 % increase over the 2012 budget (EUR 1 717 868 121);
2. Notes that total revenue entered in the accounts as at 31 December 2013 was EUR 158 117 371 (2012: EUR 175 541 860), including EUR 25 991 783 in assigned revenue (2012: EUR 22 274 843);
3. Takes note that four chapters accounted for 70 % of total of the commitments: Chapter 10 (Members of the institution), Chapter 12 (Officials and temporary staff), Chapter 20 (Buildings and associated costs) and Chapter 42 (Expenditure relating to parliamentary assistance);

4. Takes note of the figures on the basis of which Parliament's accounts for the financial year 2013 were closed, namely:

(a) Available appropriations (EUR)

appropriations for 2013:	1 750 463 939
non-automatic carry-overs from financial year 2012:	0
automatic carry-overs from financial year 2012:	305 457 875
appropriations corresponding to assigned revenue for 2013:	25 991 783
carry-overs corresponding to assigned revenue from 2012:	106 900 532
Total:	2 188 814 129

(b) Utilisation of appropriations in the financial year 2013 (EUR)

commitments:	2 162 476 429
payments made:	1 769 756 705
appropriations carried forward automatically including those arising from assigned revenue:	384 709 057
appropriations carried forward non-automatically:	734 000
appropriations cancelled:	33 114 755

(c) Budgetary receipts (EUR)

received in 2013:	158 117 371
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(d) Total balance sheet at 31 December 2013 (EUR)	1 573 957 198
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5. Notes that in 2013, 99,02 % of the appropriations entered in Parliament's budget were committed with a cancellation rate of 0,8 % and that, as in previous years, a very high level of budget implementation was achieved;
6. Points out, however, that such a high percentage figure in budget execution does not reveal if it contains transfers for the purpose of transferring any appropriations available at year-end to the budget lines for buildings and, in particular, for advance capital payments to reduce future interest payments; requests to therefore receive the budget execution figure prior to the start of the 'mopping-up' procedure;
7. Notes in this context that EUR 54 000 000 was transferred from provisional appropriation headings and from other sources so as to help fund the extension and modernisation of the Konrad Adenauer Building (KAD), which is the main construction project in Luxembourg;
8. Understands that this will result in an estimated EUR 18 100 000 reduction on financing charges over the construction and loan amortisation period; reminds its competent bodies however that pre financing or repayments on buildings should be set as part of the budgetary strategy; calls on its competent bodies to therefore budget Parliament's property policy for future acquisitions with sufficient clarity;
9. Reminds its administration that Parliament has repeatedly called for its property policy to be properly budgetised; expects this to happen by the 2016 budget year;

10. Criticises the ever increasing level of carry-overs into 2013 of EUR 305 457 875 (2012: EUR 222 900 384);

Court of Auditors' opinions on the reliability of the 2013 accounts and on the legality and regularity of the transactions underlying those accounts

11. Commends the fact that the audit did not identify any serious weaknesses in respect of the topics audited for Parliament;
12. Recalls that the Court of Auditors performs a specific assessment of administrative and other expenditure as a single policy group for all the Union institutions;
13. Takes note that the Court of Auditors found that the testing of transactions indicates that the most likely error present in that policy group population is 1 % and therefore not affected by a material level of error and that the supervisory and control systems were assessed as effective;
14. Notes that the audit involved an examination of a sample of 153 payment transactions, namely 95 for staff related expenditure, 17 for buildings expenditure and 41 for other expenditure; emphasises that administrative and other expenditure is considered as a low-risk area and calls on the Court of Auditors to concentrate further its analysis on the areas more prone to errors, namely non-compliance with the procedures for procurement, buildings related expenditure and the implementation of contracts;
15. Recalls that substantial savings could be made by having a single Parliament seat;

The Internal Auditor's annual report

16. Notes that at the competent committee's meeting with the Internal Auditor held on 26 January 2015, the Internal Auditor presented his annual report signed 23 July 2014, stating that in 2013, he performed the following audit work on Parliament's administration:
- a consulting assignment on Representation & Entertainment Expenses of Parliamentary Committees & Interparliamentary Delegations;
 - a transversal follow-up of open actions from Internal Audit Reports — Phases I and II of 2013;
 - an audit of the external expertise acquired for STOA (Science and Technology Options Assessment);
 - a periodic review of the Konrad Adenauer (KAD) building project — Phase 1: Project governance and management systems;
 - a review of the project for the new Financial Management System (FMS) — Phase 1: Project scope, governance, resources & risk management;
 - an audit of the external expertise acquired for the Directorate-General for External Policies;
 - an audit of Information Offices and of the imprest expenditure settlement ('regularisation') process;
17. Emphasises in the Audit Review of the Konrad Adenauer ('KAD') Building Project that:
- the continued efficiency and effectiveness of the partnership with the Luxembourg authorities for the entire duration of the project be ensured;
 - adequate staffing of the KAD project team for the entire duration of the project be ensured;
 - the financial management and control procedures that apply to the implementation of the lease agreement concluded with the property company 'SI KAD PE' be further defined and clarified;
18. Calls for a short summary (three pages) of the main criticisms contained in the Internal Audit Service's annual report to be drawn up by 20 May 2015;

Audit of the Parliament's Internal Control Framework

19. Notes that at the end of 2013, after successive follow-up audits, 13 actions still remained incomplete out of the 452 internal control framework actions initially agreed; takes note of the progress made on four of those 13 actions that enabled to reassess the residual risk from 'significant' to 'moderate';
20. Urges the departmental and central management to implement the remaining 'open actions' without further delay; calls on them to adhere to stricter timetables on actions to be implemented; calls on the Internal Auditor to keep the Committee on Budgetary Control informed on the progress achieved on those actions; calls on them to also quantify the costs and savings of the new measures proposed in this resolution and to include them in the monitoring of the 2013 discharge;

Follow-up to the 2012 discharge resolution

21. Takes note of the written answers to the 2012 discharge resolution provided to the Committee on Budgetary Control on 28 October 2014 and of the presentation by the Secretary-General to the various questions and requests of Parliament's 2012 discharge resolution and the exchange of views with Members that followed; regrets that some of Parliament's recommendations did not receive the appropriate follow-up;
22. Takes note that after five years of implementation of the new Statute for parliamentary assistants, the evaluation should have been submitted by the end of 2014 as the Secretary-General had agreed to do in his oral replies and in writing concerning the follow-up to Parliament's recommendations for the 2012 discharge; calls for the evaluation to be carried out in association with the representatives of accredited parliamentary assistants (APAs) of the previous parliamentary term who are still working in Parliament, calls for it to be submitted by 30 June 2015 and calls for the Committee on Budgetary Control to be informed of its results; points out that as of 31 December 2013, there were 1 763 accredited parliamentary assistants employed within Parliament;
23. Notes that the catering service registered a deficit of EUR 3 500 000 at the end of 2013; is surprised that an increase of customers by around 150 % during the period 2002 to 2011 didn't provide the opportunity for a balanced financial situation; reiterates its request, in light of the second revision of prices (approved by the Bureau on 10 June 2013), that price policies in Parliament should not depart from practice in other institutions; points to, for instance, the different price structure in the catering services and cafeterias of the Commission; points out, furthermore, that the substantial increase in the prices of the menus offered has not been accompanied by any improvement in either quality or variety, which, on the contrary, have deteriorated considerably;
24. Wonders why there is a surcharge for the coffee provided at the entrance to some of the parliamentary committee meeting rooms, which costs 20 % more than the same product which can be obtained either from the same type of machine or in Parliament's cafeterias; points out that the service is managed by the same company that is responsible for catering which, in turn, operates the Nespresso vending machines in Parliament; deems it necessary for an explanation to be given about the additional cost of the extension of the contract between Parliament and this contractor;
25. Takes the view that particular importance should be attached to improving opportunities for access by small and medium-sized enterprises (SMEs) to all Union concessions markets; is of the view that the concession granted by Parliament to the current company responsible for catering in the Brussels headquarters is an obstacle to the freedom to provide services as it deprives other SMEs of the commercial rights and opportunities they have hitherto had very little chance to benefit from; calls for the introduction of a degree of flexibility in concession contracts to be considered to ensure that other operators have genuine, non-discriminatory access to specific services; is of the opinion that this will also foster a more optimal use of resources and will enable better quality services to be enjoyed at the best price;

Parliament's 2013 discharge

26. Notes the exchange of views between the Vice-Presidents responsible for the budget, the Secretary-General and the Committee on Budgetary Control in the presence of the Member of the Court of Auditors and the Internal Auditor, on 26 January 2015;

27. Reaffirms once again that Parliament's governing bodies and administration are held accountable for the resources placed at Parliament's disposal throughout the discharge and that it is therefore essential for the entire decision-making procedure to take place in a completely transparent manner to ensure that Union citizens are provided with a true and accurate view of the way that Parliament takes its decisions and uses the resources placed at its disposal;
28. Criticises the fact that the Secretary-General has failed to answer a series of questions asked by Members; reiterates that the effective monitoring of the implementation of Parliament's budget has always called for and will continue to call for close cooperation between Parliament's administration and the Committee on Budgetary Control; calls, therefore, on the Secretary-General to complete the questionnaire by answering the following questions in writing:

Strategic Execution Framework for the European Parliament

- (a) When presenting the Strategic Execution Framework (SEF) for the European Parliament on 3 June 2014, the Secretary-General stated that the SEF is based on an academic theory developed at the Stanford School of Engineering in Palo Alto (California). Can the Secretary-General explain how Parliament came to choose this theory as the basis for the SEF? Were other theories developed by other universities or specialist establishments, in particular in Europe, or other international institutions considered, studied and compared before Parliament opted for the Stanford theory? If so, why was the theory developed by the Stanford School of Engineering chosen? How was the decision taken, and by whom?
- (b) Can the Stanford theory be used free of charge, or is Parliament required to pay a fee of some kind? If so, what is the fee involved?
- (c) When the SEF was being developed, did Parliament staff have to undergo specific training at Stanford or any other academic institution? If so, which staff members (grades and posts) underwent training and how much did that training cost for each person? Will further training be required in the future? If so, how much will it cost?
- (d) Are there plans to hold interdepartmental discussions or discussions with the Staff Committee and trade unions about the SEF? How and when will the SEF be implemented and what is the likely cost?

Strategic Documents

- (e) In recent months the Secretary-General has submitted to the Bureau a series of strategic documents on the functioning of Parliament which will have a decisive bearing not only on administrative life, but also on Parliament's approach to EU lawmaking and policies. Given these documents' importance for the organisation and future development of our work, why has no provision been made for a discussion and decision-making procedure which involves all the parties concerned, and not just Parliament's Bureau?

Resource Efficiency Measures Strategy

- (f) Before the new time slots for meetings were proposed and introduced, was the impact of the changes on the organisation of Members' work assessed (restricted time slots for meetings, working meetings, meetings with organisations and members of the public, etc. outside official meetings)? Why were Members not consulted on a decision which has such a clear bearing on their work?

Members of the European Parliament

- (g) Now that it has been operating for several months, how effective has the one-stop shop for the provision of parliamentary services to Members been?

Directorate-General for Communication

Communication strategy and preparation of the information campaign for the 2014 elections

- (h) The European Youth Event held in May 2014 as part of that campaign brought 5 000 young people to Strasbourg. When that event was being prepared, was due account taken of the economic situation in Europe and of the way in which the expenditure involved in holding an event on such a scale might be perceived by young Europeans?
- (i) Is the concept 'ACT, REACT, IMPACT' generally considered to be a success? What are the performance indicators to measure this success? How is the concept used after the elections and was any assessment/evaluation report made after the EP legislative and value campaigns? Please provide the Committee on Budgetary Control with a copy of the evaluation.
- (j) What assessment/evaluation has been made of the multi-annual grants programme 2012-14 aimed at raising awareness on the role of the European Parliament and can such evaluations be made available to the Committee on Budgetary Control?

Accredited Parliamentary Assistants (APAs)

- (k) Has the effectiveness of the recruitment tool for APAs, APA-PEOPLE, introduced at the start of the parliamentary term already been assessed?
- (l) What was the reason for a delay of several months for some APA to be included in the relevant mailing lists of EP (Assistants 8th legislature, Bruxelles) which has impeded them from receiving information concerning their work? Have some measures been taken?

Directorate-General for Infrastructure and Logistics

Catering services

- (m) Would like to know the reason why the prices in the SQM building are 25 % more expensive than in the ASP canteen and wonders if this may hamper the intention to drive out customers from the overcrowded ASP canteen.

Directorate-General for Security and Safety

- (n) Which measures have been identified to increase security after recent breaches notably on 7 October 2014 by Kurdish protesters? Will the New Global Security Concept be updated?
 - (o) Did Parliament acquire an electronic recognition system for car number plates? What was the cost? Was this system installed and used at the entrances of the garage to check if the number plate corresponds with the information on the entry badge?
29. Recommends, in the interests of the greater transparency and effectiveness of Parliament's political and administrative activities, that all Members, Parliament staff and the general public be informed, immediately and generally, of all agendas and minutes of meetings and decisions taken by Parliament's decision-making bodies; recalls the usefulness of the old Committee on the Rules of Procedure as a forum for discussing and improving, in a transparent and public manner, both the regulatory process and Parliament's internal affairs; recommends in this regard the establishment of a neutral Committee on the Rules of Procedure and Internal Affairs to enable all these matters to be dealt with and subsequently legitimised by Parliament in plenary session;
30. Is deeply worried that Parliament allocated EUR 17 800 000 to promotional activities described as institutional election campaign over the period 2013 to 2014 while turnout in the 2014 European elections declined again to 42,54 % (2009: 43 %); encourages the adoption of a new strategy aimed at increasing the attractiveness of the European elections in the Member States;

31. Emphasises that an external *ex post* evaluation report of the communication strategy for the 2014 elections is expected by June 2015; asks that the Committee on Budgetary Control be informed on the date of publication; expects a detailed analysis of the funds in the report;
32. Notes that the European Parliament Eurobarometer survey (EB/EP 82.5) shows that during the 2014 electoral campaign 23 % of the respondents had a very negative image of Parliament, while 43 % had a neutral image; points out that media analysis suggests that a negative image is often related to financial arrangements for Members such as allowances, salaries and the budget of Parliament in general; is convinced therefore that structural improvements, for example full transparency and the accounting of the general expenditure allowance, are needed to improve trust and support for Parliament;
33. Notes the establishment of the new Directorate-General for European Parliamentary Research which will provide independent academic advice, principally to individual Members, thereby supplementing the work of the policy departments which cater for the needs of parliamentary bodies;
34. Welcomes the setting-up of a unit to assess the impact of Union legislation; calls for this service to focus on the compromises negotiated by Parliament and Parliament's amendments to Commission proposals; calls for an approach to be developed to the prompt assessment of legislation and its impact, for the profile of the service to be raised among Members and for a breakdown of the overall costs to be provided by 30 October 2015; urges this service to hold regular exchanges of views with the corresponding services in the Commission, the Council and the national parliaments;
35. Notes the cooperation agreement between the European Economic and Social Committee, the Committee of the Regions and Parliament, which was finally signed on 5 February 2014 and which began with a transfer of important staff from both committees to the new European Parliamentary Research Service (EPRS); is of the opinion that effective interinstitutional cooperation should be improved and believes that pooling expertise and purchasing power in areas where the institutions require assistance of a similar nature should improve delivery and may reduce overall costs; hopes that the development of this agreement between the three institutions will achieve these objectives, be balanced and be of equal benefit to the three institutions; calls on each of these institutions, once this collaboration has been implemented for a year, to conduct an individual assessment of the impact of this agreement from the point of view of human resources, expenditure, synergies, added value and substance;
36. Takes note of the creation of Directorate-General for Security and Safety; recalls that the internalisation of Parliament's security services has generated savings of EUR 195 000 in 2013 and is projected to produce savings of more than EUR 11 million over the period 2013-16; considers it appropriate to negotiate with the Belgian Government a greater contribution on its part to Parliament's security of, given that Belgium benefits economically from the presence of the Union institutions on its territory; calls for an evaluation of the quality of the security service before and after the creation of the Directorate-General for Security and Safety to be submitted to the Committee on Budgetary Control by 30 September 2015; insists that a comparative study of the security systems of other institutions be carried out;
37. Reiterates that maintaining the security of Parliament's buildings and their immediate surroundings must be given the highest priority; requests that as a part of this work, security in the car parks should be improved;
38. Is concerned about the lack of parity in the administration, whereby women accounted for 29 % of heads of unit, 34 % of directors and 33 % of Directors-General as of 31 December 2013; calls for the implementation of an equal opportunities plan, especially with regard to management positions, in order to remedy this imbalance as soon as possible;
39. Calls for a balance as regards the country of origin to be sought among senior officials of Parliament's administration; expects a report setting out the progress made towards achieving this objective to be drawn up by the end of 2015;
40. Asks to be provided, by the end of 2015, with year-on-year breakdowns of trends in staffing levels and staff costs, by grade and level of management; asks Parliament's administration to state whether comparable studies of the administrations of international parliamentary assemblies could contain important lessons for Parliament's work; notes that work outsourced to specialists should also be included in the reports to promote the ethos of transparency, while also serving the best interests of constituents; notes with concern that the large number of

staff based in the office of the President of the European Parliament, which amounts to 35 staff, including two drivers and a personal usher, is highly questionable and that this sets a bad example for cost reduction and fiscal responsibility within Parliament;

41. Notes that the implementing measures for the Code of Conduct for Members were adopted by the Bureau on 15 April 2013; is concerned, however, by the lack of implementation and the differences of interpretation as reported by a coalition of NGOs ⁽¹⁾ and calls for a strengthening of the position of the Advisory Committee by providing it with a right of initiative to start random checks of the declarations of interests provided by Members;
42. Welcomes the fact that Members must be more transparent about the on-the-side activities they do while in public office; recalls, however, that Members, similar to Members of national parliaments, do not have an exclusive mandate and may therefore exercise other professional activities; is of the opinion that a more detailed declaration template for Members would help to increase transparency and avoid potential conflicts of interests; requests the Secretary-General to set up a public database, to be accessible through the Parliament's website, of all the on-the-side activities of individual Members;
43. Stresses the need for greater transparency as regards the general spending allowances for Members; calls on the Bureau to work on the definition of more precise rules regarding the accountability of expenditures authorised under this allowance, without causing additional costs to Parliament;
44. Is concerned with the lack of *ex post* verification of the use of service cars by Members and questions the availability of two service cars for the President of Parliament;
45. Endorses the fact that the 5 % cut in Members' travel expenses and staff mission expenses produced savings of EUR 4 million in 2013; considers it advisable to pursue a stringent policy to reduce travel expenses through negotiated agreements with airlines; calls on the Secretary-General to submit proposals to that effect;

Management of the subsidy scheme for visitors' groups

46. Is deeply worried that the Court of Auditors reported in its landscape review of the financial management of the Union budget the practice of making cash payments for the reimbursement of costs to visitor groups as a 'high risk concern'; stresses that 73 % of the subsidies were paid in cash and only 27 % were paid by bank transfer in 2013; is concerned about the high reputational risk for Parliament and the significant security risk entailed in making cash payments to visitor groups;
47. Underlines the need and value of informing visitor groups, prior to their visit, of sustainable means of transport to Parliament; recommends the introduction of different rates of reimbursement according to the means of transport chosen and the level of emissions;
48. Stresses that Parliament and the Council, in order to create long term savings in the Union budget, must address the need for a roadmap to a single seat, as stated by Parliament in several previous resolutions;

Directorate-General for Internal Policies and Directorate-General for External Policies

49. Points to the costs of delegations, joint parliamentary assemblies, ad hoc delegations and election observation missions outside the Union in 2013, which amounted to some EUR 5 794 360; calls for a breakdown of costs in these areas for the period from 2005 to 2015 to be drawn up by the end of 2015;
50. Notes with concern that the cost of one parliamentary assembly delegation amounted to EUR 493 193; invites the Bureau to develop simple but effective principles for a more economic cost structure for delegation visits, in particular taking account of their political importance, duration and results;

⁽¹⁾ ALTER-EU: Mind the Gap (<http://www.alter-eu.org/sites/default/files/documents/Mind%20the%20Gap%20briefing.pdf>)

Interparliamentary delegations

51. Takes the view that it is a matter of importance and urgency to develop and increase the substance of the websites of the interparliamentary delegations; considers it also vital that budget permitting, public meetings of the delegations should be broadcast live via webstreaming, as parliamentary committee meetings are;

Directorate-General for Communication

52. Deplores the fact that the multiannual grants programme 2012 to 2014, aimed at raising awareness on Parliament's role, cost some EUR 14 500 000; expresses doubts as to whether that grants programme represents Parliament's core competences and the tasks which stem from its legislative, budgetary and discharge prerogatives; calls on its administration to provide the Committee on Budgetary Control with an external evaluation of this grant programme in time for the 2014 discharge procedure;
53. Asks to be provided with a full breakdown of all the grants for communication projects funded from Parliament's budget, including the amounts involved and the recipients;
54. Asks to be provided with a breakdown of expenditure, if any, from Parliament's budget on the organisations MEP Ranking and Vote Watch Europe; criticises the fact that these organisations assess Members' work on the basis of quantitative criteria, which may provide the wrong kind of incentives and generate unnecessary work; takes the view that Members are facing increasing levels of red tape and ever tighter restrictions on their freedom to perform their duties;

EuroparlTV

55. Recalls that the budget for the EuroparlTV was EUR 8 000 000 in 2013 and EUR 5 000 000 in 2014 and appreciates that the performance of the service has been improved with a number of new activities and projects; notes that between 2012 and 2014 the average monthly number of videos watched has gone up from 53 000 to 400 000;
56. Recalls that following the decision of the Bureau on 12 December 2012, an external study was launched in 2014 to give input on future developments of Parliament's web-video service (EuroparlTV); notes that the recommendations of this study are to be implemented during the first half of 2015;

LUX Prize

57. Takes note that the expenditure on the LUX Prize in 2013 amounted to EUR 448 000 in line with the 2012 costs (EUR 434 421) and covered:
- the procedure related to the official selection and competition;
 - communication in Brussels and Strasbourg;
 - targeting Members and specialised media partners, as well as the general public;
 - costs of subtitling into 24 official languages;
 - creation of the adapted version of the winning film for hearing or visually impaired;
 - Parliament's involvement in major European film events in order to promote the Lux Prize;
58. Calls for efficiencies to be found in its budget;
59. Calls for a representative survey of Members to be conducted by the end of 2015 to determine whether the LUX Prize is well known and how, if at all, it is viewed in their respective Member States;

Information Offices

60. Notes with concern that the mission expenses of the Information Offices amounted to EUR 1 839 696 in 2013, with missions to Strasbourg accounting for EUR 1 090 290; regrets that the cost of missions from the Information Offices to Strasbourg increased by around 7 % from 2012, with a further 2 % increase being due to the creation of the new Information Office in Croatia; asks to be provided with details of the main reasons why Information Office staff undertook missions to Strasbourg and Brussels; asks to be provided with a breakdown of the missions undertaken by the staff of each Information Office in 2005, 2010 and 2015, so that comparisons can be drawn up; insists that priority should be given to the use of videoconferences, making both structural cost reductions to the Parliament's budget and environmental improvements, which do not detract from Parliament's work;
61. Points out that the websites of several Information Offices in the Member States have not been updated since the elections; draws attention to the implications this could have for Parliament's credibility with the general public; insists that an investigation be carried out on the use of funds allocated to the Information Offices, with an explanation of the significant variation in internet connection costs between the different Member States;

Parliament logo

62. Notes that the European Parliament logo was changed; expresses disapproval that yet again, it was not informed of a decision in a timely manner; calls on the services responsible to explain why they implemented this change, what the decision-making process was and what the costs of this change were;
63. Calls for a detailed overview of all external and internal Parliament related costs for the European House of History, separated according to planning costs (including preliminary planning), investment costs and running costs (including construction and maintenance reserve, personal expenditure, exhibition costs); notes that the Commission supports the funding of the European House of History with an annual allocation of EUR 800 000; points out the European House of History will have positive effects not only for the Union institutions but also for the Belgian state, in the form of a new, income-generating tourist attraction; recommends, therefore, that the Belgian state be asked to support the establishment of the European House of History;

Directorate-General for Personnel

64. Takes note that Parliament's officials (permanent civil servants) can, in principle, only be recruited through public competitions whereby approximately 10 % of candidates are successful at the average age of 34 years old; is concerned that despite the fact that youth employment is a top priority for the Union, the Union institutions, including Parliament, have absolutely no policy to boost employment for young people under the age of 30;
65. Points to the difficulties in recruiting officials or agents from certain Member States in particular; notes that the current salary scales and entry level conditions offered by the institutions are less attractive to new staff; points out that they offer neither competitive salaries nor attractive career prospects to many EU-15 Member States' citizens, especially those nationals now reaching retirement age; points out that the inevitable shrinkage of the European public administration will, in the immediate future, adversely affect the quality of service provided and lead to the risk of an increased geographical imbalance;
66. Requests the examination of activities organised and financed by the Staff Committee, detailing the types of activity, the expenses incurred and compliance with sound financial management;
67. Asks DG Personnel and the responsible services to actively promote women for high level positions in Parliament or 'to assess the reasons' for the lack of parity and to subsequently propose measures to facilitate women's integration in high-level positions in the Parliament's administration;
68. Notes the high cost of 'away days' and similar events for the staff in the year 2013 (EUR 140 730 for eight events); considers that at a time of crisis and budgetary cuts in general, the cost of 'away days' for staff at the Union institutions must be proportionate and that they should, where possible, be confined to the institutions' own premises, given that the added value derived from them does not justify such high costs;

Parliamentary assistants

69. Voices its support for the measures taken to organise the management of the termination of the contracts of some 1 700 APAs in preparation for the end of the seventh parliamentary term and the beginning of the eighth parliamentary term, and in particular the implementation of APA-People; considers, however, that more administrative staff should have been assigned to APA recruitment in certain areas to ensure greater speed and efficiency; points out that staffing and technical resources were insufficient to avoid delays in the signing of contracts of assistants, interruption of contracts, and delays in the payment of expenses, allowances and hence salaries; acknowledges, nevertheless, that the process has improved significantly compared to 2009, while also noting that Parliament must persevere in its efforts to improve the speed and efficiency of its recruitment procedures; is concerned that no solution has been found for APAs whose rights have been undermined following the shortening of their contracts by at least one month as a result of early elections to Parliament; stresses the need to bring legislation regarding pension eligibility periods into line with the changes affecting the real parliamentary term;
70. Regrets that the 2013 Parliament social report — like its predecessors — contains scarcely any information regarding APAs, although they make up 29,4 % of Parliament's staff; calls for the matter to be rectified, given the fundamental importance of this document in improving its staff management;
71. Regrets the Civil Service Tribunal Judgment of 12 December 2013 in Case F-129/12 and deeply regrets the fact that Parliament was condemned for being unable to help APAs in cases of harassment and irregular layoffs; notes the Bureau decision of 14 April 2014 setting up the Advisory Committee for the prevention of mobbing at the workplace, so as to avoid APAs being exposed to this; is concerned, however, about the imbalance in the composition of this committee, which is composed of three Quaestors, one representative of the administration and one APA representative; notes that up to November 2014 at least, in three cases before the committee 'the Quaestors ruled that there were no grounds for further action'; calls on the Bureau therefore to review its decision regarding the composition of the committee so as to ensure more balanced representation with at least two APA committee members;
72. Notes with concern the high dropout rate among APAs in language courses, amounting to 32 % compared to 8 % for other staff; calls for a change to be made to the curriculum of language courses to ensure that they are tailored more closely to the specific working conditions of APAs;
73. Calls for an investigation of the possible reasons for the wide disparity between APAs and other staff regarding the taking of sick leave;
74. Points out that subsistence allowances received by APAs travelling to Strasbourg are 30-45 % less than those of other staff; points out also that APAs themselves are reimbursed under a three-tier system, which means that, in certain cases, no mission expenses may actually be payable for travel to Strasbourg; calls on the Bureau to take the necessary measures to remedy this inequality and bring APA entitlements in this respect into line with those of other staff;
75. Expresses concern that the number of local assistants employed per Member varied greatly between zero and 43 in 2013; asks for an investigation to assess whether the recruitment procedures have been followed in cases with high numbers of local assistants and assess the reasons for such high numbers; requests an evaluation of recruitment procedures of local assistants and proposals to streamline this in order to avoid excessive numbers of local assistants per Member; calls for increased transparency with regard to the employment of local assistants and service providers; calls for a list of the names of all service providers employed by Members to be published on the internet;
76. Draws attention to the fact that Article 43(d) of the Implementing Measures for the Statute for Members adopted in July 2008 excludes the possibility for Members to employ their spouses or stable non-marital partners or their parents, children, brothers or sisters as assistants;
77. Is concerned by the delayed adoption of the internal whistleblowing rules; calls for the implementation of these rules without further delay;

Directorate-General for Infrastructure and Logistics*Parliament's buildings policy*

78. Takes note that in its three places of work, Parliament occupies 1,1 million m² and owns 81 % of this surface area; deems it of the utmost importance to establish proper measures to ensure the sustainability of Parliament's buildings against increased maintenance costs;
79. Calls for a cooperation agreement between Parliament and the Commission on the joint management of Europe Houses with the aim, on the one hand, of setting out a framework for multiannual planning property surveys with a view to purchasing or leasing property and, on the other hand, of simplifying the administrative and financial procedures for the day-to-day management;
80. Takes note that since July 2013, the Europe House in Sofia has been fully operational; notes that the defects and non-compliances of the building structure were charged to the seller before the signature of the deed of purchase;

Directorate-General for Interpretation and Conferences and Directorate-General for Translation

81. Notes with satisfaction that the implementation of the Bureau decision on a resource efficient multilingualism produced in 2013 savings of EUR 15 million and EUR 10 million in the interpretation and in the translation services respectively, without affecting the principle of multilingualism or impairing the quality of parliamentary work; reiterates that interinstitutional cooperation is essential in order to exchange best practices that promote effectiveness and allow for savings to be made;

Directorate-General for Finance*Voluntary Pension Fund*

82. Notes that the Voluntary Pension Fund increased its estimated actuarial deficit, calculated on the basis of the assets of the Fund, to EUR 197, 5 million at the end of 2013; emphasises that these projected future liabilities are spread over several decades;
83. Notes that it is ultimately impossible to judge whether the Fund is being run efficiently and properly, and urges the carrying out of an external assessment;
84. Notes, nevertheless, that this raises concerns about the possible exhaustion of the Fund and that Parliament is guaranteeing the payment of pension rights when and if this fund is not able to meet its obligations;
85. Takes note that the Court of Justice ruled in 2013 that the decision to increase the age of retirement for Fund subscribers from 60 to 63 years in order to avoid the early exhaustion of the capital and to align it with the new Statute for Members of Parliament were valid;

Services provided for Members

86. Calls for the names of the service providers and the services provided to the Member to be made accessible to the public on the homepage of the Members of Parliament, next to the data on the APAs and the local assistants;

Directorate-General for Innovation and Technological support

87. Takes note of the process of the internalisation of staff in the Directorate-General for Innovation and Technological Support and the promised reduction of costs and the increased level of expertise among the staff in the IT area; recalls that the increased level of expertise concerning permanent innovations was also the reason given to

externalise this sector several years ago; calls on the Secretary-General to cooperate with the European Personnel Selection Office to find ways how to accelerate the recruitment procedure and to attract the best experts in the area of IT technologies and security;

88. Recalls that the personal and confidential individual mail-boxes of selected Members, parliamentary assistants and officials were compromised after Parliament had been subject to a man-in-the-middle attack where a hacker captured the communication between private smartphones and the public Wi-Fi of Parliament;
89. Notes that an independent third party ICT security audit was carried out on all parliamentary ICT and telecommunications systems with a view to completing a clear roadmap towards a more robust ICT security policy in 2015; points out the ICT security audit was due in December 2014; reiterates that in light of the recent elevated security threat, this should be a priority, asks that its Committee on Budgetary Control to be informed on the results as soon as the report has been finalised;
90. Takes note of the immediate and medium-term measures adopted by the Bureau on 9 December 2013 in order to enhance Parliament's security rules for the use of mobile equipment;
91. Insists that Parliament collaborates further with the Commission's Directorate-General for Informatics to identify suitable replacements for old ICT tools and infrastructures that go in the direction of open, interoperable and non-vendor dependent solutions with a view to getting a cost efficient, high quality IT environment for Parliament;
92. Welcomes the launch some years ago of the very useful and successful at4am application for tabling amendments; considers it necessary to improve and update it, particularly with regard to such useful functions as self-correction and back-up;
93. Calls, for the sake of transparency and equality regarding document availability, for all Members, and not only full or substitute committee members, to be given access through ePetition to all petitions submitted by citizens to its Committee on Petitions;

Environment-friendly Parliament

94. Is aware of Parliament's 'New World of Work' concept, the EMAS accreditation and process and the paperless programme including e-Committee and e-Meeting applications; calls for enhancement of this programme with available applications for smartphones and tablets;
95. Draws attention to the fact that teleconferences and teleworking may contribute to a more efficient use of time and a more environmentally-friendly Parliament, reducing the administrative and travelling costs;
96. Takes note that greenhouse gas emissions from Parliament's staff travel between Brussels, Luxembourg and Strasbourg have dropped by 34 % in 2012 compared to 2006; calls on the Bureau to ensure complete transparency and to also account for emissions caused by Members travelling from their home countries to Brussels and Strasbourg; welcomes measures to offset those emissions that cannot be reduced and are unavoidable; recommends further offsetting policies to be implemented with projects according to the UN recognised Clean Development Mechanism (CDM) 'Gold Standard';
97. Calls on the Secretary-General to design a plan to reduce the number of trunks available for parliamentary travels; suggests that smaller trunks be used or a shared system be implemented, thus reducing its cost in financial and carbon footprint terms;
98. Calls on the responsible services to develop a sustainable and coherent concept to fully use budget line 239 for CO₂ offsetting up to the maximum amount, in order to offset unavoidable CO₂ emissions of the institution with projects according to the UN recognised CDM 'Gold Standard';
99. Calls for the air-conditioning system to focus on energy efficiency in order to ensure it has the lowest possible environmental impact;

Annual report on contracts awarded

100. Notes that of a total of 264 contracts awarded in 2013, 120 were based on open or restricted procedures, with a value of EUR 465 million, and 144 on negotiated procedures, with a total value of EUR 152 million; takes note that although the total number of contracts awarded by negotiated procedures was 37 % lower in 2013 (144, as against 241 in 2012) there has been no particularly significant change in terms of value of negotiated procedures;
101. Highlights in this context the need to implement the concept of Green Public Procurement for all contracts and call for tenders; calls for escalating and ambitious binding targets for green contracts, notably in the areas of food and catering, vehicles and transport, sanitary and water equipment, paper, waste management, IT and imaging equipment, lighting, cleaning, and furniture;
102. Notes that the majority of the contracts awarded in 2013 were service contracts (61 %) with a total value of EUR 374 million and that three Directorates-General awarded 14 contracts with a value of more than EUR 10 million; stresses the need to ensure that those high value contracts should be specially subject to adequate control systems that monitor continuously the execution of orders;
103. Notes the breakdown of contracts awarded in 2013 and 2012 by type of contract used as follows:

Type of contract	2013		2012	
	Number	Percentage (%)	Number	Percentage (%)
Services	189	72	242	70
Supplies	48	18	62	18
Works	19	7	36	12
Building	8	3	4	1
Total	264	100	344	100

Type of contract	2013		2012	
	Value (EUR)	Percentage (%)	Value (EUR)	Percentage (%)
Services	374 147 951	61	493 930 204	57
Supplies	91 377 603	15	145 592 868	17
Works	15 512 763	2	48 386 872	5
Building	136 289 339	22	180 358 035	21
Total	617 327 656	100	868 267 979	100

(Annual report on the contracts awarded by the European Parliament, 2013, p. 7)

104. Notes the breakdown of contracts awarded in 2013 and 2012 by type of procedure used as follows:

Type of procedure	2013		2012	
	Number	Percentage (%)	Number	Percentage (%)
Open	106	40	98	28
Restricted	14	5	5	2
Negotiated	144	55	241	70
Competition	—	—	—	0
Exception	—	—	—	0
Total	264	100	344	100

Type of procedure	2013		2012	
	Value (EUR)	Percentage (%)	Value (EUR)	Percentage (%)
Open	382 045 667	62	381 116 879	44
Restricted	83 288 252	13	245 156 318	28
Negotiated	151 993 737	25	241 994 782	28
Competition	—	—	—	0
Exception	—	—	—	0
Total	724 297 066	100	603 218 807	100

(Annual report on the contracts awarded by the European Parliament, 2013, p. 9)

Exceptional negotiated procedures

105. Takes note that exceptional negotiated procedures accounted for 39 % of the negotiated procedures launched in 2013; is concerned that Parliament made use of the exceptional negotiated procedure in 2013 to award 56 contracts and requests that not only the total number of contracts is indicated but also the aggregate value of those contracts;
106. Takes the view that authorising officers should offer comprehensive and transparent justifications for making use of an exceptional negotiated procedure; requests that information be compiled by the Central Financial Unit in the annual report on contracts awarded to the discharge authority;

Political Groups (budget item 4 0 0)

107. Notes that in 2013, the appropriations entered under budget item 4 0 0, attributed to the political groups and non-attached Members were used as follows:

Group	2013					2012				
	Annual appropriations (*)	Own resources and carried-over appropriations	Expenditure	Rate of use of annual appropriations (%)	Amounts carried over to next period	Annual appropriations	Own resources and carried-over appropriations	Expenditure	Rate of use of annual appropriations (%)	Amounts carried over to next period (2011)
EPP	21 680	4 399	18 437	85,04	7 642	21 128	2 024	18 974	89,81	4 178
S&D	15 388	6 849	17 649	114,69	4 588	14 908	6 313	14 520	97,40	6 702
ALDE	6 719	2 172	7 142	106,30	1 749	6 673	2 281	6 855	102,72	2 100
Greens/EFA	4 366	1 787	4 778	109,44	1 375	4 319	1 460	4 002	92,65	1 778
GUE/NGL	2 658	1 076	3 317	124,79	416	2 563	1 094	2 602	101,52	1 055
ECR	4 046	1 602	4 598	113,64	1 050	3 765	1 219	3 407	90,51	1 577
EFD	2 614	939	2 422	92,65	1 132	2 538	881	2 494	98,29	925
Non-attached Members	1 316	367	931	70,74	441	1 362	413	963	70,73	367
Total	58 786	19 193	59 274	100,83	18 394	57 255	15 687	53 817	94,00	18 680

(*) all amounts in thousands EUR

European Political Parties and European Political Foundations

108. Notes that in 2013 the appropriations entered under budget item 4 0 2 were used as follows ⁽¹⁾:

Party	Abbreviation	Own resources (*)	EP grant	Total revenue	EP grant as % of eligible expenditure (max. 85 %)	Revenue surplus (transfer to reserves) or loss
European People's Party	EPP	1 439	6 464	9 729	85	192
Party of European Socialists	PES	1 283	4 985	6 841	85	118
Alliance of Liberals and Democrats for Europe Party	ALDE	518	2 232	3 009	85	33

⁽¹⁾ Source: PV BUR. 20.10.2014 (PE 538.295/BUR) and PV BUR. 20.10.2014 (PE 538.297/BUR) point 12.

Party	Abbreviation	Own resources (*)	EP grant	Total revenue	EP grant as % of eligible expenditure (max. 85 %)	Revenue surplus (transfer to reserves) or loss
European Green Party	EGP	461	1 563	2 151	78	- 36
Alliance of European Conservatives and Reformists	AECR	307	1 403	1 970	85	45
Party of the European Left	EL	233	948	1 180	68	- 258
European Democratic Party	EDP/PDE	91	437	528	85	0
EU Democrats	EUD	48	197	245	85	12
European Free Alliance	EFA	93	439	592	85	12
European Christian Political Movement	ECPM	61	305	366	85	8
European Alliance for Freedom	EAF	68	384	452	85	1
European Alliance of National Movements	AEMN	53	350	403	85	- 38
Movement for a Europe of Liberties and Democracy	MELD	107	594	833	85	0
Total		4 762	20 301	28 299	83	89

(*) all amounts in thousands EUR

109. Notes that in 2013 the appropriations entered under budget item 4 0 3 were used as follows (1):

Foundation	Abbreviation	Affiliated to party	Own resources (*)	EP grant	Total revenue	EP grant as % of eligible expenditure (max. 85 %)
Centre for European Studies	CES	EPP	772	3 985	4 757	85
Foundation for European Progressive Studies	FEPS	PES	491	2 762	3 253	85
European Liberal Forum	ELF	ALDE	214	1 108	1 322	85
Green European Foundation	GEF	EGP	158	881	1 039	85
Transform Europe	TE	EL	130	538	668	85

(1) Source: PV BUR. 20.10.2014 (PE 538.295/BUR) and PV BUR. 20.10.2014 (PE 538.297/BUR) point 12.

Foundation	Abbreviation	Affiliated to party	Own resources (*)	EP grant	Total revenue	EP grant as % of eligible expenditure (max. 85 %)
Institute of European Democrats	IED	PDE	50	219	269	85
Centre Maurits Coppieters	CMC	EFA	50	227	277	85
New Direction — Foundation for European Reform	ND	AECR	183	645	828	85
European Foundation for Freedom	EFF	EAF	39	210	249	85
Organisation For European Interstate Cooperation	OEIC	EUD	20	123	143	85
European Christian Political foundation	ECPF	ECPM	31	170	201	85
Foundation for a Europe of Liberties and Democracy	FELD	MELD	60	280	340	85
Identités & Traditions européennes	ITE	AEMN	31	177	208	85
Total		—	2 229	11 325	13 554	85

(*) all amounts in thousands EUR

DECISION (EU) 2015/1615 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section II — European Council and Council**

THE EUROPEAN PARLIAMENT,

- having regard to the general budget of the European Union for the financial year 2013 ⁽¹⁾,
 - having regard to the consolidated annual accounts of the European Union for the financial year 2013 (COM(2014) 510 — C8-0148/2014) ⁽²⁾,
 - having regard to the Court of Auditors' annual report on the implementation of the budget concerning the financial year 2013, together with the institutions' replies ⁽³⁾,
 - having regard to the statement of assurance ⁽⁴⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to Article 314(10) and Articles 317, 318 and 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁵⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁶⁾, and in particular Articles 55, 99, 164, 165 and 166 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0116/2015),
1. Postpones its decision on granting the Secretary-General of the Council discharge in respect of the implementation of the budget of the European Council and of the Council for the financial year 2013;
 2. Sets out its observations in the resolution below;
 3. Instructs its President to forward this decision and the resolution forming an integral part of it to the European Council, the Council, the Commission, the Court of Justice of the European Union, the Court of Auditors, the European Ombudsman, the European Data Protection Supervisor and the European External Action Service, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

⁽¹⁾ OJ L 66, 8.3.2013.

⁽²⁾ OJ C 403, 13.11.2014, p. 1.

⁽³⁾ OJ C 398, 12.11.2014, p. 1.

⁽⁴⁾ OJ C 403, 13.11.2014, p. 128.

⁽⁵⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁶⁾ OJ L 298, 26.10.2012, p. 1.

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section II — European Council and Council**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section II — European Council and Council,
 - having regard to the Decision of the European Ombudsman of 26 February 2015 closing her own-initiative inquiry OI/1/2014/PMC concerning whistleblowing,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0116/2015),
- A. whereas all Union institutions ought to be transparent and fully accountable to the citizens of the Union for the funds entrusted to them as Union institutions,
- B. whereas in the absence of replies to Parliament's questions and the lack of sufficient information, Parliament is not in the position to make an informed decision about granting the discharge,
1. Notes that on the basis of its audit work, the Court of Auditors concluded that the payments as a whole for the year ended on 31 December 2013 for administrative and other expenditure of the institutions and bodies were free from material error;
 2. Takes note that in its 2013 annual report, the Court of Auditors observed that no significant weaknesses had been identified in respect of the audited topics for the European Council and the Council;
 3. Notes that in 2013, the European Council and the Council had an overall budget of EUR 535 511 300 (EUR 533 920 000 in 2012), with an implementation of 86,7 %; regrets the decrease of the utilisation rate in 2013, compared to 91,8 % in 2012;
 4. Is concerned that the underspending rate continues to be high and relates to almost all categories; reiterates its calls for the development of key performance indicators to improve the budgetary planning for the coming years;
 5. Takes note that EUR 71 376 244 of commitments were cancelled in 2013 due to underspending and a reduction in the use of facilities;
 6. Is surprised to learn that EUR 5 million committed for the acquisition of the 'Europa' building was carried over to 2014 for actual payment; considers this balance, in addition to other appropriations carried over, as going against the principles of annuality and sound financial management of the Financial Regulation;
 7. Reiterates that the budget of the European Council and the Council should be separated in order to contribute to the transparency of the financial management of the institutions and to improve the accountability of both institutions;
 8. Reiterates its call on the European Council and the Council to send Parliament their annual activity report with a comprehensive overview of all human resources available to both institutions, broken down by category, grade, sex, nationality and vocational training; notes that this table should be automatically included in the annual activity report of the institutions;

9. Welcomes the establishment of the Audit Committee in the Council's General Secretariat and the adoption of a new internal audit charter; asks the Council to keep Parliament informed of the benefits and results of these changes;
10. Regrets that in 2013, there was a decrease in the implementation of the follow-up remarks made by the internal audit; agrees with the Council on 'the importance of timely implementation of audit recommendations' ⁽¹⁾; expects this procedure to be carried out without delay;
11. Is concerned by the delayed implementation of audit recommendations by the translation service;
12. Observes with concern the enormous disparities in translation costs for the different Union institutions; asks consequently that the Interinstitutional Working Group on Translation identify the causes of these disparities and put forward solutions that will bring this imbalance to an end and produce harmonised translation costs that fully respect quality and linguistic diversity; notes, with this in mind, that the Working Group should relaunch a collaboration between the institutions in order to share best practices and outcomes and identify those areas in which cooperation or agreements between the institutions may be strengthened; notes that the Working Group should also aim to establish a unified methodology for presentation of translation costs which all the institutions can use, in order to simplify the analysis and comparison of these costs; notes that the Working Group should present the results of this work before the end of 2015; calls on all the institutions to be actively involved in the work of the Interinstitutional Working Group; recalls in this regard the fundamental importance of respect for multilingualism in the Union institutions in order to guarantee equal treatment and equal opportunities for all Union citizens;
13. Considers that at a time of crisis and budgetary cuts in general, the cost of 'away days' for staff at the Union institutions has to be reduced and that these should take place, where possible, on the institutions' own premises as the added value derived from these away days does not justify such high costs;
14. Is concerned by the shortage of women in positions of responsibility in Union institutions; calls on the Council to set in motion an equal opportunities plan referring especially to management posts, with the aim of correcting this imbalance as soon as possible;
15. Regrets that the drafting of a handbook for the management of building projects has been delayed;
16. Takes note that some of the audit recommendations on the 'Europa' building project are still lagging behind execution; reiterates its call for the Council to provide a thorough written explanation detailing the total amount of appropriations used in the purchase of the building;
17. Demands that the institution's building policy be attached to its annual activity report, especially given that it is important that the costs of such a policy are properly rationalised and that such costs are not excessive;
18. Takes note of the zero growth (0,3 %) (EUR 1,6 million) in the Council's budget for 2013; considers it a positive trend and expects it to continue in the coming years;
19. Calls on the Council to cooperate with other institutions to come up with a unified methodology of presenting translation costs in order to simplify the analysis and comparison of the costs;
20. Is concerned by the delayed adoption of the internal whistleblowing rules; calls on the Council to implement these without further delay;
21. Calls on the Council to include in its annual activity reports, in compliance with the existing rules on confidentiality and data protection, the results and consequences of closed OLAF cases, where the institution or any of the individuals working for it were the subject of the investigation;

⁽¹⁾ Summary of 2013 Annual Activity Report by the Internal Auditor of the General Secretariat of the Council, page 2.

Reasons of postponement of the decision on granting discharge

22. Reiterates that the Council ought to be transparent and fully accountable to Union citizens for the funds entrusted to it as a Union institution; stresses that this implies that the Council shall take part fully and in good faith in the annual discharge procedure, just as the other institutions do; considers, in this regard, that effective supervision of the Union's budget implementation requires cooperation between Parliament and the Council through a working arrangement; regrets the difficulties encountered in the discharge procedures to date; takes note, nonetheless, of the interest shown by the current Presidency of the Union in reconciling positions, as well as of the letter from the Secretary-General of the Council in response to questions tabled by the Committee on Budgetary Control in which he expresses his willingness to support actively tangible measures to reach a 'modus vivendi' as called for by Parliament in its resolution of 23 October 2014 ⁽¹⁾; stresses the need to improve the capacity for dialogue between the two institutions in order to find a solution as soon as possible that will enable compliance with the Treaty mandate and accountability to citizens;
23. Reiterates that it is only possible to implement effective budgetary control with the cooperation of Parliament and the Council, the main elements of which must comprise of formal meetings between representatives of the Council and Parliament's Committee on Budgetary Control, answering questions asked by the committee's members on the basis of a written questionnaire and submitting documents to serve as background material for budgetary controls on request;
24. Reiterates that without the cooperation of the Council as stated above, Parliament is not in the position to make an informed decision on granting discharge;
25. Agrees with the Commission's views in its letter of 23 January 2014 to Parliament that it is desirable for Parliament to continue to give, postpone or refuse discharge to the other institutions — including the Council — as has been the case up until now;
26. Fully endorses and supports the Commission's views in its letter that all institutions are fully part of the follow-up process to the observations made by Parliament in the discharge exercise and that all institutions should cooperate to ensure the smooth functioning of the discharge procedure in full respect of the relevant provisions in the Treaty on the Functioning of the European Union and the relevant secondary law;
27. Advises the Council that the Commission stated in its letter that it will not oversee the implementation of the budgets of the other institutions and that giving a response to questions addressed to another institution would infringe upon the autonomy of that institution to implement its own section of the budget; recalls that Parliament grants discharge to the other institutions after considering the documents provided and the replies given to the questions; regrets that Parliament repeatedly encounters problems in receiving answers from the Council;
28. Considers it democratic for Parliament to exercise its power to grant discharge pursuant to Articles 316, 317 and 319 of the Treaty on the Functioning of the European Union in line with current interpretation and practice, namely to grant discharge to each heading of the budget individually in order to maintain transparency and democratic accountability towards Union taxpayers; affirms, therefore, that granting or not granting discharge is a duty Parliament has towards the Union citizens;
29. Is of the opinion that the discharge-related legal framework of the Union should be revised in order to clarify the discharge making process;
30. Regrets the fact that not all the Union institutions respect the same standards in relation to transparency and believes that the Council should make improvements in that regard.

⁽¹⁾ OJ L 334, 21.11.2014, p. 95.

DECISION (EU, EURATOM) 2015/1616 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section III — Commission and executive agencies**

THE EUROPEAN PARLIAMENT,

- having regard to the general budget of the European Union for the financial year 2013 ⁽¹⁾,
- having regard to the consolidated annual accounts of the European Union for the financial year 2013 (COM(2014) 510 — C8-0140/2014) ⁽²⁾,
- having regard to the Commission's report on the follow-up to the discharge for the 2012 financial year (COM(2014) 607), and to the accompanying Commission staff working documents (SWD(2014) 285, SWD(2014) 286),
- having regard to the Commission communication of 11 June 2014 entitled 'Synthesis of the Commission's management achievements in 2013' (COM(2014) 342),
- having regard to the Commission's annual evaluation report on the Union's finances based on the results achieved (COM(2014) 383) and to the accompanying Commission staff working documents (SWD(2014) 200, SWD(2014) 201),
- having regard to the Commission's annual report to the discharge authority on internal audits carried out in 2013 (COM(2014) 615), and to the accompanying Commission staff working document (SWD(2014) 293),
- having regard to the Court of Auditors' annual report on the implementation of the budget for the financial year 2013, together with the institutions' replies ⁽³⁾, and to the Court of Auditors' special reports,
- having regard to the various decisions and recommendations of the Ombudsman concerning the Commission, together with the institutions' implementation of those recommendations in the interests of citizens,
- having regard to the statement of assurance ⁽⁴⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Commission in respect of the implementation of the budget for the financial year 2013 (05303/2015 — C8-0053/2015),
- having regard to Articles 317, 318 and 319 of the Treaty on the Functioning of the European Union,
- having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,
- having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁵⁾,
- having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁶⁾ and in particular Articles 62, 164, 165 and 166 thereof,
- having regard to Rule 93 of and Annex V to its Rules of Procedure,
- having regard to the report of the Committee on Budgetary Control and the opinions of the other committees concerned (A8-0101/2015),

⁽¹⁾ OJ L 66, 8.3.2013.⁽²⁾ OJ C 403, 13.11.2014, p. 1.⁽³⁾ OJ C 398, 12.11.2014, p. 1.⁽⁴⁾ OJ C 403, 13.11.2014, p. 128.⁽⁵⁾ OJ L 248, 16.9.2002, p. 1.⁽⁶⁾ OJ L 298, 26.10.2012, p. 1.

- A. whereas, under Article 17(1) of the Treaty on European Union, the Commission is to execute the budget and manage programmes and is to do so, pursuant to Article 317 of the Treaty on the Functioning of the European Union, in cooperation with the Member States, on its own responsibility, having regard to the principles of sound financial management;
1. Grants the Commission discharge in respect of the implementation of the general budget of the European Union for the financial year 2013;
 2. Sets out its observations in the resolution forming an integral part of the decisions on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section III — Commission and executive agencies, and in its resolution of 29 April 2015 on the Court of Auditors' special reports in the context of the Commission discharge for the financial year 2013 ⁽¹⁾;
 3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Council, the Commission, the Court of Justice of the European Union, the Court of Auditors and the European Investment Bank, and to the national parliaments and the national and regional audit institutions of the Member States, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

⁽¹⁾ Texts adopted of that date, P8_TA(2015)0119 (see page 68 of this Official Journal).

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decisions on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section III — Commission and executive agencies**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section III — Commission,
 - having regard to its decisions on discharge in respect of the implementation of the budgets of the executive agencies for the financial year 2013,
 - having regard to Rule 93 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinions of the other committees concerned (A8-0101/2015),
- A. whereas, for the 20th time in succession, the Court of Auditors was unable to grant a positive statement of assurance regarding the legality and regularity of the payments underlying the accounts, which risks eroding the legitimacy of Union spending and policies;
- B. whereas, especially in a situation of scarce resources, the Commission should lead by example by showing the European added value of its expenditure and by making sure that the funds for which it carries shared or full responsibility are spent in accordance with the applicable financial rules and regulations;
- C. whereas the Commission has ultimate responsibility for the implementation of the Union budget while the Member States have to sincerely cooperate with the Commission to ensure that the appropriations are used in accordance with the principles of sound financial management; whereas Member States, especially under shared management of funds, have a special responsibility in implementing the Union budget;
- D. whereas it is crucial that under the shared management of funds, the data communicated by the Member States regarding both revenue and expenditure under the shared management of funds are fair and accurate; whereas it is crucial that Member States understand their own responsibility on the management of Union funds under shared management;
- E. whereas the interinstitutional dialogue laid down in Article 318 of the Treaty on the Functioning of the European Union (TFEU) provides an opportunity to stimulate a new culture of performance inside the Commission;

Shared and decentralised management: Deficiencies in the Commission's and Member States' management*Reservations in agriculture and rural development*

1. Cannot politically ensure that the control procedures put in place in the Commission and the Member States give the necessary guarantees concerning the legality and regularity of all the underlying transactions in agriculture and rural development as demonstrated by the reservations issued by the Director-General of DG AGRI in its annual activity report of 31 March 2014;
 - ABB02 — Market Measures: EUR 198,3 million at risk; seven aid schemes in nine Member States with 11 elements of reservation: Poland EUR 77,6 million, Spain EUR 54 million, France EUR 32,4 million, Netherlands EUR 16,4 million, UK EUR 8,5 million, Italy EUR 5 million, Czech Republic EUR 2 million, Austria EUR 1,9 million, Sweden EUR 0,5 million;

- ABB 03 — Direct payments: EUR 652 million at risk; 20 paying agencies comprising 6 Member States concerned: Spain (15 out of 17 paying agencies) EUR 153 million, France EUR 203,4 million, UK PRA England EUR 118 million, Greece EUR 117,8 million, Hungary EUR 36,6 million, Portugal EUR 28 million;
- ABB 04 — Rural development expenditure: EUR 599 million at risk; 31 paying agencies comprising 19 Member States concerned: Belgium, Bulgaria (EUR 56,8 million), Cyprus, Germany (Bayern, Brandenburg), Denmark, Spain (Andalucia, Asturias, Castilla la Mancha, Castilla y León, FOGGA Galicia, Madrid), Finland, France (ODARC, ASP (EUR 70,3 million)), UK (SGRPID Scotland, RPA England), Greece, Ireland, Italy (AGEA (EUR 52,6 million), AGREA Emilia-Romagna, OPR Lombardy, OPPAB Bolzano, ARCEA Calabria), Luxembourg, Netherlands, Poland (EUR 56,7 million), Portugal (EUR 51,7 million), Romania (EUR 138,9 million) and Sweden;
- ABB 05: EUR 2,6 million at risk — IPARD expenditure for Turkey;

Reservations in regional policy

2. Cannot politically ensure that the control procedures put in place in the Commission and the Member States give the necessary guarantees concerning the legality and regularity of all underlying transactions in regional policy as demonstrated by the reservations issued by the Director-General of DG REGIO in its annual activity report of 31 March 2014; notes that 73 of 322 programmes have been put under reservations as a consequence of partially reliable management and control system (compared to 85 of 317 OPs in 2012); notes that the interim payments made to those 2007-2013 programmes under reservation equal EUR 6 035,5 million; notes that the Commission estimated the amount at risk at EUR 440,2 million;
3. Acknowledges that while these reservations are an indication of deficiencies in the Member States' control systems, they are also an effective instrument used by the Commission to accelerate action by the Member States to remedy these deficiencies and thus protect the Union budget;

Reservations in Employment and social affairs

4. Cannot politically ensure that the control procedures put in place in the Commission and the Member States give the necessary guarantees concerning the legality and regularity of all the underlying transactions in employment and social affairs as demonstrated by the reservations issued by the Director-General of DG EMPL in its annual activity report on 31 March 2014; notes that its annual activity report contains a reservation relating to payments made for the 2007-2013 programming period for an amount at risk of EUR 123,2 million in 2013; notes that these reservations covered 36 of 118 the European Social Funds (ESF) Operational Programmes (OP) (compared to 27 out of 117 OPs in 2012);

The Court of Auditors' Statement of Assurance

Accounts and legality and regularity of revenue — clean opinions

5. Welcomes the fact that the annual accounts of the Union for the financial year 2013 present fairly, and in all material respects, the position of the Union as of 31 December 2013 and notes with satisfaction that revenue underlying the accounts for the year ended 31 December 2013 is legal and regular in all material respects;

Reservation as regards Gross National Income (GNI) contributions

6. Issues a reservation concerning the way Member States' GNI contributions have been calculated due to deficiencies ⁽¹⁾ as regards the Commission's verification of data ⁽²⁾; recalls that the Court of Auditors concludes that the Commission's verification of GNI data was not sufficiently structured and focused;

⁽¹⁾ See Court of Auditors' Special Report No 11/2013, point 93 to 97.

⁽²⁾ See abovementioned Parliament's resolution of 29 April 2015 on the Court of auditors' special reports in the context of the Commission discharge for the financial year 2013, Part I.

Legality and regularity of commitments — clean opinion

7. Notes with satisfaction that the commitments underlying the accounts for the year ended 31 December 2013 are legal and regular in all material respects;

Legality and regularity of payments — adverse opinion

8. Believes it is unacceptable that payments remain, for the twentieth year in a row, materially affected by error;
9. Understands that the basis for the Court of Auditors' adverse opinion is the conclusion that the supervisory and control systems are only partially effective and that, as a result, payments are affected by a most likely error rate of 4,7 %;
10. Recalls that the most likely error rate for payments in the 2012 financial year was estimated at 4,8 %, in the financial year 2011 at 3,9 %, in the 2010 financial year at 3,7 %, in the 2009 financial year at 3,3 %, in the 2008 financial year at 5,2 % and in the 2007 financial year at 6,9 %, thus making an average level around 4,6 % over the period covered by the previous Multiannual Financial Framework (MFF) 2007-2013; notes that the Court of Auditors' annual reports therefore show a stabilisation of the error rate in 2013 at the level of the average for the MFF 2007-2013, which nevertheless demonstrates a steady upward and negative trend since 2009;
11. Points out that according to the Court of Auditors' annual report for 2013, the shared management areas have an estimated error rate of 5,2 %; notes that all other operational expenditure (which is mostly directly managed by the Commission) has an estimated error rate of 3,7 %; emphasises that both error rates are above the materiality threshold of 2 %; stresses that the shared management areas have an error rate substantially higher than the one for all other operational expenditure;
12. Notes that the Director-General of DG REGIO in its annual activity report of 31 March 2014 has put under reservations, as a consequence of partially reliable management and control system, 73 of 322 programmes for 2013, which represent a smaller share compared to 2012 (85 of 317 OPs); notes that the estimated amount at risk is EUR 1 135,3 million and that these reservations and the corresponding amount concern the two programming periods 2007-2013 and 2000-2006;
13. Takes note that the Director-General of DG RTD has issued one reservation concerning the Seventh Research Framework Programme (FP7) in its annual activity report of 31 March 2014 and that the estimated impact in 2013 is between EUR 105,5 million and EUR 109,5 million;
14. Notes that the Director-General of DG MARE has issued one reservation concerning the European Fisheries Fund in its annual activity report of 31 March 2014 and that the amount at risk in 2013 is EUR 10,77 million;
15. Draws attention to the need for the continuous improvement of the management and control systems in Member States in order to guarantee the better financial management of Union funds and a decrease in the error rate in the respective policy sectors in the course of the programming period 2014-2020;

Financial corrections and recoveries

16. Notes that the financial corrections reported as implemented in 2013 dropped from EUR 3,7 billion in 2012 to EUR 2,5 billion in 2013 and recalls that the high financial correction in 2012 was mainly due to a single EUR 1,8 billion correction in Spain, rectifying structural funds expenditures during the period 2000-2006; notes that in 2013, the Commission implemented financial corrections and recoveries amounting to EUR 3 362 million, which represented 2,3 % of payments from the Union budget;

17. Points out that the accumulation of financial corrections made when programme balances are settled is artificial at times and that they are not significant, given that they appear years after they are made; calls on the Commission to analyse whether the shift in methodology from confirmed corrections to implemented corrections, which took place in 2012 is best suited for reflecting the reality of control and management systems in a given financial year;
18. Notes that the resulting decrease by 34 % of financial corrections implemented in 2013 (from EUR 3,7 billion to EUR 2,5 billion) was partially compensated by an increase of 27 % of recoveries implemented in 2013 (from EUR 0,7 billion to EUR 0,9 billion);
19. Regrets that due to the legal framework for protecting Union financial interests, the complexity of the related procedures and the number of control layers involved in many areas, errors can only be corrected several years after they have occurred;
20. Points out that the average amount of financial corrections and recoveries implemented for 2009-2013 was EUR 2,7 billion which represents 2,1 % of the average amount of payments from the Union budget in that period; notes that according to the Commission, the abovementioned trend can be explained by the closure of the programming period 2000-2006 ⁽¹⁾; notes in particular that as regards cohesion policy, four-fifths of corrections made during the years 2007 to 2013 relate to operational programmes for earlier periods ⁽²⁾; recalls that Member States have the right to substitute detected ineligible expenditure with legal and regular expenditure under the legal framework in force for structural funds;
21. Reminds the Commission and the Member States that they have a duty to take corrective measures to protect the Union budget in cases of ineffective control systems or irregular expenditures; points out that the Commission and the Member States use such corrective measures and notes that if such corrective measures had not been applied to the 2013 payments audited by the Court of Auditors, the overall estimated error rate would have been 6,3 %, rather than 4,7 %; stresses that the Court of Auditors found that in a number of transactions affected by error, especially in the shared management areas, authorities had sufficient information available to detect and correct the errors; demands that the Court of Auditors therefore estimate in its future annual reports the level of error in the event that all corrective measures had been taken;
22. Regrets furthermore the fact that those measures have still a limited financial impact on the Union budget since more than 40 % of the financial corrections implemented in 2013 are not considered as assigned revenue ⁽³⁾ but may be used by the same Member States having caused these corrections in cohesion policy, thus undermining the preventive effect of financial corrections;
23. Notes that approximately 28 % of the financial corrections implemented in 2013 involved a net reduction of Union funding to the programme and the Member State concerned in cohesion policy;
24. Notes with concern that the abovementioned Commission communication of 29 September 2014 does not necessarily provide reliable information on withdrawals, recoveries and pending recoveries of structural funds made by the Member States since the Commission states that it had to adopt a prudent approach due to certain weaknesses in the Member States' figures so as to ensure that the above amounts are not overstated ⁽⁴⁾;
25. Asks the Commission and the Member States to put in place sound procedures to confirm the timing, the origin and the amount of corrective measures and to provide information reconciling, as far as possible, the year in which payment is made, the year in which the related error is detected and the year in which recoveries or financial corrections are disclosed in the notes to the accounts, taking into account the pluriannuality of the

⁽¹⁾ See Commission communication of 29 September 2014 on the protection of the EU Budget to end 2013 (COM(2014) 618), p. 11.

⁽²⁾ See Court of Auditors' Annual Report for 2013, point 1.14.

⁽³⁾ See abovementioned Commission communication COM(2014) 618, table 5.2: withdrawals in cohesion (EUR 775 million), rural development recoveries (EUR 129 million) and financial corrections implemented by de commitment/deduction at closure be it in cohesion policy (EUR 494 million) or in the other policy areas than agriculture and cohesion policies (EUR 1 million).

⁽⁴⁾ See abovementioned Commission communication COM(2014) 618, table 7.2.

whole procedure; considers it essential, furthermore, for comprehensive information to be provided on recoveries and financial corrections and for there to be full transparency with regard to data on the decommitment of appropriations and infringement proceedings for the year in question;

The Synthesis report and the annual activity reports

26. Takes note that the Commission Directors-General made a total of 17 quantified reservations relating to the expenditure; points out that the lower number of quantified reservations in 2013 (21 in 2012) did not have the effect of reducing the scope of the amount at risk and that the maximum total amount at risk announced by the Commission in its synthesis report ⁽¹⁾ is below EUR 4 179 million which corresponds to 2,8 % of all expenditure disbursed;
27. Asks the Commission to further clarify the calculation of the amount at risk ⁽²⁾ in explaining the estimated impact of corrective mechanisms on this figure and to issue in its synthesis report a proper 'Statement of assurance' based on the Directors-General annual activity reports;
28. Recalls that the cumulative figures used by the Commission concern corrective mechanisms applied by the Commission and the Member States (financial corrections and recoveries) several years after the disbursement of the funds (in particular during the periods 1994-1999 and 2000-2006) and notes that in this time neither the Court of Auditors nor the Commission issued precise error rates;

Pressure on the budget

29. Is concerned by the fact that due to the unacceptable position of the Council during the negotiations of the annual Union budget and despite the high level of payments, the accounts show that outstanding financial commitments (in Heading 1b, mainly regional policy, the level of outstanding commitments at the end of 2013 is estimated at EUR 23,4 billion after EUR 5 billion at the end of 2010, EUR 11 billion at the end of 2011 and EUR 16 billion at the end of 2012) and other liabilities continued to grow in 2013; notes that at the year end, they stood at EUR 322 billion ⁽³⁾ and the figure is likely to rise in 2014;
30. Points out that at the end of 2013, outstanding commitments were estimated at EUR 322 billion and that this amount was forecast to increase in 2014; considers this to be at odds with the principle of sound financial management, as established in Article 310 of the TFEU, thus placing a question mark over the legality of the budget;
31. Stresses that these 'overhanging' financial obligations are a matter of particular concern because for the first time, payment ceilings are set to remain broadly stable in real terms for a number of years ⁽⁴⁾;
32. Points out that in times of economic crisis, financial resources are scarce; notes, however, that for large parts of the budget, the maximum level of expenditure under the MFF headings is broken into yearly allocations per Member State; observes that the way funds are absorbed by Member States often becomes the main policy objective ('use it or lose it') ⁽⁵⁾; calls on the Commission and Member States to therefore promote a shift from spending to a performance culture focussing on the results achieved based on the principles of efficiency, effectiveness and economy;

⁽¹⁾ Commission communication of 11 June 2014 entitled 'Synthesis of the Commission's management achievements in 2013' (COM(2014) 342), p. 14; maximum total amount at risk for the entire 2013 expenditure (EU and EDF budget).

⁽²⁾ Annex 1 to the synthesis report explains 'amounts at risk' as the value of the fraction of the transaction which is estimated not to be in full conformity with the applicable regulatory and contractual requirements after the application of all controls (corrective measures) intended to mitigate compliance risks.

⁽³⁾ Of the EUR 322 billion, EUR 222 billion represents outstanding budgetary commitments and EUR 99 billion relate to balance sheet liabilities not covered by outstanding commitments.

⁽⁴⁾ Presentation of the Court of Auditors' Annual Reports by its President Vítor Manuel da Silva Caldeira in CONT meeting of 5 November 2014.

⁽⁵⁾ Ibid.

33. Points out that gross pre-financing amounted to EUR 79,4 billion at the end of 2013 and insists that extended periods of pre-financing can lead to an increased risk of error or loss; stresses that this risk is particularly present for Heading 4 of the budget (*EU as a global player*) where for a typical operation, four years elapse between a commitment being made and the Commission recording the final related expenditure;
34. Urges the Commission to once again prepare and publish a 'long-range cash flow forecast' projecting future payment requirements to ensure that necessary payments can be met from approved annual budgets; demands that the Commission present, if necessary, modifications to existing regulations in the event that the annual budgets cannot provide sufficient appropriations to match the necessary payments level;
35. Reiterates the need to work on finding long term solutions that can allow the Commission to regain control of its budget; notes that there is a particular need for an increased emphasis on accountability and a focus on performance and spending outcomes; highlights, to this end, the need for Parliament to play a greater role in scrutinising expenditure and performance;

Financial instruments

36. Observes that by the end of 2013, 941 financial engineering instruments (FEI) had been set up under 176 European Regional Development Funds (ERDF) and European Social Funds (ESF) Operational Programmes (OP) in 25 Member States; is particularly concerned that only 47 % of the EUR 14,3 billion (EUR 6,7 billion) that had been paid to the FEIs had actually been paid out to final beneficiaries, although this figure represents an increase compared with the EUR 4,7 billion paid out by the end of 2012; observes that the average disbursement rate of 47 % at the end of 2013 masks a certain variation between funds and Member States; notes that the average disbursement covers all 900 funds: those established in 2008 as well those newly established in 2013 for which implementation was only starting; considers that while some funds are underperforming, there are others which have already achieved 100 % absorption and are now re-investing revolving funds;
37. Observes that 14 FEIs have been set up in the Member States under the rural development fund; observes that EUR 443,77 million has been paid out to banks in Romania, Bulgaria, Greece, Italy and Lithuania from the Union budget until the end of 2013; expresses concern that of this amount, not a single euro reached the final beneficiaries; observes that for six financial FEIs set up under the European Fisheries Fund, EUR 72,37 million was paid out to banks in Greece, Romania, Bulgaria, Estonia, Latvia and the Netherlands; notes that only in Latvia were the available amounts fully disbursed to the final beneficiaries while in Romania only 28 % of the funds were disbursed to the final beneficiary, 77 % in Bulgaria, 91 % in Estonia and none in the Netherlands and Greece⁽¹⁾;
38. Regrets furthermore that these instruments are complex and difficult to account for correctly, which also makes public scrutiny more challenging; calls on the Commission to be more transparent and to regularly report on leverage, losses and risks such as investment bubbles; urges the Commission to give a full overview of the number of projects financed under each of the financial engineering instruments and the results achieved, to indicate clearly how much Union budget allocations were used to co-finance these FEI projects and to present a comprehensive cost-benefit analysis of the instrument of FEIs compared with more direct forms of project funding;
39. Welcomes the fact that during the Annual Review meetings, the implementation of the financial instruments is systematically included in the agenda and that shortcomings are then analysed and remedial actions proposed; acknowledges with satisfaction that for the next period 2014-2020, shortcomings in the area have been corrected, i.e. payments will only be transferred to the funds managing financial instruments when the actual disbursement to the final recipients has reached a certain percentage;

⁽¹⁾ Information provided by Commission Vice-President Kristalina Georgieva during the discharge procedure.

40. Recommends, in light of the pressure on the budget for payments and the fact that Article 140(7) of Regulation (EU, Euratom) No 966/2012 (the Financial Regulation) requires that excessive balances should be avoided on financial instruments, that the Commission ensures that contributions from the Union budget to such instruments reflect a real cash-flow need;
41. Is particularly concerned by some of the Court of Auditors' findings as regards the effectiveness of blending regional investment facility grants with financial institution loans to support Union external policies ⁽¹⁾;
42. Points out that while the facilities were well set-up, the potential benefits of blending were not fully realised due to the Commission's management shortcomings; asks the Commission to disburse funding only when the funds are actually needed by the beneficiary and to improve its monitoring of the Union grant implementation;

Responsibility of the Commission and Member States in shared management

43. Emphasises the fact that in accordance with Article 317 TFEU, the Commission is ultimately responsible for the implementation of the Union budget; points out that where the Commission implements the budget under shared management, implementation tasks are delegated to Member States pursuant to Article 59 of the Financial Regulation, thereby engaging their political and financial responsibility; reiterates therefore the fact that the Member States should act strictly in accordance with the principle of sound financial management and should not undermine their own responsibility in managing Union funds;
44. Takes note of the Commission communication of 28 October 2014 entitled 'On the adoption of the inter-institutional working group recommendations for the establishment and use of national declarations' (COM(2014) 688); points out that the submission of declarations is voluntary, and therefore welcomes the fact that four Member States — Denmark, the Netherlands, Sweden and the United Kingdom — have decided to submit them; regrets, however, that those declarations differ in form, scope, comprehensiveness and the reporting period and notes that as a result of this, they are therefore of little use;
45. Points out that according to numerous statements by the Court of Auditors, national management declarations as provided by the four abovementioned Member States have very limited value in the Court of Auditors' auditing process and cannot be considered as reliable source of information for issuing the statement of assurance;
46. Regrets, furthermore, in relation to the abovementioned Commission communication of 28 October 2014, the lack of substantial progress to improve the financial management which could lead to a continuous loss of Union money due to wrong decisions at political and managerial levels; calls for a sanction system if Member States transmit incorrect programme information and declarations;
47. Calls therefore on the Commission and the Council to take concrete and meaningful steps to enable the necessary progress in sound financial management, including the increased use of the instrument of national declarations which in practice do not require much extra effort (reportedly less than 1 full-time equivalent on a yearly basis per Member State), while also noting that it is of great importance that Member States take political responsibility for the use of Union funds by means of a public document; calls on the Commission and the Member States to publish not only the national declarations but also the annual summaries and management declarations in order to give more insight in and achieve a real improvement of the financial management; urges the Commission to submit a recommendation to Parliament and the Council to promote the use of national declarations in line with the recommendations by the interinstitutional working group for the establishment and use of national declarations;
48. Considers it essential to promote full transparency in the use of structural funds through the publication of the accounting documentation of assigned projects;

⁽¹⁾ See Court of Auditors' Special Report No 16/2014.

Reliability of the data communicated by the Member States

49. Notes the lack of reliability of the first level checks performed by the Member States in shared management undermines the credibility of the annual activity reports drafted by the Commission services and the Synthesis report adopted by the Commission as they are partially based on the results of the checks performed by the national authorities; reiterates its previous demand that the Commission evaluate and, if necessary, correct the Member States' data in order to establish reliable and objective annual activity reports;
50. Requests that the Directors-General report in detail in their annual activity reports on the error rates notified by the Member States and on the corrections made by the Commission, where appropriate, at the level of operational programmes;

Worst performing Member States

51. Welcomes the overview of the Court of Auditors' audit results of funds managed under shared management in agriculture and cohesion 2009-2013, published together with the Court of Auditors' 2013 annual report which partially address Parliament's request expressed in the 2012 discharge resolution for country-specific information in shared management;
52. Points out that according to the figures provided by the Court of Auditors as regards the amounts and percentage of funds at risk as to the European Regional Development Funds, the European Social Funds and the Cohesion Funds (source data included in the 2013 annual activity reports of DG Employment, Social Affairs and Inclusion and DG Regional and Urban policy), Slovakia, the United Kingdom and Spain have the highest error rates;
53. Points out that according to the figures provided by the Court of Auditors as regards the amounts and percentage of funds at risk as to the European Agricultural Guarantee Funds and the European Agricultural Funds for Regional Development (source data included in the 2013 annual activity report of DG Agricultural and Rural Development), Romania, Bulgaria and Portugal have the highest error rates;
54. Asks the Court of Auditors to develop its own country-specific reporting method, bearing in mind not only the amounts at risk but also the Member States' management and control systems, together with the corrective mechanisms applied by the Commission and the Member States in order to adequately assess the evolution of the management in the worst performing Member States and recommend the best possible solutions;
55. Recalls that corruption seriously damages Union funds; is concerned about the data showing that some Member States are particularly affected by the phenomenon and recalls, in this respect, the Commission's Recommendation of 29 May 2013 for a Council recommendation on Italy 2013 national reform programme and delivering a Council opinion on Italy's stability programme for 2012-2017⁽¹⁾; calls for the early adoption of the Directive on the fight against fraud to the Union's financial interests by means of criminal law;

Conflicts of interests

56. Regrets the fact that in some Member States, legislation concerning conflicts of interests of members of the parliament, members of government and members of local councils is vague and insufficient; calls on the Commission to carefully examine the current situation and present recommendations or even legally binding solutions if necessary; considers that the same should apply to the candidate members and members of the Commission;

Revenue: GNI Based own resources

57. Notes that the Court of Auditors' audit (see Annual Report for 2013, point 2.27) did not find any substantial error in the Commission's calculation of Member States' contributions and their payment, most of which are based on forecast Gross National Income (GNI) data for 2013;

⁽¹⁾ COM(2013) 362.

58. Demands that the Commission to ensure that Eurostat's and Member States' data are identical, as the indicator of GNI represents the key benchmark not only for Union revenue but also for expenditure;
59. Recalls the criticism formulated by the Court of Auditors in its Annual Report for 2012 as regards the lack of effectiveness of the Commission's verification of GNI data (see Annual Report for 2012, point 2.41); stresses that the prolonged use of general reservations and the excessive duration of the verification cycle of GNI data used for own resources can lead to budgetary uncertainty, as has been highlighted by the discussions between the Member States about the draft amending budget No 6 to the general budget 2014 ⁽¹⁾;
60. Regrets the fact that certain Member States did not anticipate that it will result in an increase of their budgetary contribution, despite the fact that they were aware of the changes in the statistical methodology to calculate the GNI contribution since spring 2014;
61. Regrets the fact that the Commission, insisted on handling this file as a purely technical one ⁽²⁾, despite the fact that it was aware since spring 2013 that the changes in the statistical methodology to calculate the GNI contribution would create a big increase in the contributions of certain Member States;
62. Recalls that the Court of Auditors concluded in its opinion No 7/2014 ⁽³⁾ that the Commission's proposal to allow the deferred payments of value added tax (VAT) and GNI balances and adjustments in case of exceptional circumstances may increase the complexity of the system of own resources and the Member States budgetary uncertainty;
63. Points out in particular that the Commission proposal amending Regulation (EC, Euratom) No 1150/2000 implementing Decision 2007/436/EC, Euratom on the system of the European Communities' own resources (COM(2014) 704) refers only to the postponement of the deadline for the Member States to make resources available in case of significant amounts result from positive VAT and GNI balances and adjustments and notes that if Member States have a large negative VAT and GNI balances and adjustments, the Commission could be obliged to collect additional revenue by means of an amending budget;
64. Regrets that the Council has not been able to make any progress so far on the reform of the own resources system on the basis of those legislative proposals, despite the fact that the Commission proposed a global reform of the own resources system which was welcomed by Parliament ⁽⁴⁾ aiming at making the system of own resources fairer, more understandable, more transparent, more efficient and aiming at reducing the national contributions;

Measures to be taken

65. Urges the Commission to:
 - shorten the duration of its verification cycle of the GNI data used for own resources to a maximum four years, if needed, in launching infringement proceedings and/or in imposing strict delay to lift the reservations;
 - limit the use of general reservations to exceptional cases where there are significant risks that the financial interests of the Union are not protected: i.e. when a Member State carries out a major revision during the verification cycle or at irregular intervals;

⁽¹⁾ See Court of Auditors' Annual Report for 2013, point 2.11, and Court of Auditors' Special Report No 11/2013 (2013 Discharge) 'Getting the Gross National Income (GNI) data right: a more structured and better-focussed approach would improve the effectiveness of the Commission's verification'.

⁽²⁾ Jacek Dominik's statement on the revision of Member States' gross national income, Press release, Brussels 27 October 2014 last sentence.

⁽³⁾ Opinion No 7/2014 concerning a proposal for a Council Regulation amending Regulation (EC, Euratom) No 1150/2000 implementing Decision 2007/436/EC EC, Euratom on the system of the European Communities' own resources (OJ C 459, 19.12.2014, p. 1).

⁽⁴⁾ Texts adopted, P7_TA(2013)0078.

- draft an action plan to remedy the deficiencies detected by the Court of Auditors in its Special Report No 11/2013 and to report on it to Parliament and the Court of Auditors by the end of June 2015;
 - put in place and closely monitor a detailed action plan with clear targets to address the problems in the compilation of Greece's national accounts;
 - introduce a modification to the abovementioned Commission proposal COM(2014) 704 in order to empower the Commission to defer the reimbursement of the amounts in case of 'negative' balances and adjustments;
66. Points out the weaknesses found by the Court of Auditors in its Special Report No 2/2014 entitled 'Are Preferential Trade Arrangements appropriately managed?' in the control strategy and risk management in Germany, France and the United Kingdom leading to potential losses to the Union budget; notes that these weaknesses were confirmed by the amount of revenue potentially lost in these three Member States; observes that by extrapolating the errors found in its sample of 2009, the Court of Auditors has estimated the amount of duties at stake in these Member States because of time-barring to be EUR 655 million; notes that this represents around 6 % of the gross amount of import duties collected in the five selected Member States that year, made up of EUR 167 million in respect of Germany, EUR 176 million in respect of France and EUR 312 million in respect of the United Kingdom;

Agriculture

Agriculture: demographic and beneficiaries' structure challenges

67. Points out that demographic changes affect the common agricultural policy (CAP) more than any other Union policy since nearly one-third of the 12 million Union farmers sharing more than 45 % of the Union budget are over the age of 65 years and only 6 % are younger than 35 years old ⁽¹⁾; welcomes the young-farmer assistance programmes therefore launched as part of the CAP reform;
68. Regrets that the measures initiated by the Commission in agricultural policy have so far been unable to correct the demographic imbalance and calls on the Commission to re-examine the agricultural budget support in light of this;
69. Stresses that the fact that less than 2 % of Union farmers receive 31 % of the CAP direct payments; points out that CAP should be especially targeting small farmers and believes that the current practice further undermines the political acceptance of CAP;
70. Reiterates that in order to make the CAP fairer, Parliament and the Council introduced ⁽²⁾ a reduction of payments above EUR 150 000 and a possible capping of direct payments; demands therefore that the Court of Auditors audit the efficiency and effectiveness of this measure in anticipation of its next annual reports;
71. Points out that the Czech Republic, followed by Slovakia, Hungary, Germany and Bulgaria, maintain the most unequal agricultural systems ⁽³⁾; calls on the Commission and the Member States to better balance their beneficiaries' structure and demands that the Director-General of DG AGRI attach yearly to its annual activity report indicative figures on the distribution of CAP direct aid payment to producers by Member States and category of beneficiaries;

⁽¹⁾ See Court of Auditors landscape review 'Making the best use of EU money: a landscape review of the risks to the financial management of the EU Budget', 2014, p. 67.

⁽²⁾ Regulation (EU) No 1307/2013 of the European Parliament and of the Council of 17 December 2013 establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy and repealing Council Regulation (EC) No 637/2008 and Council Regulation (EC) No 73/2009 (OJ L 347, 20.12.2013, p. 608).

⁽³⁾ Indicative figures on the distribution of aid by size-class of aid, received in the context of direct aid paid to the producers according to Council Regulation (EC) No 1782/2003 (OJ L 270, 21.10.2003, p. 1) and Council Regulation (EC) No 73/2009 (OJ L 30, 31.1.2009, p. 16), transmitted by Commissioner Hogan on 8 December 2014.

Agriculture: error rate in first pillar

72. Regrets that the European Agricultural Guarantee Fund (EAGF) payments are not free from material error in 2013, the most likely error rate being estimated by the Court of Auditors at 3,6 % (3,8 % in 2012) ⁽¹⁾ and that of the five control systems examined for expensed payments two were found to be ineffective, two partially effective and only one was considered as effective;
73. Stresses that in 33 out of 101 quantifiable errors identified by the Court of Auditors, national authorities had sufficient information to prevent, detect, and correct those errors at least partially and that if all this information had been used properly, the most likely error rate for this area would have been 1,1 % lower and thus relatively close to the materiality threshold of 2 %; stresses that Member States have an important responsibility to implement correctly and lawfully the Union budget when they are responsible for the management of Union funds;

Cross-compliance

74. Points out that the audit by the Court of Auditors covered cross-compliance requirements and that cases where cross-compliance obligations were not met were treated as error where it was established that the infringement existed in the year in which the farmer applied for aid; points out that the Court of Auditors includes deficiencies in the area of the cross-compliance in their calculation of the error rate while noting that, in the view of the Commission, cross-compliance does not concern the eligibility to payments but only triggers administrative penalties;
75. Notes that the Commission states in its reply to the Court of Auditors that for the 2014-2020 programming period, the legal framework has been simplified and requests that the Commission report by the end of 2015 on how these simplification measures worked out in practice and which additional measures could be taken with regard to any remaining complex rules and eligibility conditions;

Error rates in market measures

76. Is worried about the fact that the error rate with regards to agricultural market measures stands at 7,44 %, as calculated by the Commission; deplores the fact that it is the second highest error rate in a policy area for 2013;
77. Stresses that the reservations introduced by the Director-General of DG AGRI into its 2013 annual activity report confirm the alarming state of play in market measures as seven aid schemes in nine Member States are identified, in particular the sectors of fruit and vegetables, the restructuring of vineyards, wine investment, export refunds for poultry and the school milk scheme;
78. Draws attention to the fact that many smaller programmes such as the School Fruit and School Milk Schemes are not user-friendly, partially because of the associated bureaucracy and for this reason, their uptake and implementation are sub-optimal;
79. Deplores the significant shortcomings in the control procedures applied when granting recognition to producer groups ⁽²⁾ for fruit and vegetables in Poland, Austria, the Netherlands and the United Kingdom, as revealed by the Court of Auditors in its Annual Report for 2013 and confirmed by the Director-General of DG AGRI, who has issued in its 2013 annual activity report a reservation based on its estimate that around 25 % of total expenditure under this measure is at risk, namely EUR 102,7 million;

⁽¹⁾ The frequency increased quite significantly: from 41 % in 2012 to 61 % in 2013.

⁽²⁾ In accordance with Council Regulation (EC) No 1234/2007 of 22 October 2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation) (OJ L 299, 16.11.2007, p. 1), in certain regions, transitional support may be given to encourage producers who wish to acquire the status of producer organisation (PO) to form producer groups; this funding may be partially reimbursed by the EU and ceases once the producer group is recognised as a PO.

80. Regrets in particular the deficiencies detected by the Commission as regard the measures concerning 'vineyard restructuring' in Spain that justified the reservation issued by the Director-General of DG AGRI on the basis of a corrected error rate of 33 % and an amount at risk of EUR 54 million and the measure 'Poultry export in France' on the basis of a corrected error rate of 69,6 % and an amount at risk of EUR 29,3 million;

Reliability of the Member States' data in direct payments

81. Welcomes the fact that since the error rates communicated by the Member States in their inspection statistics do not cover all the components of the residual error rate and are not always reliable, DG AGRI carried out an individual assessment for each paying agency based on all available information including the Court of Auditors' audit findings;
82. Reiterates the Court of Auditors' assertions ⁽¹⁾ that the results of this new approach show that only limited assurance can be gained from the Member States' inspection statistics, the declarations of the directors of paying agencies and the work carried out by the certifications bodies;
83. Points out that despite the fact that almost all the paying agencies for the direct payments were accredited and certified by the certifying authorities and despite the fact that 79 of the 82 statements of assurance made by the paying agencies received an unqualified opinion from the certification bodies in 2013, thus confirming the accuracy of the statements of assurance presented by the directors of the paying agencies, the Commission had to correct upwards the error rates communicated by 42 out of 68 paying agencies with a residual error rate above 2 %;
84. Points out that the 5 paying agencies with the highest error rate were:

1. United Kingdom, RPA	5,66 % (Member State (MS) notification: 0,67 %)
2. Greece, OKEPE	5,17 % (MS notification: 0,83 %)
3. Spain, AVGA	4,71 % (MS notification: 1,93 %)
4. Portugal, IFAP	4,37 % (MS notification: 0,82 %)
5. Romania, PIAA	4,27 % (MS notification: 1,77 %)

85. Regrets that the current legislative framework does not provide sanctions for incorrect or false reporting ⁽²⁾ by the paying agencies;
86. Calls for Union officials to increase supervision and to monitor and coordinate more closely national paying agencies within the relevant Member States, with the aim of resolving the deficiencies they are experiencing, in particular for those paying agencies that continuously under-performed over the last three years, with a view to making payments management more efficient;

IACS and LPIS

87. Shares the view expressed by the Commission and the Court of Auditors that as a whole the Integrated Administration and Control System (IACS) plays a key role in preventing and reducing errors in claims from farmers and points out that its proper functioning should have ensured that agricultural direct payments are free from material error;

⁽¹⁾ See Court of Auditors' Annual Report for 2013, point 43.

⁽²⁾ See the reply from the Commission to the written question No 11, CONT hearing with Commissioner Phil Hogan on 1 December 2014.

88. Deplores that persistent weaknesses in excluding ineligible land from the Land Parcel Identification System (LPIS) and in the administrative treatment claims from farmers contribute significantly to the material level of error remaining in EAGF payments;
89. Stresses once again the horizontal dimension of the deficiencies detected in the LPIS; notes that since 2007, the Court of Auditors examined IACS in 38 paying agencies in all 28 Member States and deeply regrets that only seven of the control systems were assessed as effective, 22 were found to be partially effective and nine control systems were considered as ineffective; calls on the Commission to ensure that financial risks for the budget are covered by net financial corrections;

Procedures to ensure recovery of undue payments

90. Is worried by the fact reported by the Court of Auditors ⁽¹⁾ that sums lost as a result of irregularities or negligence relating to claims for the year 2008 or earlier had been brought to the attention of debtors in Ireland after considerable delay and were not subject to any recovery or enforcement procedure for several years;
91. States that until the end of 2012, out of EUR 6,7 million of debts relating to these claim years EUR 2,3 million was borne by the Union under the 50/50 rule despite the delay observed by the Court of Auditors in the notification procedure and fears that the money would be definitely lost for the Union budget;
92. Is also concerned by the Court of Auditors' findings as regards the fact that Italian authorities did not record whether debts were due to irregularities or administrative errors which could potentially lead to charging the Union budget; calls on the Commission to make a detailed analysis of this situation and report back before the end of the year;
93. Notes that according to the data provided in the 2013 annual activity report of DG AGRI ⁽²⁾, the worst performing Member States as regards the recoveries of undue payments are Bulgaria with a recovery rate of 4 %, 21 % in Greece, 25 % in France, 25 % in Slovenia, 27 % in Slovakia and 33 % in Hungary; is concerned about the alarmingly low levels of recoveries in certain domains and requests a report from the Commission about the causes and the possibilities to achieve improvements;

Clearance of accounts procedure

94. Notes that the Commission took four conformity decisions in 2013 leading to financial corrections of EUR 1 116,8 million (EUR 861,9 million relating to EAGF and EUR 236,2 million to European Agricultural Fund for Rural Development (EAFRD) which represents around 2 % of the Union's 2013 budget for agriculture and rural development (1,4 % in the period 2008-2012);
95. Points out that this amount cannot be compared with the most likely error rate issued by the Court of Auditors because the Commission's conformity audits are systems-based, do not check the regularity of underlying transactions, cover expenditures relating to several budgetary years, lead to financial corrections made for 65 % on a flat-rate basis and consequently do not enable an annual error rate to be calculated ⁽³⁾;
96. Stresses that the 2013 increase of the average level of financial correction by comparison with the period 2008-2012 is according to the findings of the Court of Auditors ⁽⁴⁾ mainly explained by the reduction of the backlog of open audit files from 553 at the end of 2012 to 516 at the end of 2013 and that the resolution of these files which related to financial years prior to 2010 resulted in financial corrections of EUR 881 million (79 % of the total);

⁽¹⁾ See Court of Auditors' Annual Report for 2013, point 3.23 and following.

⁽²⁾ See 2013 annual activity report of DG AGRI, Annex 10, table 51: 'new cases open since 2007'.

⁽³⁾ See Court of Auditors' Annual Report for 2013, point 4.25.

⁽⁴⁾ See Court of Auditors' Annual Report for 2013, point 4.27.

97. Is worried that the independence of the conciliation body which may be involved in the conformity clearance procedure is not guaranteed by the provisions currently in force ⁽¹⁾;

Rural development, environment, fisheries and health

98. Notes that the payments in rural development, environment, fisheries and health are not free from material error in 2013, with a reduction in the most likely error rate to 6,7 % from 7,9 % in 2012 and that seven of the 13 supervisory and control systems examined for expensed payments in Member States were assessed as being partially effective and six as ineffective;
99. Concurs with the view expressed by the Court of Auditors that the most likely error rate would have been reduced to 2 % if the national authorities had used all the information available to them to prevent, detect and correct errors; stresses that Member States have an important responsibility with regard to implementing correctly and lawfully the Union budget when they are responsible for the management of Union funds;
100. Deplores the fact that the average error rate calculated by the Court of Auditors for the rural development incurred during the past three years was 8,2 % and that in 2013 it was 7,9 % ⁽²⁾; strongly deplores that it is the highest error rate in a policy area for 2013;
101. Notes that the errors found by the Court of Auditors occurred mainly because beneficiaries did not respect the eligibility requirements, the procurement rules were not properly applied and agri-environmental commitments were not respected;
102. Is worried about the fact that the Court of Auditors has found that suspected intentional infringement by private beneficiaries contributed to an eighth of the error rate in rural development and deplores the fact that the specific rural development measure 'adding value to agricultural and forestry products' made the most significant contribution to error rate for private investment ⁽³⁾, resulting in the Court of Auditors expressing serious concerns as regards 'the efficiency and effectiveness of the measure in reaching its policy objectives';
103. Concurs with the view expressed by the Court of Auditors ⁽⁴⁾ that the errors were partly caused by the complexity of rules and the large variety of aid schemes under the 2007-2013 programmes: 46 measures in total for rural development, each with its own rules and requirements;
104. Acknowledges the increasing level of suspension and interruption of payments by the Commission, which ensures that corrective actions are systematically carried out in cases where deficiencies are identified;
105. Welcomes the Commission's revised approach to calculate the residual error rate, taking into account all relevant audits and information with a view to adjusting the error rate reported by the Member States;
106. Deplores the lack of reliability of data communicated by the Member States on the results of their checks; notes that certifying bodies issued a qualified opinion stating an error rate above 2 % for only nine paying agencies of 74 ⁽⁵⁾ while the Commission issued a qualified opinion for 31 agencies in 24 Member States ⁽⁶⁾;

⁽¹⁾ See the reply to the written question No 29, CONT hearing with Commissioner Phil Hogan on 1 December 2014.

⁽²⁾ See Court of Auditors' Special Report No 23/2014 entitled 'Errors in rural development spending: what are the causes, and how are they being addressed?', p. 10: the 8,2 % is an average for the three years with a lower limit of 6,1 % and an upper limit of 10,3 %. The average is composed of 8,4 % for 2011, 8,3 % for 2012 and 7,9 % for 2013.

⁽³⁾ See Court of Auditors' Special Report No 23/2014, p. 22 to 24.

⁽⁴⁾ Statement by the Member of the Court of Auditors, Rasa Budbergyte, CONT hearing with Commissioner Phil Hogan on 1 December 2014.

⁽⁵⁾ See the reply to the written question No 12, CONT hearing with Commissioner Phil Hogan on 1 December 2014.

⁽⁶⁾ See 2013 annual activity report of DG AGRI, table 2.1.24.

107. Regrets the lack of quality remedial actions by some Member States and the absence of a systematic approach to eradicate the causes of the errors in all the Member States; stresses that there is a lack of preventive action against widespread weakness at Union level;
108. Acknowledges that the main factors underlying the underimplementation of EUR 4 300 000 in the chapter 17 04 — Food and feed safety, animal health and welfare and plant health are the EUR 900 000 relating to assigned revenue for the different programmes which can be used in 2014 and EUR 2 000 000 relating to the Emergency Fund; notes that from the latter amount, 50 % or EUR 1 000 000 was carried forward to 2014 (for addressing bluetongue disease in Germany) and implemented in that year;

Requests to the Commission, the Member States and the Court of Auditors concerning agriculture and rural development

109. Asks the Court of Auditors to calculate separate error rates for market measures and direct payments in the CAP first pillar;
110. Recommends that the Commission actively monitors the application of remedial actions with regard to the deficiencies in the control system applicable to Union aid for the recognition of producer groups for fruits and vegetables in Poland, and in the operational programmes for producer organisations in Austria, the Netherlands and the United Kingdom;
111. Urges the Commission to demonstrate the Union added value of the agricultural market measures bearing in mind the risk of potential losses affecting the budget of the Union and asks the Commission to consider their suppression if this risk is too high; asks the Commission to report in the 2013 Commission discharge follow-up report on the actions taken by the European Anti-Fraud Office (OLAF) in light of the audit mission for poultry export refunds in France;
112. Asks to the Commission to draft proposals with a view to sanctioning false or incorrect reporting by paying agencies including the three following dimensions, namely inspection statistics, statements by the paying agencies, and the work carried out by the certification bodies; asks that the Commission be empowered to withdraw the accreditation of the paying agencies in cases of grave misrepresentations;
113. Urges the Director-General of DG AGRI to consider the real added value of delaying year after year reservations justified by deficiencies in the LPIS while those deficiencies have clear horizontal dimension;
114. Asks the Commission and the Member States to take the necessary measures to ensure that the IACS is used to its full potential, and in particular to ensure that the eligibility and size of agricultural parcels are correctly assessed and recorded by the Member States, and that immediate remedial action is taken by the Member States where the IACS is found to be affected by systemic errors;
115. Urges the Commission to shed a light on the facts reported by the Court of Auditors in Ireland and Italy in points 3.24 and 3.25 of its Annual Report for 2013 as regards irregularities in recovering undue payments, to take the necessary corrective measures and to report on those to Parliament by June 2015;
116. Urges the Commission to take steps to further reduce the backlog of open audit files in the clearance of the accounts procedure so as to enable all audits carried out prior to 2012 to be closed by the end of 2015;
117. Asks in particular that the mandate of the Members of the conciliation body involved in the clearance of accounts procedure will be limited in time to an initial term of three years possibly prolonged for maximum one year; requests furthermore that any possible conflicts of interest be avoided in the handling of those files and that the Member States are not represented in the conciliation body when they are directly concerned by financial corrections;

118. Asks to the Commission to report in detail to Parliament on the implementation of the capping in CAP direct payments Member State per Member State;
119. Calls for a less bureaucratic CAP with a view to reducing the error rates; welcomes therefore the commitment undertaken by the Commission to make simplification and subsidiarity one of the top priorities in the next five years; calls for persistently underperforming paying agencies to be stripped of their accreditation in extreme cases;
120. Calls on the Commission to present in due time a detailed plan for reducing red tape in the CAP by 25 % within the following five years;
121. Asks the Court of Auditors to examine the rural development policy area in one separate chapter of its annual report or at least, to calculate separate error rates for the rural development policy area, the fisheries policy area and LIFE + programme;
122. Recommends that the Commission ensure that the Member States' action plans in rural development are completed by including all regions and measures within their scope, particularly investment measures, and to take the Commission's and Court of Auditors' audit into account;
123. Asks the Commission about the follow-up given the cases of suspected intentional infringement reported by the Court of Auditors to OLAF, in particular, as regards the rural development measure 'adding value to agricultural and forestry products' and to fully review the design of this measure in the light of the critical remarks issued by the Court of Auditors as to its efficiency and effectiveness in the follow-up report to the 2013 Commission discharge;
124. Urges the Commission to closely monitor the implementation of the rural development programmes and in its conformity audits to take account of the applicable rules including those adopted at national level where relevant, in order to reduce the risk of repeating weaknesses and errors encountered during the 2007-2013 programming period;

Fisheries

125. Notes DG MARE's reservation with regard to an error rate exceeding 2 % in relation to some Member States' declared expenditure and, in the case of one Member State, a report not considered to be reliable and the failure to submit a report; deplores the situation relating to the Member State concerned; notes, however, that the situation has improved in response to the Commission's instructions to that Member State;
126. Regrets that apart from these observations, the Court of Auditors has not given more precise details of the outcome of its audits for the specific area of fisheries and maritime affairs and calls for that information to be made known, in the interests of transparency;
127. Acknowledges that 92,31 % of DG MARE's payments were made on time; notes with concern, however, that the number of late payments increased over the previous financial year; is pleased to note the fall in default interest paid in 2013 and therefore encourages DG MARE to keep its payment periods in line with the relevant rules;

Regional policy, transport and energy

EU2020

128. Stresses that from the total amount of payments in 2013 under this policy group (EUR 45 311 million), 96 % (EUR 43 494 million) are for regional policy, mostly implemented through the ERDF and the Cohesion Fund (CF), EUR 1 059 million are for mobility and transport and EUR 758 million are for energy;

129. Recognises the determining role of Union regional policy in reducing regional disparities, promoting economic, social and territorial cohesion among the regions of Member States and between Member States; recognises that this policy is the main Union-wide long-term investment policy in the real economy, representing 29 % of the total Union budgetary spending in 2013 and is an established tool for creating growth and jobs in the Union, which supports the achievement of the Europe 2020 strategy's goals;
130. Recognises the important role of transport and energy policies for establishing secure, sustainable and competitive transport and energy systems and services for Union citizens and businesses and underlines the contribution of these policies in implementing the Europe 2020 strategy's goals;
131. Welcomes the fact that the Commission evaluates the effectiveness, efficiency, coherence and European value added of regional policy through the *ex post* evaluation; expects to receive regular updates of the Commission's evaluation;
132. Underlines that the Commission should ensure that it obtains consistent and reliable information from the Member States on the use of ERDF's funding; considers that this information should indicate the Operational Programmes' progress, not only in financial but also in performance terms ⁽¹⁾;
133. Draws attention to the multiannuality of the cohesion policy management system and underlines that the final evaluation of irregularities related to the policy implementation will be possible only at the closure of the programming period;

Errors

134. Notes that of the 180 transactions audited by the Court of Auditors, 102 (57 %) were affected by error; notes that the Court of Auditors has a 95 % confidence that the rate of error in the population lies between 3,7 % and 10,1 % (the lower and upper error limits respectively), and it estimates, on the basis of the 40 errors which it has quantified, the most likely error rate to be 6,9 % (2012: 6,8 %);
135. Emphasises that in 17 cases of quantifiable errors made by final beneficiaries, the national authorities had sufficient information to prevent, detect and correct the errors before declaring the expenditure to the Commission; notes that had all this information been used to correct errors, the most likely error rate estimated for this chapter would have been three percentage points lower; stresses that Member States have an important responsibility on implementing correctly and lawfully the Union budget when they are responsible for the management of Union funds;
136. Points out that for ERDF and CF, as well as for mobility, transport and energy expenditure, the main compliance risks relate to: errors in the public procurement rules (39 %), ineligible projects/activities or beneficiaries (22 %), ineligible costs included in expenditure declarations (21 %) and the non-compliance with the state aid rules for ERDF and CF; welcomes the Commission's actions undertaken to mitigate those risks and encourages it to continue to give guidance and training to managing authorities on the risks identified; expects that the new regulations and rules for the 2014 to 2020 programming period will contribute towards decreasing the risk of errors and better performance through greater simplification and clarification of the procedures;

Reliability of Member States' reporting

137. Notes that the Member States' authorities communicated 322 national audit opinions on their operational programmes and that the audit opinions stated in 209 cases (65 %) an error rate below 2 %; notes that when the Commission checked the data it could only confirm the notification of the Member States' error rates for 78 national audit opinions; notes that 244 audit opinions needed to be corrected by the Commission ⁽²⁾; asks the Commission to report in future all details in changes of error rates made by DG REGIO;

⁽¹⁾ See Court of Auditors' Special Report No 20/2014, point 68.

⁽²⁾ See 2013 annual activity report of DG REGIO, Annex, p. 41.

138. Observes that the Commission considered all nationally audited error rates in the reports of Slovakia to be unreliable, 10 out of 15 error rates in the reports of Hungary, two out of seven in the reports of Bulgaria and one out of four in the reports of Belgium; asks the Commission to demonstrate if and how their flat rate corrections imposed to protect the Union budget (25 % for one programme and 10 % for nine programmes in Slovakia, two for Bulgaria and Italy and one for Belgium ⁽¹⁾) remedied the situation;

139. Stresses that the error reporting for the following operational programmes was particularly unreliable:

Member State	Programme	Title	Decided amount EUR million	MS error rate in Annual Control Reports (%)	COM error/flat rate (%)
BE	2007BE162PO001	Brussels, Regional competitiveness	56,93	6,23	10
BG	2007BG161PO002	Technical assistance	1 466,43	4,10	10
DE	2007DE162PO006	ERDF Bremen	142,01	0,31	5
DE	2007DE161PO003	ERDF Mecklenburg-West Pomerania	1 252,42	0,81	5
DE	2007DE162PO005	ERDF Hesse	263,45	0,04	5
ETC	2007CB063PO052	INTERREG IV Italy/Austria	60,07	2,77	10
ETC	2007CG163PO030	Slovakia/Czech Republic	92,74	0,96	10
ETC	2007CB163PO019	Mecklenburg/WP — Poland	132,81	0,02	5
HU	2007HU161PO001	Economic Development	2 858,82	0,71	5
HU	2007HU161PO007	Transport	5 684,24	0,54	5
HU	2007HU161PO003	West Pannon	463,75	1,30	5
HU	2007HU161PO004	South Great Plain	748,71	1,30	5
HU	2007HU161PO005	Central Transdanubia	507,92	1,30	5
HU	2007HU161PO006	North Hungary	903,72	1,30	5
HU	2007HU161PO009	North Great Plain	975,07	1,30	5
HU	2007HU161PO011	South Transdanubia	705,14	1,30	5
HU	2007HU161PO001	Central Hungary	1 467,20	0,10	5
IT	2007IT161PO007	Development Mezzogiorno	579,04	0,63	10

⁽¹⁾ See 2013 annual activity report of DG REGIO, Annex, p. 42.

Member State	Programme	Title	Decided amount EUR million	MS error rate in Annual Control Reports (%)	COM error/flat rate (%)
IT	2007IT161PO008	Calabria	1 499,12	2,45	10
SL	2007SL161PO001	Regional development potential	1 783,29	2,80	5
SL	2007SL161PO002	Infrastructure	1 562,06	2,80	5
SK	2007SK161PO006	Competitiveness and economic growth	968,25	0	25
SK	2007SK161PO005	Health	250,00	1,79	25
SK	2007SK161PO001	Information society	843,60	1,79	10
SK	2007SK161UPO001	Research & Development	1 209,42	1,30	10
SK	2007SK161PO002	Environment	1 820,00	0,33	10
SK	2007SK161PO004	Transport	3 160,15	0,74	10
SK	2007SK161PO003	Regional OP	1 554,50	0,32	10
SK	2007SK161PO007	Technical assistance	97,60	1,79	10
SK	2007SK162PO001	Bratislava	95,21	1,79	10
UK	2007UK162PO001	Lowlands & Uplands Scotland	375,96	5,98	8,42
UK	2007UK161PO002	West Wales & Valleys	1 250,38	0,36	5
UK	2007UK162PO012	East Wales	72,45	0,36	5

140. Asks the Commission to report in future about error rates per programme, as communicated by Member States and accepted/corrected by the Commission in the annual activity report;
141. Takes note that the Commission considered, based on its own review, the work of 40 national audit authorities in charge of auditing 90 % of ERDF/CF allocations for the 2007-2013 programming period to be in general reliable;

Management and Control Systems (MCS)

142. Calls on the Commission to provide further guidance and technical assistance to the Member States; requests that the Commission and Member States pay particular attention to simplifying procedures, including those for beneficiaries, which can have benefits for both auditing and decreasing error rates, while in parallel increasing the effectiveness of the management and control systems;

143. Welcomes an improvement in the management of the funds since 2011 in Austria, the Czech Republic and Romania; is worried about a worsening of the ERDF management in Slovakia, Spain, the Netherlands and the United Kingdom ⁽¹⁾;
144. Points out that in 50 out of 75 cases, reservations remained in place for a year or longer; calls on the Commission to provide information to assess if the weaknesses and the regions remained the same and to find out why national management authorities did not manage to correct the errors effectively;
145. Strongly supports the interruption and suspensions of payments used by the Commission as an effective and preventive tool to protect the Union's financial interests;
146. Is aware of the provisions in the new regulatory framework for the programming period 2014-2020 stipulating that serious deficiencies within the meaning of Commission Delegated Regulation (EU) No 480/2014 ⁽²⁾, detected by the Commission or the Court of Auditors after the submission of the accounts will lead to net financial corrections for the concerned programmes; calls on the Commission to provide a list of these cases in time for the 2014 Commission discharge procedure;
147. Welcomes the reinforced control and audit procedures provided for in the regulatory framework for the 2014-2020 programming period, and in particular regarding the management verifications and controls before the certification of annual programme accounts and the submission of management declarations by the managing authorities to the Commission; notes that the Commission's corrective capacity was further improved by removing the possibility for Member States to re-use funds, resulting in net financial corrections; welcomes the establishment of a Competence Centre on administrative capacity building in connection with European Structural and Investment Funds; supports the enhanced result-orientation and thematic concentration of cohesion policy that should ensure a shift from funds absorption criteria towards quality of spending and high added value of the co-financed operations;
148. Recalls paragraph 165 of its resolution accompanying the 2012 Commission discharge in which Parliament asked to harmonise the treatment of public procurement errors in shared management; welcomes the harmonisation undertaken by the Commission in its Decision C(2013)9527 of 19 December 2013 on the setting out and approval of the guidelines for determining financial corrections to be made by the Commission to expenditure financed by the Union under shared management, for non-compliance with the rules on public procurement; points out that Directive 2014/24/EU of the European Parliament and of the Council ⁽³⁾ is to be implemented by Member States until 18 April 2016; considers that it will bring considerable changes in procurement procedures and might necessitate further methodological changes;
149. Takes note that the Courts of Auditors methodology has to be consistent and applied to all management areas; understands that further alignment could lead to inconsistencies in the Court of Auditors' definitions of an illegal transaction in direct and shared management;

Financial corrections

150. Notes that in 2013 the Commission decided on financial corrections amounting to EUR 912 371 222 on Member States' operational programmes, of which EUR 239,50 million fell on the Czech Republic, EUR 147,21 million fell on Hungary and EUR 95,47 million fell on Greece;
151. Calls on the Commission to carry out progressive performance assessments during the implementation of projects put forward by Member States for Structural Fund financing and following their completion, with a view to enhancing the effectiveness of projects and stepping up checks on the use of public funds and thus being able to detect any abuses and fraudulent behaviour occurring during the implementation of projects;

⁽¹⁾ See 2013 annual activity report of DG REGIO, Annex, p. 43.

⁽²⁾ Commission Delegated Regulation (EU) No 480/2014 of 3 March 2014 supplementing Regulation (EU) No 1303/2013 of the European Parliament and of the Council laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund (OJ L 138, 13.5.2014, p. 5).

⁽³⁾ Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC (OJ L 94, 28.3.2014, p. 65).

152. Calls on the Commission to set up a system for the exchange of information between national audit authorities so that accounting entries for transactions between two or more Member States may be cross-checked, with a view to combating cross-border fraud affecting the Structural Funds and, in view of the new arrangements applying under the 2014-2020 multiannual financial framework, the ESI funds (European Social Fund (ESF), Cohesion Fund (CF), European Agricultural Fund for Rural Development (EAFRD), European Maritime and Fisheries Fund (EMFF)) as a whole, in order to take a cross-cutting approach to the protection of the financial interests of the Union;
153. Notes furthermore that during the programming period 2007-2013, six Member States (the Czech Republic, Greece, Spain, Hungary, Poland and Romania) were responsible for 75 % (equalling EUR 1 342 million) of the confirmed financial ERDF/CF and ESF corrections;

De-commitments

154. Regrets that in 2013 EUR 397,8 million had to be decommitted, EUR 296,7 million alone from the Czech Republic; considers that decommitments run counter to sound financial management; is concerned at the continuing inability of some regions to take up the funding available and calls on the Commission to identify the problems that lie at the root of this situation in those regions; calls on the Commission also to draw up and submit a detailed plan for enhancing the take-up capacity of regions with a very low take-up rate;
155. Points out that the setting of an eligibility period was introduced in the new regulation for the programming period 2014-2020, in order to set a time frame in which to make the investments and to incentivise programme authorities to make timely investments for jobs and growth in the Union, this will reduce the risk of non-use within the given eligibility period and thus of de-commitments;

Financial engineering instruments

156. Notes that the managing authorities of the Member States reported a total of 941 FEIs operating at the end of 2013 in 25 Member States: 91 % account for FEIs for enterprises, 6 % for urban development projects and 3 % for funds for energy efficiency/renewable energies; notes that the total value of operational programmes' (OP) contributions paid to the FEIs amounted to EUR 14 278,20 million, including EUR 9 597,62 million of structural funds; notes that with only two years left until the closure, only 47 % of OP contributions, or EUR 6 678,20 million, were disbursed to final recipients;
157. Is worried about the Commission's findings in its 2013 consolidated annual report on the implementation of the FEIs — in accordance with point (j) of Article 67(2) of Council Regulation (EC) No 1083/2006 ⁽¹⁾ — that managing authorities in the Member States did not provide the full picture of the FEI implementation and that certain data showed 'inaccuracies' in relation to the data for FEIs in Hungary and Italy;

Greece

158. Is worried about the implementation of the priority projects in Greece under the Task Force management; notes that 48 priority projects have to be accelerated; notes that the main problems are, according to the Commission: (a) delays at the maturation stage, (b) delays in licensing, (c) the dissolution of contracts due to the lack of liquidity of contractors and (d) lengthy court appeals during awarding procedures; calls therefore on the Commission to provide an update on the priority projects for the 2013 follow-up report;

⁽¹⁾ Council Regulation (EC) No 1083/2006 of 11 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1260/1999 (OJ L 210, 31.7.2006, p. 25).

Lago Trasimeno

159. Notes that an OLAF fact-finding mission was conducted in December 2014 in order to discuss potential irregularities in connection with Union assistance for the cycle path around Lago Trasimeno in Italy; calls on the Commission to inform Parliament about further developments in the follow-up report on discharge for 2013;

Privatisation of infrastructure projects financed by Union funds

160. Notes that the Union financed the modernisation of a water distribution network in Skorkov (CZ) to the amount of EUR 1,1 million; is concerned about the fact that the communal authorities have rented the exploitation of the water distribution system to a company which already manages the local sewerage system; notes that the latter was also co-financed with EUR 1,4 million from Union funds and that the price for the supply of drinking water increased by 45 %; considers that drinking water is a public good and that all citizens need to have access to high quality drinking water at a reasonable price;
161. Calls on the Commission to inform Parliament about all cases in which projects with a Union share of at least 30 % were afterwards privatised;

European Union Solidarity Fund

162. Takes note of the Commission's European Union Solidarity Fund Report 2013 ⁽¹⁾; is surprised that the concerns expressed in the Court of Auditors' Special Report 24/2012 and supported by Parliament's resolution of 3 April 2014 on the Court of Auditors' special reports in the context of the 2012 Commission discharge ⁽²⁾ were not addressed; calls on the Commission to explain how the shortcomings in delivering emergency aid to the Abruzzi region, detected by the Court of Auditors, were remedied in the revised regulation on the European Union Solidarity Fund which entered into force on 28 June 2014, in particular with regard to the establishment of up-to-date national disaster management plans, the establishment of emergency procurement arrangements, the setting up of temporary accommodation in disaster-struck areas and the transfer of any revenue generated by solidarity fund projects back to the Union budget;

Measures to be taken

163. Calls on the Commission to report in detail on progress made with MCSs considered partially effective MCS in 2013 in time for the 2014 discharge procedure ⁽³⁾;
164. Calls on the Commission, in line with the Court of Auditors' recommendation, to carry out an assessment of the 'first level checks' performed during the 2007-2013 programming period in accordance with Article 32(5) of the Financial Regulation; calls on the Commission to add an assessment of the reliability of the information transmitted by the certifying bodies in the Member States to the annual activity report of DG REGIO; welcomes the assessments carried since 2010 through targeted audits on high risk programmes in the frame of its audit enquiry 'Bridging the assurance gap';

⁽¹⁾ COM(2015) 118.

⁽²⁾ OJ L 266, 5.9.2014, p. 69, paragraph 139 et seq.

⁽³⁾ Regrets that the following 73 MCSs in Member States were considered, at best, partially reliable (marked in orange colour out of a green, yellow, orange, red colour range): Vorarlberg (AT), Vienna (AT), Styria (AT), Tirol (AT), Brussels (BE), regional development (BG), environment (BG), Business & Innovation (CZ), ROP NUTSII North-East(CZ), ROP NUTS II Silesia (CZ), Integrated OP (CZ), Thuringia (DE), Mecklenburg Wes Pomerania (DE), Saxony-Anhalt, Bremen (DE), North Rhine Westphalia (DE), EC ENV (EE), Attica (EL), West Greece (EL), Macedonia-Thrace (EL), Thessaly-continental Greece-Epirus (EL), Crete and Aegean Islands (EL), Murcia (ES), Melilla (ES), Ceuta (ES), Asturias (ES), Galicia (ES), Extremadura (ES), Castalia La Mancha (ES), Andalucía (ES), Cohesion Fund (ES), Cantabria (ES), Basque region (ES), Navarra (ES), Madrid (ES), Rioja (ES), Cataluña (ES), Balearic Islands (ES), Aragon (ES), Castalia y Leon (ES), Valencia region (ES), Canary Islands (ES), Research, development and innovation for business(ES), Economic development (HU), Environment energy (HU), West Pannon (HU), South Great Plain (HU), Central Transdanubia (HU), North Hungary (HU), Transport (HU), North Great Plain (HU), South Transdanubia (HU), Central Hungary (HU), Adriatic (Instrument for Pre-Accession Assistance — IPA), Mecklenburg West Pomerania/Brandenburg-Poland (European Territorial Cooperation — ETC), Flanders-Netherlands border region (ETC), Networks and mobility (IT), Research (IT), Security (IT), Calabria (IT), Puglia (IT), Sicily (IT), Basilicata (IT), Sardinia (IT), Infrastructure and environment (PL), Development Eastern Poland (PL), Information society (SK), Environment (SK), Regional OP(SK), Transport (SK), Health (SK), Competitiveness and economic growth(SK), Technical assistance (SK), Research and development (SK).

165. Calls on the Court of Auditors to provide a detailed report on the evolution of the error rate (year by year, sectorial policy by sectorial policy and Member State by Member State) during the whole period of the previous Multiannual Financial Framework (2007-2013) to Parliament;
166. Calls on the Commission to request that audit authorities certify the accuracy of the data on financial corrections reported by certifying authorities for each OP; considers that this detailed information should be published in the annex to the DG REGIO's annual activity report;
167. Calls on the Commission to consistently disclose in its annual activity report the reasons for not making reservations (or making reservations with a lower financial impact) in those cases where this is due to exceptions to applicable Commission guidance or approved audit strategies;
168. Supports the Court of Auditors' recommendation that the Commission should require from the Member States in their management declarations (in accordance with point (a) of Article 59(5) of the Financial Regulation) an explicit confirmation regarding the effectiveness of the first level checks performed by the managing and certifying authorities;
169. Calls on the Commission to ask national authorities to give feedback on whether the established project objectives in the area of ERDF/CF and ESF were accomplished; considers that this should be done in such a way that the recorded dates are comparable at Union level; considers that citizens concerned by the accomplishment of the project objectives should be allowed to appraise the project once completed;
170. Calls on the Commission to clarify the 'inaccuracies' in the FEIs and to assess the results in detail in the DG REGIO's 2014 annual activity report;
171. Recognises the Commission's efforts to move to a performance culture; asks the Commission (DG REGIO), therefore, to include in its Management Plan and Annual Activity Report an assessment of its work in relation to increasing the efficiency, effectiveness and impact of the cohesion policy; invites the Commission, in addition to the budget execution approach, to check the performance against objectives and better use the evaluations, as well as to support Member States and their Managing Authorities in maximising the quality of their evaluation reports; underlines in this context the need in future to consider and assess project results, investment returns and real added value for the economy, employment and regional development;

Employment and social affairs

EU 2020

172. Underlines that ESF resources are contributing substantially to the achievement of employment and social policy objectives; notes that for the reporting year, loans for payments worth EUR 14,1 billion were made available for these purposes, of which 98 % were made via the ESF; considers, nonetheless, that an assessment of the fund's performance needs to be carried out to measure not so much the take-up rate for the fund but the fund's effectiveness in creating jobs and bringing unemployed persons back on to the labour market; calls for a detailed analysis of the fund's performance, on which Parliament's political assessment of the ESF will hinge, to be submitted by the end of the year;
173. Underlines the importance of the ESF for investments in measures in the creation of jobs and the fight against unemployment, in human capital, education and training, social inclusion and access to social services;
174. Underlines the fact that under Regulation (EC) No 1083/2006, funds from the ESF may not be used to relocate jobs from one Member State to another; insists that the Commission and Member States carry out proper checks to make sure that Union funds are not misappropriated in that way;
175. Notes that the intention of Member States to absorb Union funds should pursue the achievement of results and objectives supported by the ESF and must not compromise the consistent application of effective controls, which, particularly towards the end of the eligibility period, can lead to the non-detection of the infringement of rules, with the subsequent funding of projects that are too costly, poorly implemented or unlikely to achieve the intended result;

176. Emphasises that the reduction of youth unemployment is particularly urgent; welcomes that more than EUR 12,4 billion from the ESF and the Youth Employment Initiative have been earmarked for the fight against youth unemployment during the new programming period; calls on the Commission to support Member States in implementing the Union funds and make sure that this money will be spent for its indicated purpose; calls on the Commission to establish a system, for the 2014-2020 programming period which allows for reports on progress made in integrating disadvantaged people or groups of people (i.e. youth, elderly, long-term unemployed, Roma) into employment;

Roma

177. Points out that the funds available for the integration of Roma were not always spent for this purpose; is concerned that many Roma face discrimination and social exclusion living in very poor socioeconomic conditions; is also particularly concerned by the information that, following a survey carried out by the European Union Agency for Fundamental Rights in 2012 ⁽¹⁾, in 90 % of the Roma households the average income was below national poverty thresholds, and that on average about 45 % of the Roma live in severely deprived housing conditions;
178. Calls on the Commission to support effective implementation of National Roma Integration Strategies at local and regional levels and to ensure that budget spending targets the objectives of the mainstream policies;

Errors

179. Observes that of the 182 transactions audited by the Court of Auditors, 50 (27 %) were affected by error; notes that on the basis of the 30 errors which it has quantified, the Court estimates the most likely error rate to be 3,1 % (3,2 % in 2012); notes that in 13 cases of quantifiable errors made by final beneficiaries, the national authorities had sufficient information to prevent, detect and correct the errors before declaring the expenditure to the Commission; considers that if all this information had been used to correct errors, the most likely error rate estimated for this chapter would have been 1,3 percentage points lower; stresses that Member States have an important responsibility to implement correctly and lawfully the Union budget when they are responsible for the management of Union funds;
180. Notes that the Court of Auditors' annual report shows a slight decrease in the estimated error rate for the area of Employment and Social Affairs, which stood at 3,1 % in 2013 compared to 3,2 % in the previous year; notes that this error rate was still the second lowest amongst all policy areas and expects a further decrease in the error rate over the next few years;
181. Notes that the errors in this policy area concerned, as in previous years, ineligible expenditure (93 % concerning overcharging of overhead costs, over-declaration of personnel costs, and costs calculated incorrectly) and failures to comply with public procurement rules (7 %);
182. Notes the Court of Auditors' recommendation that the Commission should follow up with Member States on the weaknesses identified in the DG EMPL risk based thematic audit of management verifications and welcomes the new guidance developed by the Commission in order to further strengthen the reliability of management verifications in the 2014-2020 programming period; notes that this guidance, which draws on the lessons learned from the previous programming period, has been presented to Member States and will be issued in the first half of 2015; emphasises that it is very important that the authorities in the Member States use the information available to them to detect and correct errors prior to claiming reimbursements from the Commission, which will significantly reduce the error rate in the area of employment and social affairs;
183. Encourages DG EMPL to pursue its aim with regard to ESF to move further from the need to correct errors to a situation where errors are avoided and supports DG EMPL's efforts to help the Member States with the highest ESF error rates to improve their systems by using the best practices available; notes in this regard that the administrative capacity and organisation of DG EMPL should correspond to its work and responsibilities towards the Member States;

⁽¹⁾ European Union Agency for Fundamental Rights, The situation of Roma in 11 EU Member States, Luxembourg 2012.

Reliability of Member States' reporting

184. Regrets that faulty first-level-checks by national management and control systems remained a prime source of errors; is deeply concerned by the fact that Member States seem to be less scrupulous when spending Union funds compared to the way they spend their national budget while they have an important responsibility on implementing correctly and lawfully the Union budget when they are responsible for the management of Union funds; notes that the following programmes showed particular systemic weaknesses: Poland, Spain (Castilla y Leon), Romania, Portugal, Italy (Sicily), Germany (Bund), Germany (Thüringen), Czech Republic and Hungary; notes that in addition, thematic Commission audits revealed weaknesses in the management and control systems of the operational programmes for Ireland (Human Investment Capital), Slovakia (education) and Spain (Comunidad Valenciana);
185. Points out that, when reviewing the error rates communicated by Member States (MS) in their Annual Control Reports (ACR) the Commission increased the error rate by more than 2 % for the following Operational Programmes (OP):

Member State	OP number		2013 interim payments EUR	MS ACR error rate (%)	COM correction (%)	Difference (%)
IT	2007IT052PO009	Bolzano	934 530	4,95	7,11	2,16
CZ	2007CZ052PO001	Praha Adapabilita		3,58	6,45	2,87
SK	2007SK05UPO002	OP employment & soc. inclusion	86 718 231	1,65	4,66	3,01
UK	2007UK052PO002	Low- & Uplands Scotland	74 251 497	1,95	10,59	8,64
IT	2007IT052PO001	Abruzzi		0,2	15,9	15,88
ES	2007ES052PO011	La Rioja		0,38	37,76	37,38

In addition the Commission considered the ACRs for the following OPs as entirely unreliable, thereby triggering a flat-rate correction:

Member State	OP number		2013 interim payments EUR	MS ACR error rate (%)	COM flat-rat correction (%)	Difference (%)
LU	2007LU052PO001	Operational programme ESF	4 285 659	0,46	2,0	1,54
IT	2007IT051PO001	Campania	77 486 332	0,38	2,0	1,62
BE	2007BE052PO001	German speaking community		0,0	2,0	2
ES	2007ES052PO002	Castilla y Leon	10 607 012	0,0	2,0	2,0

Member State	OP number		2013 interim payments EUR	MS ACR error rate (%)	COM flat-rat correction (%)	Difference (%)
BE	2007BE052PO003	Federal state		3,66	5,0	1,34
IT	2007IT051PO007	Pon istruzione	78 589 393	0,4	5,0	4,6
BE	2007BE052PO005	Flanders	118 201 220	1,61	10,0	8,39
UK	2007UK051PO002	West Wales and the valleys	149 600 091	0,36	10,0	9,64
UK	2007UK052PO001	East Wales	9 476 602	0,36	10,0	9,64
IT	2007IT052PO012	Tuscany	61 978 561	1,11	25	23,89
IT	2007IT052PO016	Sardinia	23 478 530	0,13	25	24,87

186. Welcomes, in this regard, the specific mitigating actions taken by the Commission, including both preventative and corrective measures and the risk-based audits carried out by DG EMPL;
187. Welcomes the fact that the Commission continued its strict policy on interruption and suspension in 2013; considers it noteworthy in this context that the Commission implemented financial corrections in 2013 amounting to EUR 842 million, of which EUR 153 million for 1994-1999, EUR 472 million for 2000-2006 and EUR 217 million for 2007-2013; notes that over the three programming periods the following Member States showed the highest financial correction:

Member State	Cumulative accepted/decided financial correction (EUR million)	Cumulative implemented financial correction (EUR million)
Italy	497,7	497,7
Romania	312,1	299,1
Spain	1 070,1	1 064,3

188. Notes furthermore that DG EMPL's annual activity report contains a reservation relating to payments made for the 2007-2013 programming period for an amount at risk of EUR 123,2 million in 2013; notes that that reservation covered 36 of 118 ESF Operational Programmes (compared to 27 out of 117 OPs in 2012):

2007-2013 programming period			
Member State	OP number	Name	Reservation
BELGIUM	2007BE051PO001	Convergence Hainaut	Full
	2007BE052PO002	Troika Wallonie-Bruxelles	Full

2007-2013 programming period

Member State	OP number	Name	Reservation
	2007BE052PO003	Federal	Reputational
	2007BE052PO004	Bruxelles-Capitale: Emploi et cohésion sociale	Reputational
	2007BE052PO005	Vlaanderen	Full
CZECH REPUBLIC	2007CZ052PO001	Praha Adaptabilita	Reputational
	2007CZ05UPO001	Lidské zdroje a zaměstnanost	Partial Reputational
FRANCE	2007FR052PO001	Programme opérationnel national FSE	Partial
GERMANY	2007DE051PO002	Mecklemburg-Vorpommern	Full
	2007DE052PO003	Berlin	Full
IRELAND	2007IE052PO001	Human Capital investment	Partial Reputational
ITALY	2007IT051PO001	Campania	Full
	2007IT051PO007	PON Istruzione	Full
	2007IT052PO001	Abruzzo	Partial Reputational
	2007IT052PO009	Bolzano	Full
	2007IT052PO012	Toscana	Full
	2007IT052PO016	Sardegna	Full
POLAND	2007PL051PO001	Program Operacyjny Kapitał Ludzki	Partial
ROMANIA	2007RO051PO001	Human Resource Development	Full
SLOVAKIA	2007SK05UPO001	OP Education	Partial
	2007SK05UPO002	OP Employment and Social Inclusion	Partial Reputational
SPAIN	2007ES051PO003	Extremadura	Partial
	2007ES051PO005	Andalucia	Full
	2007ES052PO003	Comunidad Valenciana	Reputational
	2007ES052PO004	Aragon	Full
	2007ES052PO005	Baleares	Full
	2007ES052PO007	Cataluña	Reputational

2007-2013 programming period			
Member State	OP number	Name	Reservation
	2007ES052PO008	Madrid	Partial Reputational
	2007ES052PO011	La Rioja	Reputational
	2007ES05UPO001	Adaptabilidad Y Empleo	Partial
	2007ES05UPO002	Lucha contra la discriminacion	Partial
	2007ES05UPO003	Asistencia tecnica	Partial
UNITED KINGDOM	2007UK051PO002	West Wales and the Valleys	Full
	2007UK052PO001	East Wales	Full
	2007UK052PO002	Lowlands and Uplands of Scotland	Full
	2007UK052PO003	Northern Ireland	Partial
2000-2006 programming period			
Member State	OP number	Name	Reservation
FRANCE	1999FR053DO001	Objectif 3 national	Reputational
	2000FR162DO021	Nord-Pas-de-Calais	
ITALY	1999IT161PO006	Calabria	
SWEDEN	1999SE161DO001	Norbotten & Vasterbotten	
UNITED KINGDOM	1999GB161DO005	Highlands and Islands of Scotland	
	2000GB162DO013	Western Scotland	

189. Points out that in 30 out of 79 cases, reservations remained in place for a year or longer, not considering recurrent reservations issued for the same programmes; calls on the Commission to provide information in order to assess if the weaknesses and the regions remained the same and to assess why national management authorities did not manage to correct the errors effectively; takes note of recurrent reservations in Belgium (regional competitiveness and employment, employment and social cohesion), Germany (Thuringia and Berlin), Ireland (human capital investment), Italy (Campania; skills and development), Slovakia (education), Spain (Extremadura, Andalucía, Balearic Islands, Catalonia, Rioja; adaptability and employment, the fight against discrimination, technical assistance), and the United Kingdom (Highlands and Islands — Scotland, Lowlands and Uplands — Scotland); asks the Commission, in this context, why these reservations occurred repeatedly and which measures the Commission has taken to remedy the situation;

190. Highlights the fact that interim payments to 2007-2013 OPs worth EUR 2 159,4 million are affected by the reservations; notes that the Commission estimated the amount at risk in 2013 at EUR 123,3 million;
191. Supports the Court of Auditors when it asks the Commission to consistently disclose in its annual activity report the reasons for not making reservations (or making reservations with a lower financial impact) in those cases where this is due to exceptions to applicable Commission guidance or approved audit strategies;
192. Remains worried about systemic weaknesses in Spanish and Italian management and control systems aggravated by decentralised and devolved state structures;
193. Asks DG EMPL to include the table on national ACRs, provided in response to question 19 in the discharge questionnaire, in its annual activity report;
194. Calls on the Commission to ensure that the national authorities responsible for managing the Structural Funds address the problem of personnel costs being charged for at higher rates for Union projects than for nationally funded projects;
195. Takes due note of the Court of Auditors' annual report on the implementation of the budget, in particular with regard to employment and social affairs but regrets limited references to gender equality in this field, as well as an insufficient focus on employment, social solidarity and gender equality in this year's Court of Auditors' Special Reports;
196. Reiterates its demand to further develop gender-specific indicators and data to allow assessments of the general budget of the Union from a gender perspective and to monitor efforts on gender budgeting;

De-commitments

197. Is concerned that by the end of 2014, EUR 129 million may have to be decommitted in six Member States (BE, CZ, DE, ES, IT and UK);

Progress Microfinance

198. Observes that the Union has contributed EUR 100 million to Progress Microfinance; recalls that the European Investment Fund which implements Progress Microfinance on behalf of the Commission and the European Investment Bank reported that 52 microcredit providers in 20 Member States had signed agreements under Progress Microfinance and 31 895 microloans worth EUR 260,78 million had already been disbursed to micro-entrepreneurs; is concerned in this context that not enough attention is paid to the question of democratic accountability when setting up financial instruments;

Measures to be taken

199. Calls on the Commission to ensure, when approving the OPs for the new programming period, that Member States have considered all simplification possibilities allowed by the 2014-2020 European Structural and Investment Funds regulations;
200. Calls on the Commission to report on the progress made in administering the abovementioned OPs under reservations and on remedying the discovered weaknesses in its 2013 discharge follow-up report;
201. Urges the Commission to ensure that the Member States' authorities in charge of managing structural funds address the issue of charging personnel costs at higher rates for Union projects compared to those financed by national funds;

202. Calls on the Commission to put pressure on the Member States and urge them to implement the Roma strategy and to ensure the Roma targeted implementation of Union funds;
203. Calls on the Commission to put pressure on the Member States and urge them to actively and concretely fight against unemployment, in particular youth unemployment;

External relations

Pressure on the budget

204. Welcomes the increased focus of the discharge process on improving performance in order to achieve the best possible results with Union taxpayers' money; encourages the Commission, in this regard, to redouble its efforts to improve the feedback loop of the evaluations cycle, so that lessons learnt from past practice and evaluation recommendations contribute to an even greater extent to better decision-making, programming and implementation of Union aid in the future;
205. Is gravely concerned that in the 2013 budget, payment appropriations managed by the Commission's Directorate-General for Development and Cooperation (DG DEVCO) were short by EUR 293 million, and that the late approval of necessary reinforcements caused a roll-over to the following year, thus putting more pressure on the already tight payment appropriations for 2014;
206. Notes with concern the growing discrepancy between the Union's international commitments, its ambitious policy frameworks and new tools (such as the post-2015 development agenda and the External Financing Instruments for the period 2014-2020) on the one hand, and on the other hand its inability to honour the commitments it has taken vis-à-vis its global partners and other bodies, in particular with regard to humanitarian aid due to the availability of insufficient payment credits;
207. Considers that this situation entails not only a high political and reputational risk for the Union's credibility as the world's first donor but may also endanger the fiscal stability of partner countries by leaving financial gaps in their budgets; fears that this discrepancy may become very apparent in 2015, when the overall level of Official Development Aid (ODA) will largely undershoot the collective target of 0,7 % of Union GNI by year-end;
208. Emphasises that 2013 was the second consecutive year that humanitarian aid through the Union budget exceeded EUR 1,3 billion in commitments due to the occurrence of a high number of humanitarian crises that caused immense human suffering; deplores the impact that the lack of payment appropriations had in this crisis year on DG ECHO's activities, which could only be maintained through rearranging payment schedules, resulting in a carry-over of EUR 160 million in payment arrears at year end; calls on the Council to comply with the payment plan agreed with Parliament;
209. Regrets the reputational damage already suffered due to these ad hoc measures and points to the paradox between the increase in humanitarian crises worldwide in recent years and the operational measures the Union has taken to deal effectively with sudden-onset crises (such as the opening of the Emergency Response Coordination Centre in May 2013) on the one hand and the lacking payment appropriations on the other hand; is alarmed that this situation may be aggravated if adequate budget reinforcement is not ensured;

Error rates

210. Notes that the most likely error rate of the Court of Auditors is 2,6 % and that the residual error rate as determined by the second study carried out by EuropeAid is estimated at 3,35 %; regrets that the systems examined by the Court of Auditors at EuropeAid are assessed as partially effective;
211. Notes that the nature of the instruments and payment conditions in budget support and Union contributions to multi-donor projects carried out by international organisations limit the extent to which transactions are prone to errors;

212. Asks the Commission to submit a report on the added value of budget support and, in particular, on the way it has helped developing countries in achieving the Millennium Development Goals; requests in this regard a survey of measures taken to avoid part of the funding being wasted as a result of corruption and fraud and of the effectiveness of financial management systems in this regard;
213. Shares the criticisms of the Court of Auditors of the so-called 'notional approach' in the case of multi-donor projects and asks the Commission to examine the option of presenting, in its own accounts an analysis of these projects as a whole, instead of limiting itself to the consideration of whether the pooled amount includes sufficient eligible expenditure to cover the Union contribution;
214. Asks the Court of Auditors to calculate a separate error rate in external relations for the expenditures not included in the budget support or in the contributions to multi donor projects carried out by international organisations;

Annual activity reports

215. Regrets the fact that for nine transactions relating to the national programme for pre-accession, the Commission has used an accounting procedure to clear amounts of EUR 150 million on the basis of estimates rather than on the basis of incurred, paid and accepted costs proven by supporting documents; underlines that this systematic practice of DG Enlargement is not in accordance with Article 88 of the Financial Regulation and Article 100 of its Rules of Application; points out that this long standing procedure has affected and affects the declarations of assurance of the Directorate-General for Enlargement for many years, which means that for 2013, 20 % of all expenditure spent by that DG was based on estimates; welcomes the fact that in 2014 the Commission put a system in place, and implemented it without delay, to ensure that the clearing of pre-financing is made in the future on the basis of correctly incurred and reported costs; acknowledges that the Commission has consistently pointed out that no expenditure has officially been validated and accepted by DG Enlargement under the clearance of accounts procedure, and therefore that no communication to the beneficiary indicating acceptance could be assumed;
216. Recalls that in his declaration of assurance (¹), the Director-General of EuropeAid stated that the control procedures in place give the necessary guarantees concerning the legality and regularity of the underlying transactions; considers nevertheless that this statement is contradicted by the fact that he issued a global reservation concerning the error rate being above 2 % which demonstrates that the control procedures fail to prevent, detect and correct material error;
217. Asks the Commission to clarify the standing instructions given by the Secretariat-General of the Commission so as to make it possible that an adverse opinion be given when the financial impact exceeds the materiality threshold for the whole budget under a DG's responsibility;
218. Asks the Commission to consider introducing a sanction mechanism in case of intentional irregular declaration of assurance made by an authorising officer in the annual activity report referred to in Article 66(9) of the Financial Regulation;

International trade

219. Asks the Commission to redistribute personnel resources from other Directorates-General to DG TRADE to ensure that DG TRADE is able to satisfy the justified demand of Union citizens and Parliament for increased transparency and increased access to information in the context of the Union's ongoing trade negotiations and the upcoming ratification process, in particular with regard to TTIP, CETA and TISA, in an effective, efficient and timely manner without being forced to neglect other important tasks assigned to the Commission;
220. Draws attention to the need to ensure appropriate controls and audits of the Union's macro-financial assistance;

⁽¹⁾ See 2013 annual activity report of EuropeAid, p. 197.

221. Notes that the Court of Auditors observed that, even though there have also been positive developments, the Generalised scheme of preferences (GSP) has not yet been able to fully achieve its intended goals; notes also that this system has only been in force for a short time;
222. Stresses that the evaluation and control of trade agreements is not only a budgetary issue, but that it is also essential when it comes to ensuring that partners honour the commitments they have made in the field of human rights, labour and environmental standards;
223. Asks that sufficient controls on the various activities supporting the internationalisation of the Union's small and medium-sized enterprises, as well as their access to third markets, be ensured; reiterates the need to evaluate the level of effectiveness and to look for ways in which coordination between Union business centres, national business centres and chambers of commerce in third countries, in particular in Asia, could be improved;

Haiti

224. Concurs with the recommendations of the Court of Auditors' Special Report No 13/2014 entitled 'EU support for rehabilitation following the earthquake in Haiti', in particular on the adoption of a common DEVCO-ECHO strategy to ensure more effective linkage and synergy between their respective activities and urges the Commission to implement these recommendations in all its ongoing and future operations in the aftermath of a disaster or a fragile situation; invites the Commission to inform the co-legislators of any budgetary or legal constraints that hindered effective implementation of Union support for rehabilitation in Haiti following the earthquake;

Blending

225. Notes with concern that the use of blending in energy sector primarily focuses on large projects with less emphasis on local energy solutions; urges the Union to refrain from developing a top-down approach in developing energy infrastructure to ensure universal access to energy for all by 2030, bearing in mind that large scale infrastructures may not suit the economic and social structure of the country and fail to provide energy access to the poor, for whom smaller, decentralised and off-grid energy sources are usually more appropriate and effective;

Common Foreign and Security Policy (CFSP)

226. Welcomes the Commission's progress in accrediting all CFSP missions in accordance with the 'six-pillar assessment' and its prediction that the four largest missions will soon be compliant; underscores the need for the Commission to accredit all missions in line with the Court of Auditors' recommendation;
227. Is deeply concerned about the serious allegations of corruption against EULEX Kosovo which, if confirmed, will call into question the integrity of the Union's reputation and the assistance it provides to countries implementing reforms in the field of the rule of law; is also especially concerned about the way that the allegations of corruption were dealt with and at the slow response on the part of the European External Action Service; takes note of the investigation launched to examine EULEX Kosovo; expects to be informed about its results as soon as possible and stresses that there must be a zero tolerance policy on issues of corruption and that lessons learnt will have to be applied;
228. Regrets the significant delays in procuring essential equipment and services for missions under the Common Security and Defence Policy (CSDP) and the resulting negative effect on the missions' functioning; recalls that in its Special Report No 18/2012 entitled 'European Union assistance to Kosovo related to the rule of law' the Court of Auditors denounced this inefficiency and concluded that the procurement rules laid down in the Financial Regulation 'are not designed for CSDP missions where fast and flexible responses are sometimes necessary'; urges the Commission to consider a revision of the relevant rules;

External Assistance Management Report (EAMR)

229. Notes that a majority of Union delegations did not reach the benchmarks set up by the Commission for the key performance indicators (KPIs) ⁽¹⁾ included in the 119 External Assistance Monitoring Reports concerning financial planning and resource allocation, financial administration and auditing;
230. Notes that in light of the KPIs set up by the Commission, the best performing Union delegations are those to Nepal and Namibia since they reached the benchmarks set by the Commission for 23 of the 26 key performance indicators; regrets that the worst performing delegation is the Union's delegation to Libya that reached the benchmarks for only three of 26 KPIs, followed by the similarly poor performing delegation to the Central African Republic that reached only four benchmarks;
231. Regrets that the delegations overseen by DG ENLARGE, namely delegations to Albania, Bosnia and Herzegovina, Montenegro, the former Yugoslav Republic of Macedonia, Turkey, Kosovo and Serbia, provide little fitting data and information within the EAMR;
232. Regrets that the results, outputs or impacts of the actions lead by the Union delegations services are not measured adequately in the framework of the existing KPIs, and that the indicators give very limited clarity about the quantity and especially the performance of the delegations as well as the degree of 'stakeholders' satisfaction' about the services provided by Union Delegations in these countries;
233. Asks the Commission to:
- present to Parliament the measures taken in order to improve the performance of Union delegations as regards financial planning and resource allocation, financial administration and auditing in particular as regards the worst performing delegations;
 - better document every year the conclusions it has drawn from the EAMR and from the KPIs and provide these conclusions together with the EAMRs to Parliament;
 - include a balance sheet with the accounting data of the delegation into the EAMR;
 - improve the quality and the exhaustiveness of the data provided in the EAMR and the relevance of the reports as well, in particular as regards the delegations overseen by DG ENLARGE; and
 - make external assistance contingent on efforts being made to combat corruption;

International Management Group

234. Takes note that a leaked version of the final report of OLAF on the International Management Group (IMG) has been circulated; asks the Commission and OLAF's supervisory committee to investigate why and how the OLAF report was leaked and by whom, while IMG is still not informed about the content of the report;
235. Notes that IMG has received, directly or indirectly under joint management, more than EUR 130 million from the Commission since its creation in 1994; notes that due to the interruption of payments by the Commission, IMG has taken the case to court and that the status of this organisation is subject to legal controversy; urges the Commission to take a clear decision in this regard and asks the Commission to inform Parliament about the follow-up given to the OLAF enquiry opened in 2011; urges the Commission to provide Parliament with a list enumerating all the organisations, companies, other bodies or persons, detailing their legal status, which have received contracts from the Commission without a call for proposals;

⁽¹⁾ a. KPI '20 Ex-ante Ineligible Amounts'
b. KPI 1 'Execution of Financial Forecasts: Payments'
c. KPI 2 'Execution of Financial Forecasts: Contracts'
d. KPI 4 'RAL Absorption Capacity'
e. KPI 18 'Percentage of Projects Visited in the EAMR Period'
f. KPI 21 'Implementation of Annual Audit Plan: Year N (2013)'
g. KPI 22 'Implementation of Annual Audit Plan: Year N - 1 (2012)'
h. KPI 23 'Implementation of Annual Audit Plan: Year N - 2 (2011)'
i. KPI 26 'Recovery or Justification of Audit Ineligible Amounts'.

Ukraine

236. Notes that in 2013 payments of bilateral assistance to Ukraine, funded from the European Neighbourhood and Partnership Instrument (ENPI) budget, amounted to EUR 152,8 million; notes that 42,5 % of these payments (EUR 64,9 million) are linked to contracts directly managed by the Union delegation to Ukraine; notes that the remaining 57,5 % (EUR 87,9 million) were disbursed in the form of budget support;
237. Emphasises that budget support payments are conditional on the achievement of jointly agreed results and benchmarks; notes that the beneficiary government commits to these results and benchmarks by signing a bilateral financing agreement and if results and benchmarks are not achieved, payments are not disbursed;
238. Appreciates that Ukraine currently finds itself in a particularly difficult situation but maintains that this may not be an excuse for not fulfilling the conditions under which budget support is given and, in particular, for not addressing the wide-spread corruption in the country;
239. Calls therefore on the Commission and the Union delegation to Ukraine to be particularly vigilant when disbursing funds and to assure themselves that the funds are invested in the projects they were destined for;

Administrative costs of aid delivery

240. Is concerned about the high administration costs of aid delivery to Central Asia calculated by the Court of Auditors; asks the Commission to inform Parliament about the administrative costs of external aid delivery if they exceed 10 % of the forecasted budget;

Possible embezzlement of Union humanitarian and development aid funds

241. Takes note that OLAF drafted a report on the humanitarian aid granted to the Sahrawi refugee camp of Tindouf in Algeria (OF 2003/526); calls on the Commission to clarify the measures taken in response to the findings of that report; notes that according to a UNHCR inquiry report ⁽¹⁾ the non-registration of a refugee population for such a prolonged period (i.e almost 30 years after their arrival) constitutes 'an abnormal and unique situation in the UNHCR's history'; urges the Commission to ensure that the Algerian or Sahrawi individuals incriminated by the OLAF report no longer have access to aid funded by Union taxpayers; calls on the Commission to re-evaluate and adapt Union aid to the actual needs of the population concerned and to ensure that the interests and needs of the refugees will not be harmed because they are the most vulnerable to any possible irregularity;
242. Is worried about the Ghana public payroll fraud case where neither the World Bank nor the United Kingdom as project partners alerted the Commission about the serious concerns they had about weaknesses in controls and the risk of accounting errors and fraud that these presented;

Research and other internal policies*EU 2020*

243. Stresses that the Seventh Framework Programme (7FP) was the main programme financed by the Commission; notes that 809 grant agreements, involving 10 345 participants for a total of EUR 3 439 million in Union contributions were signed; notes that the 7FP contributes to the Union's efforts to invest in a sustainable competitiveness but points that the Union as a whole is still far from its objective of having at least 3 % of GDP spent on R & D; notes that some progress was made in meeting key performance indicators (gross expenditure on Research and Development (R & D), share of public expenditure on R & D, progress in the implementation of the Innovation Union, share of Union financial contributions to small and medium-sized enterprises, reduction of Time-to-Grant);

⁽¹⁾ UNHCR Inspector General's Office, Inquiry Report INQ/04/005, Geneva, 12 May 2005.

Errors

244. Notes that the Court of Auditors audited 150 transactions, namely 89 transactions relating to research (86 for the Seventh Framework Programme (FP7) and three for the Sixth Framework Programme (FP6)), 25 transactions for the Lifelong Learning (LLP) and Youth in Action (YiA) Programmes and 36 transactions for other programmes; regrets that the Court of Auditors estimated the most likely error rate at 4,6 % (2012: 3,9 %);
245. Observes that the spending in this policy group covered a wide range of policy objectives, such as research and innovation, education, security, migration and measures to combat the effects of the financial crisis; notes that the Commission spent more than 50 % (EUR 5 771 million) of the available amount on research; notes that 45 % of the Commission's research budget was implemented by bodies (i.e. agencies, joint undertakings) outside the Directorate-General; notes that almost 90 % of the spending took the form of grants to beneficiaries participating in projects and that in 2013 the Commission concluded 809 grant agreements;
246. Takes note that the principal risk to regularity remained that beneficiaries include ineligible or unsubstantiated costs in their cost statements, which were neither detected nor corrected by the Commission or Member States' control systems;
247. Regrets that 35 % of the estimated error rate is caused by incorrectly calculated or ineligible personnel costs; notes that this includes declaring budgeted rather than actual personnel costs, as well as charging time that was not spent on the projects;
248. Regrets that 23 % of the estimated error rate is caused by indirect ineligible costs, 25 % by other ineligible direct costs (VAT, travelling, etc.), and 17 % by non-compliance with public procurement rules;
249. Observes that first-time applicants, particularly SMEs, are with a largely unknown risk/error profile; calls on the Commission not to undermine the efforts made to encourage these participants to participate in the programmes, by systematically increasing the level of control or administrative burden on them;

Management and Control Systems

250. Is astounded that in nine of 32 cost statements certified by independent auditors the Court of Auditors found a significant level of error; considers that such a level of error is not acceptable as auditors work in the area of their professional expertise;
251. Calls on the Commission to increase the awareness of auditors for fulfilling their role;
252. Takes note of the fact that the Commission conducted in 2013 500 *ex post* audits and the associated recovery and corrective action, and risk based *ex ante* checks;
253. Supports the Court of Auditors' recommendation, accepted by the Commission, to make controls for this policy group more risk-driven, focusing checks on high-risk beneficiaries (for example entities with less experience of Union funding) and reducing the burden of checks on less risky beneficiaries;
254. Reiterates the necessity to strike the right balance between fewer administrative burdens and effective financial control;
255. Welcomes the fact that in 2014, the time-to-grant time span has dropped from 249 days to 209 days for 94 % of the grant agreements;
256. Welcomes the fact that the Commission continued with its communication campaign based on a document listing the 10 most common causes of error, which was distributed to all programme participants in 2012;

257. Observes that by the end of 2013, the undue claimed amounts recovered had reached EUR 29,6 million, while outstanding recoverable amounts had increased from EUR 12 million at the end of 2012 to almost EUR 17 million;
258. Notes that project stakeholders (ITER organisation and the domestic agencies — including Fusion for Europe) have recognised that the current schedule and budget is not realistic, as confirmed by several independent assessments in the last two years (2013-2014); requests to receive a copy of the revised schedule and budget which will be submitted to the ITER Council in June 2015; is concerned by the regular delays in the ITER programme which questions its efficiency and effectiveness; is deeply concerned by the overcosts, which have impacted upon the cost-effectiveness of the programme and put other Union programmes in jeopardy, mainly in the research policy area;
259. Welcomes the fact that the External Borders Fund has helped to foster financial solidarity; criticises the fact, despite this, that further Union added value was limited and that the overall result could not be measured due to weaknesses in the responsible authorities' monitoring and serious deficiencies in the *ex post* evaluations conducted by the Commission and the Member States;

Galileo

260. Notes the Commission replies on the progress made in implementing the Galileo project: four Galileo In-Orbit Validation (IOV) satellites were successfully launched in 2011 and 2012, the Galileo In-Orbit Validation phase was successfully concluded in 2014, the system design, the performance targets and the baseline for system operation were successfully confirmed, the ground infrastructure, with many ground stations worldwide, has been completed for the initial operations, the Galileo Search-and-Rescue capability of the IOV-satellites was successfully demonstrated, the launch of two satellites (no. 5 and 6) on 22 August 2014 resulted in an injection of these satellites into incorrect orbit, and since December 2014 the satellites have been gradually moved to a more favourable orbit to allow their best possible use, and the testing of the satellites' navigation payload is on-going; expects to be informed about additional costs for these unforeseen measures;
261. Notes that in 2013, the Court of Auditors audited eight transactions in the transport sector and found that five of them were affected by one or more errors; draws attention to the increase of the percentage of affected transactions in 2013 (62 %) compared to 2012 (49 %) and is concerned that, as in previous years, the Court of Auditors has found several errors in relation to non-compliance with Union and national procurement rules for the TEN-T projects examined; takes note that as in the preceding year of 2012, once more in 2013, DG MOVE did not issue a reservation related to public procurement errors; insists, therefore, that the Commission undertake the necessary measures in order to exclude such errors in the future; notes that it is of the utmost importance to extend the *ex ante* and *ex post* control of the beneficiaries of Commission grants, funding and financing in order to avoid the misuse of the Community allocation of resources and to ensure a verification of performance; emphasises that even if the funding period 2007-2013 is formally over, there is a N + 2 principle for cohesion funding, meaning that many projects are still under construction until the end of this year;
262. Calls on the Commission, for the sake of transparency, to publish an easily accessible annual list of transport projects co-financed by the Union, including the exact funding amount for each individual project; notes that this list of projects shall include all sources of Union funding such as TEN-T, Horizon 2020, Cohesion and Regional Funds;
263. Urges the Commission to report every year how the remarks on the respective budget lines have been taken into account;
264. Recalls that the transport projects in the period between 2007 — 2013 and 2014 — 2020 have been and will be financed by multiple sources, including the CEF, the Cohesion Fund and the European Regional Development Fund; calls on the Commission to seek more synergy between different sources of funding to seek a more efficient allocation of Union funds;

Environment and public health

265. Is satisfied with the overall implementation of the budgetary headings for environment, climate action, public health and food safety in 2013; recalls again that only less than 0,5 % of the Union budget is dedicated to those policy instruments, while bearing in mind the clear Union added value in these fields and the support from Union citizens for Union environmental and climate policies, as well as for public health and food safety; regrets that this percentage has fallen to 0,5 % from 0,8 % in 2012;
266. Takes note of the presentation of the environment and health policy areas within the Court of Auditors' Annual Report for 2013; is concerned that both policy areas appear again in the chapter also devoted to rural development and fisheries; reiterates its criticism towards this composition of policy areas, and urges the Court of Auditors to revise its approach with the next annual report; refers in this connection to the Court of Auditors' Special Report No 12/2014 entitled 'Is the ERDF effective in funding projects that directly promote biodiversity under the EU biodiversity strategy to 2020?', which stresses the need for the Commission to maintain an accurate record of direct and indirect spending on biodiversity, including Natura 2000; urges the Member States to facilitate this process by providing accurate data;
267. Acknowledges that the Court of Auditors carries out random checks in the Member States very systematically and establishes the error rate on the basis thereof; notes that the Court of Auditors does not indicate in which Member States or in which areas the greatest problems arise; stresses therefore the need for a clear chain of accountability and, in this context, attaches great importance to the quality of control systems in the Member States;
268. Considers the progress in the implementation of 14 Pilot Projects (PPs) and six Preparatory Actions (PAs) amounting altogether to EUR 5 983 607 as satisfactory; encourages the Commission to continue implementing PPs and PAs as proposed by Parliament;
269. Notes that DG SANCO was responsible for implementing EUR 233 928 461 on public health budget lines in 2013, of which 98,1 % have been committed satisfactorily; is aware that roughly 77 % of that budget is directly transferred to three decentralised agencies (the European Center for Disease Prevention and Control, the European Food Safety Authority (EFSA) and the European Medicines Agency (EMA)) and that all credits were implemented at 100 % except for EMA and EFSA and that this under-execution of EMA and EFSA commitment appropriations corresponds to the outturn of 2012;

Culture

270. Welcomes the fact that in 2013, the budget execution rate for the 2007–2013 programmes, in particular Lifelong Learning (LLP), Culture, Media and Youth in Action programmes was 100 %; asks that the budget in the framework of the 2014–2020 Education and Culture programmes be strengthened and increased; is particularly worried that at the end of the year, the mismatch between the adopted commitment and payment appropriations resulted in shortage of payments (amounting in the Erasmus+ programme, for example, to a shortfall of EUR 202 million) with grave negative repercussions on the following year; is strongly concerned and also regrets that a similar situation might develop in the context of the new programmes, especially Erasmus+ and Creative Europe, which would in turn determine a dangerous loss of credibility by the Union and would undermine the citizens' trust in the Union institutions and have disastrous consequences on participants to the programmes;
271. Welcomes the fact that since its launch in 1987, the Erasmus programme has reached and surpassed the 3 million students benchmark; notes the sustained success this Union flagship programme — one that has contributed to European integration and the rising awareness of and sense of belonging to a common European citizenship — has enjoyed since its inception;
272. Is concerned that at a European level — as reported in the Eurobarometer Special Report 399 on cultural access and participation from 2013 — public budgets dedicated to the safeguarding and promotion of cultural heritage are noticeably decreasing, as is participation in traditional cultural activities; considers therefore that the new Union instruments to support the European Agenda for Culture — such as the Creative Europe and Horizon 2020 programmes, or the Europeana cultural platform — must be strengthened;

Measures to be taken

273. Takes note that the Director-General of Directorate-General for Research and Innovation issued a general reservation with regard to the accuracy of cost claims (EUR 3 664 million) for the FP7 in the Directorate-General's annual activity report, although he himself expects the 'net financial impact of errors', based on 1 552 closed projects, to be around 2,09 %, meaning close to the materiality threshold; considers that such reservations render the term 'sound financial management' meaningless; calls therefore on the Director-General to use reservations, in future, in a more specific and targeted way;
274. Calls on the Commission to provide information, in time for the 2013 Commission's discharge follow-up report, about the average length of adversarial procedures before recovery in this policy group;
275. Regrets that the Commission did still not send the list of beneficiaries by country; expects to receive an answer in the 2013 Commission discharge follow-up report;
276. Welcomes the fact that the Commission has finally granted the rapporteur access to the audit report on the operational costs for two programmes (Lifelong learning EUR 6,9 million, Youth in Action EUR 1,65 million) running in Turkey in 2012 and 2013; notes that the report was transmitted under the Framework Agreement; is concerned about important weaknesses found but welcomes the measures taken by the Turkish authorities to remedy the situation; asks the Commission to assess whether any financial corrections will have to be imposed;
277. Calls on the Commission to provide supplementary information on spending for the Information and Communication Technologies Policy Support Programme in time for the 2013 Commission's discharge follow-up report; notes that for this programme the amount of payments at risk could be as high as EUR 3,4 million in 2013 resulting in a residual error rate of 2,8 %; notes that in spite of these circumstances the Director-General of Directorate-General for Communications Networks, Content and Technology (DG CONNECT) did not issue a reservation;
278. Calls on the Commission to report comprehensively, in time for the 2014 discharge procedure, on the increasing 'policy-orientation' of the Directorate-General for Research and Innovation which was triggered by outsourcing the management of two-thirds of the FP7's operational costs to non-Commission bodies;
279. Asks the Commission to provide, in time for the 2014 discharge procedure, an overview listing the policy progress between FP7 and HORIZON 2020 for researchers and SMEs;

The European Anti-Fraud Office (OLAF)

280. Welcomes the ongoing discussions between OLAF and the OLAF Supervisory Committee (SC) on the revision of the Working Arrangements (WA) and encourages them to reach a common and satisfactory agreement; takes note of the efforts of OLAF to implement the WA; stresses that these efforts should not be disproportionate, considering the resource constraints in the office;
281. Points out that Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council ⁽¹⁾ in force since 1 October 2013 obliges OLAF to guarantee the independent functioning of the Supervisory Committee (OLAF-SC) Secretariat (Recital 40 of Regulation (EU, Euratom) No 883/2013); is unaware, at this stage, of measures taken to implement this legal obligation; urges the Commission to take immediate steps to remedy the situation;
282. Calls on OLAF to consult the OLAF-SC in a timely manner prior to modifying instructions to staff on investigation procedures and prior to setting investigation policy priorities;

⁽¹⁾ Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999 (OJ L 248, 18.9.2013, p. 1).

283. Regrets the fact that OLAF does not necessarily implement the OLAF-SC's recommendations, sometimes even without giving a justification; calls on the Director-General to improve his cooperation in this respect;
284. Recalls that OLAF opened 423 investigations on 31 January 2012; is concerned about the legality of such a procedure; calls on the OLAF-SC to assess the legality of the 423 investigations opened over night and the outcome of those investigations; also asks the OLAF-SC to assess the statistics on the duration of investigations, to analyse the functioning of the case management system and to report back to Parliament;
285. Calls on the OLAF-SC to also assess the statistics on the duration of investigations, to analyse the functioning of the case management system and to report back to Parliament's competent committee;
286. Asks OLAF to provide more detailed statistics on the frequency of the opening and closing of investigations in its Annual Report;
287. Asks OLAF to provide more information to Parliament on the practicalities of the procedure of the case selection process, and the length and internal guidelines of the process;

Administration

288. Points out that over the last four years (2011-2014), 336 145 applications were received for all selection procedures launched by the European Personnel Selection Office, that the average cost of processing one application can be estimated at EUR 238 and that less than 10 % of those candidates are finally placed on a reserve list; demands that Union taxpayers' money be saved by cutting red tape and prolonging the validity of the established reserve lists to at least two years; demands the Commission to report on this issue by June 2015;
289. Asks that the Commission provide Parliament with information about the highest pension paid in 2013 for Commission officials;
290. Is worried about the Court of Auditors' finding that provisions for dealing with poorly performing staff are rarely used; calls on the Commission to fully apply the Staff Regulations;
291. Asks for information about staff outside the establishment plan and staff costs financed from headings other than 'administration'; regrets that no consolidated information is provided to the budgetary authority about the total number of such staff or about the associated staff expenditure in the Commission;
292. Recalls that Council Regulation (EC, Euratom) No 723/2004 ⁽¹⁾ introduced in Annex 1.A two new grades, AD13 and AD14, accessible to staff without management responsibilities which was limited previously to A4 (being equivalent to AD12); calls on the Commission to update the 2011 report on career equivalence and report on the staff expenditure generated in 2013 by non-management AD13 and AD14 staff;
293. Asks the Commission to provide information about the financing of all social, sports and cultural measures for its staff, including the benefits of those measures on the performance and the integration of expatriates and their families;
294. Asks the Commission to report on the use of flexitime in the follow-up to the 2013 Commission discharge;
295. Is worried about the substantial increase in the number of high officials with grades AD 13 to AD 16; sees a reputational risk for the Union as it is difficult to explain that overtime is not seen to be included in such high salaries;

⁽¹⁾ Council Regulation (EC, Euratom) No 723/2004 of 22 March 2004 amending the Staff Regulations of officials of the European Communities and the Conditions of Employment of other servants of the European Communities (OJ L 124, 27.4.2004, p. 1).

296. Notes that the differences in pay levels for civil servants working for Union institutions and for those working for national administrations, remain very high, leading, inter alia, to a lack of mobility between staff at a Union level and at national levels; calls on the Commission to carry out an in-depth study on the reasons for these differences and to develop a long-term strategy to reduce these differences, whilst paying particular attention to the different allowances (family, expatriation, installation and resettlement allowances), annual leave, holidays, travel days, and compensation for over-time;
297. Points to the notice issued by the Commission Secretariat-General on limiting answers to parliamentary questions, which lays down a 20-line limit; calls on the Commissioners to shoulder their political responsibility and stop allowing themselves to be limited by the Secretariat-General in their answers;
298. Is concerned about the protection afforded to whistle-blowers and calls on the Commission to ensure that their rights are fully upheld;
299. Points out that non-governmental organisations (NGOs) received in 2013 almost EUR 9 million from DG Environment, almost EUR 4 million from DG Health and Consumers and EUR 5,7 million from DG Employment, Social Affairs and Inclusion; takes note of a permanent externalisation of Commission tasks; asks the Commission to present to the Parliament the Union added value of the money channelled via these NGOs;
300. Calls on the Commission to provide Commissioners who have been in office for less than two years with a transitional allowance for a period which does not exceed their term of office as a Commissioner;
301. Considers that in times of crisis and general budget cuts, expenditure on away days for Union staff should be reduced and that such activities should, as far as possible, be confined to the places of work of the institutions, since the resulting added value does not justify such high costs;
302. Is concerned about the lack of women in positions of responsibility at the Commission; calls on the Commission to launch an equal opportunities scheme designed to remedy this imbalance as soon as possible, particularly at management level;

Getting results from the Union budget

303. Regrets the fact that despite some progress reported by the Court of Auditors ⁽¹⁾ the fourth evaluation report as provided for in Article 318 TFEU is not yet a useful contribution to the discharge activity while according to the TFEU, it should be part of the evidence when Parliament gives discharge each year to the Commission in respect of the budget; is concerned that the lack of focus on performance is a major problem of the Union budget;
304. Notes that in its 2013 report, the Court of Auditors concludes that Member States, when selecting projects under shared management, have focused first on the need to spend the Union money available, rather than on their expected performance; requests that in order to reverse this incentive and to change towards a culture of good performance, an independent high-level working group (including academics) on the performance of the Union budget be convened in order to make recommendations to structurally shift the incentive from spending to good performance, based on an assessment of Union added value, while respecting compliance with the rules; is of the opinion that the findings of this high-level working group should be available in due time before the mid-term review of the current MFF and form the basis for the new MFF programming period;
305. Reiterates its demand that the Directorates-General of the Commission define in their Management Plan a limited number of simple targets, meeting the Court of Auditors' requirements in terms of relevance, comparability and reliability and linked to the main goals of the Europe 2020 strategy that they report on their achievement in their annual activity report in a chapter entitled 'Policy Achievements' and that the Commission adopts on that basis the evaluation report on the Union's finances as provided for in Article 318 TFEU;

⁽¹⁾ See Court of Auditors' Annual Report for 2013, point 10.24.

306. Demands that the Commission includes in the next evaluation reports provided for in Article 318 TFEU an analysis of the efficiency, the effectiveness and the results achieved in terms of growth and jobs by the investment plan of EUR 315 billion announced by the President of the Commission, Jean-Claude Juncker, on 26 November 2014 in the plenary session of Parliament;
307. Demands that in the next evaluation report provided for in Article 318 TFEU, the Commission includes an analysis made in cooperation with the European Investment Bank on the efficiency, the effectiveness and the results achieved by the Growth and Jobs plan of EUR 120 billion adopted by the European Council in its meeting of 28 and 29 June 2012;
308. Insists that the internal organisation of the Commission, chaired by Jean-Claude Juncker, should take into consideration the fact that the Union growth and jobs strategy is not based on activities led by each individual DG but encompasses seven cross-cutting flagship initiatives which are implemented each time by several Directorates-General; insists that the coordination and cooperation therefore needed within the Commission should not create new forms of bureaucracy and red tape;
309. Calls on the Commission to manage its budget in such a way that there are no thematic policy overlaps and duplications amongst its various DGs with similar or nearly identical competences;
310. Considers that the concept/idea of Sustainability Impact Assessment Studies is to be applied for all types of financial support, not only in the Commission expenditure, but in all Union institutions, bodies and agencies; considers that expenditure which does comply with an impact assessment study/analysis should not be permitted and allowed;
311. Requests that the Commission submit a comprehensive report on its activities to Parliament's competent committee by September 2015 in order to encourage whistle-blowing by the wider public;

Executive agencies

312. Regrets that according to the audit report on the annual accounts of the Trans-European Transport Network Executive Agency ⁽¹⁾, the Agency does not perform the satisfactory *ex ante* verification on the charges for its premises invoiced by the building manager resulting in EUR 113 513 of VAT unduly paid and not recovered in 2013 by the Executive Agency; notes that most of the underlying contracts, invoices and receipts were not at the Executive Agency's disposal; points out the high carry over rate for Title II (27 % equivalent to EUR 666 119) which raises questions as the sound financial management of this Executive Agency;

Tobacco smuggling

313. Recalls that Parliament asked in the resolution accompanying the 2012 Commission discharge for an assessment of the existing agreements with the four tobacco groups (Philip Morris International Corporation Inc. (PMI), Japan Tobacco International Corporation, British American Tobacco Corporation and Imperial Tobacco Corporation); notes that during the *in camera* hearing on this issue, the Commission committed to presenting, by May 2015, an assessment of the experiences made with respect to the agreement with PMI which expires soon.

⁽¹⁾ See Court of Auditors' report on the annual accounts of the Innovation and Networks Executive Agency (formerly the Trans-European Transport Network Executive Agency) for the financial year 2013, together with the Agency's replies (OJ C 442, 10.12.2014, p. 358), points 11 to 13.

RESOLUTION OF THE EUROPEAN PARLIAMENT
of 29 April 2015
on the Court of Auditors' special reports in the context of the 2013 Commission discharge

THE EUROPEAN PARLIAMENT,

- having regard to the general budget of the European Union for the financial year 2013 ⁽¹⁾,
 - having regard to the consolidated annual accounts of the European Union for the financial year 2013 (COM(2014) 510 — C8-0140/2014) ⁽²⁾,
 - having regard to the Court of Auditors' annual report on the implementation of the budget for the financial year 2013, together with the institutions' replies ⁽³⁾,
 - having regard to the statement of assurance ⁽⁴⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to its decision of 29 April 2015 on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section III — Commission ⁽⁵⁾ and to its resolution with observations that forms an integral part of that decision,
 - having regard to the special reports of the Court of Auditors drawn up pursuant to second subparagraph of Article 287(4) of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Commission in respect of the implementation of the budget for the financial year 2013 (05303/2015 — C8-0053/2015),
 - having regard to Articles 317, 318 and 319 of the Treaty on the Functioning of the European Union,
 - having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁷⁾, and in particular Articles 62, 164, 165 and 166 thereof,
 - having regard to Rule 93 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0067/2015),
- A. whereas, under Article 17(1) of the Treaty on European Union, the Commission is to execute the budget and manage programmes and is to do so, pursuant to Article 317 of the Treaty on the Functioning of the European Union, in cooperation with the Member States, on its own responsibility, having regard to the principles of sound financial management,
- B. whereas the special reports of the Court of Auditors provide information on issues of concern related to the implementation of funds, which are thus useful for Parliament in exercising its role of discharge authority,

⁽¹⁾ OJ L 66, 8.3.2013.

⁽²⁾ OJ C 403, 13.11.2014, p. 1.

⁽³⁾ OJ C 398, 12.11.2014, p. 1.

⁽⁴⁾ OJ C 403, 13.11.2014, p. 128.

⁽⁵⁾ Texts adopted, P8_TA(2015)0118 (see page 25 of this Official Journal).

⁽⁶⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁷⁾ OJ L 298, 26.10.2012, p. 1.

- C. whereas its observations on the special reports of the Court of Auditors form an integral part of Parliament's abovementioned decision of 29 April 2015 on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section III — Commission,

Part I Special Report No 11/2013 of the Court of Auditors entitled 'Getting the Gross National Income (GNI) data right: a more structured and better-focused approach would improve the effectiveness of the Commission's verification'

1. Calls on the Commission to carry out a structured and formalised analysis that takes into consideration costs and benefits allowing it to plan and prioritise its verification on specific areas or compilation (sub-) processes; is of the opinion that such an analysis should consider the risks relating to the Member States' compilation of their national accounts and the relative size of the GNI components in the total economy; considers that this risk assessment should be based on all qualitative and quantitative information available in all departments of Eurostat and concentrate on the compilation procedures described in GNI inventories and recent GNI quality reports of Member States;
2. Calls on the Commission to shorten the duration of its verification cycle in order to limit the use of general reservations; considers that such reservations should be limited to exceptional cases where there are significant risks that the Union's financial interests are not protected, for example when a Member State carries out a major revision during the verification cycle or at irregular intervals;
3. Calls on Eurostat to report clearly and in a timely manner to the GNI Committee on cases where the cost-benefit principle is considered to apply;
4. Expects that the Commission's verification process involves a structured and formalised qualitative risk assessment of the compilation procedures described in the GNI inventories and in-depth verification of material and risky GNI components; believes that the selection of GNI components for in depth verification should be made in accordance with the cost-benefit analysis described in Recommendation 1; is of opinion that the scope and objectives of in-depth verification should be broader than those of direct verification carried out by Eurostat in the recent verification cycle;
5. Calls on the Commission to pay particular attention in its verifications to the exhaustiveness of Member States' GNI and the use of comparable estimation procedures to cover the underground economy in national accounts; calls on Eurostat to check whether the Commission's guidelines are followed by all Member States and to take appropriate actions to ensure a comparable treatment of this issue between Member States;
6. Calls on the Commission to document its work including a complete set of information relating to Eurostat's verification carried out on the basis of desk checks and/or of visits in the national statistical institutes (NSIs); considers that Eurostat's control files should allow management to clearly identify the results of the checks carried out on the selected GNI components, in compliance with the internal control standards (ICS);
7. Calls on Eurostat to assess, where possible, the potential impact (for quantifiable observations) and/or the amount at risk (for non-quantifiable observations) of the action points, and set clear materiality criteria in order to set specific reservations; considers that these criteria should be either qualitative or quantitative; is of the opinion that as a general rule, reservations should be placed on specific GNI components relating to action points not addressed by the NSIs within the deadlines set and whose impact may be material;
8. Calls on Eurostat to improve coordination between its department in charge of the verification of GNI for own resource purposes and its other departments, in particular those dealing with national accounts; considers that, where possible, actions undertaken by other Eurostat's departments may have an impact on the compilation of the gross domestic product (GDP) and/or GNI, the GNI Committee should be consulted and the final decision on these measures should be taken at an appropriate hierarchical level in Eurostat;
9. Calls on Eurostat to improve its assessment reports to provide a complete, transparent and consistent evaluation of the Member States' GNI data; considers that the annual opinions of the GNI Committee should include a clear assessment on whether Member States' GNI data are appropriate (or not) for own resource purposes, whether

their contents comply with the requirements of Council Regulation (EC, Euratom) No 1287/2003 ⁽¹⁾ (GNI Regulation) and whether they are used appropriately in the budgetary procedure as provided for in Council Regulation (EC, Euratom) No 1150/2000 ⁽²⁾ (the own resources' Regulation);

10. Is of the opinion that the Annual Activity Reports (AARs) of DG Budget and Eurostat should provide a true and fair view of the verification of Member States' GNI data and of the management of GNI-based own resources; calls, therefore, on the Commission to establish requirements for Eurostat to report regularly on the results of its verification of GNI data, allowing DG Budget to draw the required assurance to be used in the context of its AARs;

Part II Special Report No 13/2013 of the Court of Auditors entitled 'EU Development Assistance to Central Asia'

11. Welcomes the special report assessing the EU development assistance to Central Asia; takes note of the findings, conclusions and recommendations and sets out its observations and recommendations below;

General remarks

12. Welcomes the observations of the report that the Commission and the European External Action Service (EEAS) have undertaken significant efforts in a rather challenging geographical and political context;
13. Points out, however, that there is still room for improvement for the better targeting and tailoring of the Union development strategies through adequate assistance patterns to enhance the visibility and impact of the Union political objectives at regional level;
14. Emphasises the fact that the level and nature of the Union's engagement must be differentiated and conditional, depending on measurable progress in the fields of democratisation, human rights, good governance, sustainable socioeconomic development, the rule of law and the fight against corruption, offering its assistance where needed to help foster this progress, following lines similar to the principles of the Union's neighbourhood policy;
15. Considers that the continued promotion by the Union of programmes targeted at the Central Asian countries is an important trans-border tool for fostering understanding and cooperation among the countries of the region;
16. Points out that development cooperation with the Central Asian countries can yield results only if these countries comply with international standards of democracy, governance, the rule of law and human rights; emphasises likewise that Union development cooperation must not be subordinated to economic, energy or security interests;

Future developments with regard to the planning and implementing of the coming development assistance

17. Considers that the Commission should design any future regional programmes so that they are likely to achieve a genuine regional dimension;
18. Asks the Commission to concentrate all assistance provided on a small number of sectors;
19. Points out that the coming development assistance should be enhanced, on the one hand, through intensified internal Union coordination and, on the other hand, through intensified engagement with other international donors and regional stakeholders;
20. Strongly supports the opening of fully fledged Union delegations in all the countries of Central Asia as a means of increasing the presence and visibility of the Union in the region and long-term cooperation and engagement with all sectors of society and of fostering progress towards better understanding and the emergence of the rule of law

⁽¹⁾ Council Regulation (EC, Euratom) No 1287/2003 of 15 July 2003 on the harmonisation of gross national income at market prices (GNI Regulation) (OJ L 181, 19.7.2003, p. 1).

⁽²⁾ Council Regulation (EC, Euratom) No 1150/2000 of 22 May 2000 implementing Decision 94/728/EC, Euratom on the system of the European Communities' own resources (OJ L 130, 31.5.2000, p. 1).

and respect for human rights; considers that the presence of such delegations will greatly contribute to the achievement of the objectives of the development assistance;

21. Calls on the Commission to set up a system for calculating and reporting on the overall administrative cost involved in delivering its development assistance;
22. Requests that the Commission define and apply robust and objectively verifiable conditions for any continuing budget support programmes, in particular giving sufficient attention to support for anti-corruption mechanisms;
23. Recalls that corruption is a serious problem in Central Asian countries; points out that in Transparency International's Corruption Perception Index, all Central Asian countries were rated at less than 28 out of 100 in 2011, with Kyrgyzstan, Turkmenistan and Uzbekistan in the bottom 10 % of the 182 countries surveyed;
24. Considers that such pervasive corruption may affect the Commission's reputation and reduce the effectiveness of the support programmes;
25. Is of the opinion that disbursement decisions should be based on progress achieved by partner countries rather than on their commitments to reform; underlines the importance of ensuring an appropriate policy dialogue based on an incentive-based approach and a continuous monitoring of sector reforms and programmes measuring performance and the sustainability of the results;
26. Calls for greater transparency in the allocation of funds by Union and Member States' embassies to support genuinely independent non-governmental partners so as to help them play an effective role in the development and consolidation of civil society;
27. Requests that the Commission improve the programme design and delivery in light of lessons learnt and changing circumstances;
28. Asks the Commission to report on results and impact in a way that allows comparison with plans and objectives;

Part III Special Report No 15/2013 of the Court of Auditors entitled 'Has the Environment component of the LIFE programme been effective?'

29. Highlights the need for the LIFE Programme to act as a catalyst for changes in policy development and implementation; stresses the need for the Commission to set clear, specific, measurable and achievable objectives for projects to be funded;
30. Emphasises the need for projects financed by the LIFE Programme to contribute to the achievement of the specific objectives of more than one of the Programme's priority areas; underlines the need of the funded projects to avoid isolation and on the contrary to encompass transnational character, and to contribute in a measurable fashion to dissemination, sustainability and replication of their output across other Member States;
31. Notes that selection of the best projects can sometimes be distorted by the national allocations; encourages the Member States to keep a geographical balance by proposing more integrated projects, but reiterates that the funds should be first of all distributed based on the merits of the projects and not in a manner detrimental to the quality of the projects;
32. Notes that particular attention should be paid to potential of projects to be disseminated, sustained and replicated; calls on the Commission to set clear indicators assessing dissemination, sustainability and replication potential of assessed projects in order to achieve the programme's objectives; encourages the Commission to follow up on these objectives;
33. Calls on the Commission to improve its programme management tools in order to avoid non-transparent selection procedures; considers that this includes improvement of the project selection evaluation forms, introducing detailed templates for assessments of the claimed costs, appropriate project monitoring, introducing adequate common output and result indicators, and thorough follow-up of project monitoring;

Part IV Special Report No 16/2013 of the Court of Auditors entitled ‘Taking stock of “single audit” and the Commission’s reliance on the work of national audit authorities in cohesion’

34. Emphasises the potential efficiency gains from a single audit chain based on common principles and standards; encourages the Member States, the Commission and the Court of Auditors to continue their efforts in this respect; considers that such a single audit system should also take account of multiannual programme cycles;
35. Reminds the Commission of Parliament’s remarks ⁽¹⁾ concerning the Court of Auditors’ findings in its 2012 Annual Report: ‘[s]tresses that the findings of the Court of Auditors’ audit indicate weaknesses in the “first-level checks” on expenditure [in Member States]; observes that, for 56 % of the regional policy transactions affected by error (quantifiable and/or non-quantifiable), the Court of Auditors considers that sufficient information was available for the Member State authorities to have detected and corrected one or more of the errors before certifying the expenditure to the Commission’; notes that this is why Parliament endorsed the reservation issued by the Director-General of DG REGIO concerning ERDF/Cohesion Fund/IPA management and control systems for the 2007-2013 programming period in 17 Member States (72 programmes) and asked for rapid actions to be taken;
36. Remains therefore convinced that Member States must become much more vigilant when managing structural funds;
37. Emphasises in this context the significance of introducing national declarations, signed at the appropriate, preferably political, level, and building on annual management declarations (Article 59(5) of the Financial Regulation);
38. Welcomes the fact that since 2009 the Commission has carried out extensive audits on the spot to review the work of audit authorities; notes that it carried out 269 audit missions and reviewed 47 and 84 Audit Authorities for ERDF and ESF, respectively; notes that the missions covered approximately 96 % and 99 % of the total allocations, respectively; is of the opinion that during a financing period the Commission should audit all operational programmes (OP) at least once;
39. Welcomes the Commission’s use of payment interruptions and suspensions when errors exceed the 2 % materiality threshold; considers that these are useful instruments to protect the Union’s financial interests and is convinced that the Commission should concentrate their own audit efforts on ‘bad performers’;
40. Is of the opinion that Member States should supply the Commission with sufficiently detailed information about their audits;
41. Supports the Court of Auditors’ recommendation that the Commission should take appropriate measures so that audit authorities can draw on a stable and binding methodological framework which ensures that Union spending in all Member States is checked according to the same standards and that the results are reported accurately;
42. Notes with satisfaction that the Commission presented on 13 December 2013 a communication on the application of net financial corrections on Member States for Agriculture and Cohesion Policy (COM(2013) 934); emphasises however that it will depend on many factors whether the new instrument will lead to more net corrections and hence to a lower error rate in cohesion policy;
43. Calls on the Court of Auditors and the Commission to develop an audit instrument which, on the one hand, records annually errors and irregularities while, on the other hand, also takes into consideration financial correction during the programming period;
44. Welcomes the fact that the Commission has updated the roadmap for the implementation and monitoring of the correct implementation of the ‘single audit’ principle in September 2013, compliance with which should put national authorities in a position to obtain the ‘single audit status’; requests a copy of this document;

⁽¹⁾ Resolution of the European Parliament of 3 April 2014 with observations forming an integral part of the decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2012, Section III — Commission and the executive agencies (OJ L 266, 5.9.2014, p. 32).

45. Is sensitive to the idea that control of expenditure could represent an administrative burden; considers that the obligation of accountability must not discourage potential beneficiaries from applying for financial assistance;

Part V Special Report No 17/2013 of the Court of Auditors entitled 'EU Climate Finance in the context of External Aid'

46. Welcomes the special report examining Union climate finance in the context of external aid as an important contribution to the overall political and financial debate about the Union's climate policy and diplomacy; takes note of the findings, conclusions and recommendations and sets out its observations and recommendations below;

General remarks

47. Welcomes the findings of the report which show that the Commission has managed Union climate-related spending from the Union budget and the European Development Funds (EDF) well;
48. Welcomes also the work begun by the Commission and Member States on a common Union standard for monitoring, reporting and verification of public climate finance;
49. Reiterates Parliament's position, of which the Court of Auditors took note in its special report, which insists that climate finance should be additional to the 0,7 % target; regrets the failure to confirm Parliament's concept of additionality in the Development Cooperation Instrument (DCI) negotiations;
50. Points out however that there is a need for the Commission to exercise sufficient leadership to maximise its international impact and to consolidate the tools for shaping conditions for the Union's climate/green diplomacy in future years, in particular to deliver the climate-related benchmarks within the DCI as adopted in December 2013, stating that it 'should contribute to the overall objective of addressing at least 20 % of the Union budget to low carbon and climate resilient society, and that GPGC should use at least 25 % of its funds to cover climate change and environment (Recital 20 of the DCI)'; points out that Annex IV to the DCI also specifies that under the Global Public Goods and Challenges (GPGC) programme, 27 % of the funds are allocated to Environment and Climate Change and at least 50 % of the GPGC programme will serve for climate related action and environment-related objectives;
51. Welcomes the fact that a commitment to improving EU Joint Programming since 2011 has been made in some 40 countries; points out however that coordination between the Commission and Member States in climate finance for developing countries still needs to be improved considerably to not only meet the 2020 commitment but to also allow the Union to stay a frontrunner in terms of climate actions and to combat corruption in developing countries;
52. Reiterates Parliament's support for joint programming and its recognition of the significant progress made on this; looks forward to being re-consulted, as promised by the Commission, if such programming leads to changes in the DCI programming;
53. Notes the explanations about the difficulties in tracking and reporting due to the divergent reporting practices of Member States given in the Accountability Report from the Commission on Financing for Development, published on 3 July 2014 in the form of a Staff Working Paper, including a section in Volume I on Climate Finance which provides information on Union climate financing; notes that the report repeats the figure of EUR 7,3 billion of Fast Start Finance made available by the Union and Member States, and urges further improvements in reporting on the impact and results of development aid;

Future developments

54. Calls for more earmarking of funds to specific sectors, including climate finance when channelled via Budget Support, and more transparency over the use of funds overall;

55. Considers that the Commission and the EEAS should strengthen their communication policy, both on the support provided globally or to individual recipient countries and to project the Union's values;
56. Recognises that corruption remains a significant barrier to effective climate finance and urges the Commission to step up its efforts in regards to working with development partners on anti-corruption issues;
57. Requests that the Commission propose a road map to the Council for the scaling-up of climate finance towards the Copenhagen Accord 2020 target, including a definition of private finance;
58. Requests that the Commission make an independent evaluation of the Global Climate Change Alliance, including an examination of why most Member States did not choose to co-finance it;
59. Asks the Commission and the EEAS to report on the extent to which the target of spending 20 % of the Union budget and the EDF over 2014 to 2020 on climate related action is implemented in development aid, specifying what has been committed and disbursed;
60. Calls on the Commission and Member States, in the framework of Regulation (EU) No 525/2013 of the European Parliament and of the Council ⁽¹⁾ (Monitoring Mechanism Regulation), to agree common standards for monitoring, reporting and verification, in particular with respect to the definition of 'new and additional', the application of the Rio Markers and reporting on the disbursement of climate finance;
61. Invites the Commission and Member States to intensify their cooperation to implement the EU Code of Conduct on Division of Labour in the field of climate finance, notably with respect to the exchange of information on allocations by countries, joint programming and preventing and combatting corruption in climate finance;

Part VI Special Report No 18/2013 of the Court of Auditors entitled 'The reliability of the results of the Member States' checks of the agricultural expenditure'

62. Acknowledges that the systems examined in the Special Report No 18/2013 have been changed by the new CAP (Common Agricultural Policy) regulations, with increased responsibilities given to the certification bodies in the Member States in the field of the verification of legality and regularity of expenditure and the verification of control results communicated to the Commission;
63. Welcomes the ongoing efforts of the Commission for the simplification of CAP; expects that the simplification of eligibility criteria leads to the simplification of control rules and can contribute towards a lower error rate;
64. Reminds the Commission to ensure that the problems encountered are not repeated; recalls that the Court of Auditors' findings in its 2012 Annual Report were as follows:
 - (a) that the supervisory and control systems of the Member States for expense payments and for rural development were partially effective and that for a significant number of transactions affected by error, the national authorities had enough information to detect and correct the errors concerned;
 - (b) that the effectiveness of the Integrated Administration and Control System (IACS) is adversely affected, mainly by inaccurate databases used for cross-checks;
65. Stresses that on 3 April 2014, Parliament endorsed the reservation of the Director-General of DG AGRI in its Annual Activity Report for 2012 as regards the deficiencies found by the Commission and the Court of Auditors in the eligibility of land; reiterates that Parliament asked, in particular, that permanent pasture should be properly recorded in the land parcel identification system (LPIS) and that it should be informed by the Commission on a 6-month basis on progress made;

⁽¹⁾ Regulation (EU) No 525/2013 of the European Parliament and of the Council of 21 May 2013 on a mechanism for monitoring and reporting greenhouse gas emissions and for reporting other information at national and Union level relevant to climate change and repealing Decision No 280/2004/EC (OJ L 165, 18.6.2013, p. 13).

66. Asks the Commission and the Member States to take immediate remedial action when administrative and control systems, and/or IACS databases, are found to be deficient or out of date;
67. Urges the Commission and the Member States to ensure that payments are based on inspection results and that those inspections are of the necessary quality to determine eligible areas in a reliable and consistent manner;
68. Urges the Commission to ensure that the design and quality of the work performed by the paying agencies and the certification bodies provide a reliable basis for the assessment of the legality and regularity of underlying transactions; maintains that in order to achieve this, the Commission should work towards the goal of a single audit strategy for the CAP control system;
69. Welcomes the change in the approach used by DG AGRI to calculate the residual error rate for decoupled area aid in 2012, as it takes into account the fact that the inspection statistics, the declarations of the directors of paying agencies and the work carried out by the certification bodies can be affected by deficiencies impacting their reliability; calls for this new approach to extend to all CAP expenditure in DG AGRI's Annual Activity Reports in the new funding period;
70. Reminds the Commission that it has endorsed the reservation contained in DG AGRI's annual activity report for the total EAFRD expenditure for 2012 and that this reservation is due to concerns about the quality of controls in some Member States, as well as the error rate reported by the Court of Auditors;
71. Calls on the Member States to carry out their existing administrative checks in an efficient way by using all relevant information available to the paying agencies, as this has the potential to detect and correct the majority of the errors;
72. Calls on the Commission and Member States to focus on the cost-efficiency of controls as an area of importance, specifically by further developing the use of risk-based controls;
73. Calls on the Commission to ensure in the area of rural development that uniform standards and procedures are being equally applied and observed, both by its approving and auditing bodies;

Part VII Special Report No 1/2014 of the Court of Auditors entitled 'Effectiveness of EU-supported public urban transport projects'

74. Emphasises that the European Structural and Investment Funds ('ESI funds') are the single most important source for Union funding for urban mobility projects and that such projects are not only crucial for the accessibility of urban areas in the Union's less developed regions but that they also have important social and environmental aspects for the quality of life of Union citizens;
75. Stresses the increasing importance of continued Union financial assistance, considering in particular the negative consequences of growing urban sprawl and the prospect of the further steady growth of the urban population;
76. Stresses the need to ensure that the delivery of urban mobility projects both by the Commission and Member States must therefore be responsible, effective and efficient, pursuing concrete results rather than the absorption of the available funds;
77. Reiterates, while mindful of the principle of subsidiarity, the call on Member States made in the Commission's communication of 17 December 2013 entitled 'Together towards competitive and resource-efficient urban mobility' (COM(2013) 913):
 - (a) to ensure the detailed assessments of the present and future performance, the coordination and the integration of Sustainable Urban Mobility Plans (SUMPs) into wider urban and territorial strategies, amending, where necessary, technical and other tools at the disposal of planning authorities;
 - (b) to focus on appropriate vehicles in addition to infrastructure as a tool to deliver sustainable urban mobility in urban logistics;

78. Calls on the Commission and authorities in Member States, taking note of the negative impact of the financial crisis on the usage of transport systems, to pay more attention to the objectives, targets and indicators, in particular those in the project application forms, in order to identify potential risks and guard against any optimism bias in future projects and to avoid the kind of over-runs in time and cost mentioned in the special report;
79. Urges the Commission to perform more thorough cost-benefit analyses of indicative budgets of urban transport projects and to share best practices with the Member States, as well as encourage such exchanges among them, thus supporting authorities in successfully developing projects that are not subject to the Commission's approval;
80. Insists that the Commission encourages the use of Jaspers (Joint Assistance to Support Projects in European Regions) by Member States and that it fully exploits its potential for assisting in the development and assessment of the quality of urban transport projects financed by ESI funds;
81. Draws attention, however, to the fact that public urban transport is not simply a revenue-generating activity but is also a crucial, and at times irreplaceable, element of urban mobility systems for many large cities, even in more developed regions, as these also suffer from 'the urban paradox' due to the existence of socially vulnerable constituencies;
82. Asks therefore that the relevant authorities take into full consideration the social dimension of public urban transport projects, based on appropriate justifications included in the application form;
83. Asks the Commission to quickly adopt the relevant implementing and delegated acts in order to prevent potential delays, recognising that transport projects usually require considerable time for elaboration and implementation;
84. Insists that the elements set out in the Annex to the abovementioned Commission communication of 17 December 2013 be implemented, including:
 - (a) comprehensive status analysis and baseline through an 'urban mobility performance audit', against which future performance can be measured;
 - (b) the identification of 'hotspots' within the urban areas where performance of the present transport system is particularly poor;
 - (c) suitable performance indicators which can then be properly monitored;
 - (d) specific performance objectives which are realistically ambitious with regard to the objectives of a SUMP;
 - (e) measurable targets, based on a realistic assessment of the baseline and available resources, to reflect the specific SUMP objectives;
85. Points to the lack of sufficient indicators for the measurement of the effectiveness of the urban transport projects listed in Regulation (EU) No 1301/2013 of the European Parliament and of the Council ⁽¹⁾ (the ERDF Regulation) and insists that the Commission includes in the implementing and delegated acts relating to these kinds of projects more appropriate indicators taking into consideration the indicators recommended by the Court of Auditors;

Part VIII Special Report No 2/2014 of the Court of Auditors entitled 'Are Preferential Trade Arrangements appropriately managed?'

86. Welcomes the special report evaluating the management of preferential trade arrangements, in the context of the Union's exclusive competence, as an important contribution to the overall political debate about the Union's external trade and development policies; takes note of the findings and recommendations and sets out its observations and recommendations below;

⁽¹⁾ Regulation (EU) No 1301/2013 of the European Parliament and of the Council of 17 December 2013 on the European Regional Development Fund and on specific provisions concerning the Investment for growth and jobs goal and repealing Regulation (EC) No 1080/2006 (OJ L 347, 20.12.2013, p. 289).

General remarks

87. Expresses serious concerns about the fact that the Commission has not appropriately assessed all the economic effects of Preferential Trade Agreements (PTAs) and also the fact that the completeness of revenue collection is not ensured;
88. Recalls that it is a top priority to adequately inform the policymakers, various stakeholders and Union taxpayers of the main added value and disadvantages of the different trade policy options and scenarios;
89. Finds it unacceptable that sustainability impact assessments (SIAs) are in some cases missing, incomplete, based on old or outdated information or, in other cases (Chili), only available after the agreement was signed;
90. Insists that before signing any new agreement, the underlying SIA study should be finalised and made public;
91. Regrets that partners under the generalised system of preferences (GSP system) did not sign up in all cases to international conventions on human and labour rights; calls on the Commission to put more emphasis on the environment and good governance in PTAs;
92. Would like to be informed of measures taken by the Commission on the basis of the recommendations and observations by Parliament and the Court of Auditors by October 2015;

Future developments

93. Is of the opinion that in order to improve the assessment of the economic effects of PTAs, the Commission should:
 - (a) carry out an impact assessment (IA) and a SIA for each PTA, providing an in-depth, comprehensive and quantified analysis of the expected economic effects, including an accurate estimate of revenue foregone;
 - (b) involve Eurostat routinely in the quality assessment of the statistical data sources used in SIAs and ensure the timeliness of the analysis carried out for negotiators;
 - (c) carry out interim and *ex post* evaluations on all PTAs in order to assess the extent to which PTAs with a significant impact meet their policy objectives and how their performance can be improved in key sectors and including an estimate of revenue foregone;
94. Calls on the Commission, in order to improve the protection of the Union's financial interests, to:
 - (a) create Union risk profiles on PTAs so that Member States have a common approach to risk analysis in order to reduce losses to the Union budget;
 - (b) verify that Member States improve the effectiveness of their risk management systems and control strategy to reduce losses to the Union budget;
 - (c) encourage Member States to adopt appropriate precautionary measures upon receipt of a mutual assistance (MA) communication;
 - (d) evaluate and carry out monitoring visits on a risk basis to countries benefiting from preferential treatment in particular regarding the rules of origin and cumulation;
 - (e) oblige the Member States to improve the quality of the information they provide concerning administrative cooperation;
 - (f) improve the financial follow-up of European Anti-Fraud Office (OLAF) investigations in order to prevent losses to the Union budget due to time-barring;

- (g) reinforce the Union's position in reciprocal PTAs and make more use of precautionary and safeguard measures including them in all future trade agreements;
- (h) provide an overview of recoveries made over the period 2010 till 2014 without delay;
- (i) inform Parliament of the results of the Compact initiative in Bangladesh;

Part IX Special Report No 3/2014 of the Court of Auditors entitled 'Lessons from the European Commission's development of the second generation Schengen Information System (SIS II)'

- 95. Welcomes the findings and recommendations of the Court of Auditors' Special Report No 3/2014;
- 96. Criticises the Commission for not having provided enough expert staff at the outset of the project neither in terms of technical implementation nor of quality assessment related to the SIS II project;
- 97. Recommends the integration of every major IT project in the IT-governance procedure and to include not only experts from the Commission's Directorate-General for Informatics but also experts from other Directorates-General as well as external experts, in order to benefit better from internal expert knowledge;
- 98. Recommends that the Commission should benefit from the Member States' expertise right from the start of every major project and to set up a panel of experts consisting of representatives of the Member States in charge of the project; considers that the panel's mission and competencies of its members should be clearly defined;
- 99. Criticises the fact that both the Commission, who was meant to, inter alia, represent the interests of the SIS II-end users, and the leading stakeholders were not even aware of the technical and end users' requirements at the outset of the project;
- 100. Expects that for future projects the Commission, in cooperation with the Member States, establishes at the outset of the project an exact profile of technical and end-users' requirements to be met;
- 101. Considers it a waste of taxpayers' money that the Commission has published a general call for proposals for the project without having clearly defined its requirements;
- 102. Recommends that the Commission should establish a realistic business plan and timetable for future IT projects, based on clearly defined requirements in form and content and a clear analysis of costs and time planning taking into account the risks and complexity of the project;
- 103. Criticises the fact that the Commission has tried several times to cover up the delays and increasing costs;
- 104. Requests the highest possible transparency in future IT projects in terms of a continuous information cycle vis-à-vis Parliament's respective competent committee, especially when it comes to vital decisions triggering consecutive project's phases or unforeseen changes of costs, time planning or alternative solutions;
- 105. Is of the opinion that the conditions for enforcing indemnification claims should not have been limited in the contract with the main contractor agent; considers that future contracts should have an effective penalty mechanism to ensure a timely delivery meeting required standards;
- 106. Criticises the Commission for not having ended the contract with the main contractor agent, despite the poor results delivered in the first project phase;
- 107. Criticises the Commission for not having insisted on a component based development system for the implementation of SIS II; considers that had there been introduced linkable work blocks, complete elements could have been handed over to another contractor agent in order to avoid the binding to one specific contractor agent;

108. Criticises the Commission for having exceeded the value of the original contract by eight times of the original value by renegotiating the contract, despite point (e) of Article 126(1) of Commission Regulation (EC, Euratom) No 2342/2002 ⁽¹⁾ which foresees that the value of the contract shall not exceed more than 50 % of its original value;
109. Notes, in this regard, that point (b) of Article 134(1) of Commission Delegated Regulation (EU) No 1268/2012 ⁽²⁾ might have to be revised because the technical or artistic reasons binding the contracting authorities to one specific contractor or agent should not circumvent the protective provision in point (e) of that same paragraph and allow for the multiplication of the original value of the main contract to a disproportionate extent;
110. Notes that in the case of a considerable multiplication of the original costs of the project or major changes in terms of the expected benefits, risks or alternative solutions, the budget authority should have to give its prior approval;
111. Deplores the rededication of budgetary funds without the approval of the budget authority in several cases;
112. Welcomes the guidelines for project management, recommended by the Commission Directorate-General for Informatics since 2011; considers that on the basis of those guidelines the leading project committee has to approve the introduction of the next project steps, which is known as the so called 'approval gates';
113. Emphasises the need to look forward as by the end of this decade, SIS II might come to saturation point and SIS III will be needed; hopes in this regard that the preparations of SIS III will be significantly better conducted;

Part X Special Report No 4/2014 of the Court of Auditors entitled 'Integration of EU water policy objectives with the CAP: a partial success'

114. Calls on the Commission to propose to the Union legislator the necessary modifications to the current instruments (cross compliance and rural development) with a view to ensuring compliance with Directive 2000/60/EC of the European Parliament and of the Council ⁽³⁾ (the Water Framework Directive, WFD) or, where appropriate, new instruments capable of meeting the more ambitious goals with respect to the integration of water policy objectives into the CAP;
115. Calls on the Member States, in compliance with the WFD, to:
 - (a) address the weaknesses identified by the audit in their performance of cross compliance checks;
 - (b) impose systematically the appropriate penalties in cases of infringement;
 - (c) put more emphasis on identifying and addressing water-related problems through their Rural Development Programmes (RDPs) and ensuring they are consistent with River Basin Management Plans (RBMPs);
 - (d) devise and rigorously implement safeguard mechanisms to prevent the negative effects on water of activities financed by rural development;
 - (e) actively consider and appropriately promote the use of the funds earmarked for water-related issues in a way that is consistent with sound financial management;

⁽¹⁾ Commission Regulation (EC, Euratom) No 2342/2002 of 23 December 2002 laying down detailed rules for the implementation of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities (OJ L 357, 31.12.2002, p. 1).

⁽²⁾ Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union (OJ L 362, 31.12.2012, p. 1).

⁽³⁾ Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy (OJ L 327, 22.12.2000, p. 1).

116. Expects the Commission to propose appropriate mechanisms that can effectively exercise a strong positive influence on the quality of Member States' WFD programming documents and avoid departing from the timeframe set by the WFD; considers that, to this end, minimum conditions as regards the implementation of the WFD should be ensured before committing rural development funds;
117. Calls on Member States to urgently speed up the process of implementing the WFD and to improve the quality of their RBMPs for the next management cycle (2015) by describing individual measures (e.g. in terms of scope, timeframe, targets and costs) and making them sufficiently clear and concrete at an operational level, and down to local/farm level;
118. Calls on the Commission to strengthen its knowledge of the link between water quality/quantity and agricultural practices by improving its existing monitoring systems and by ensuring that they are at the very least capable of measuring the evolution of the pressures placed on water by agricultural practices; considers that this would help with identifying the areas in which CAP funds are most needed;
119. Urges Member States to improve the timely reporting, reliability and consistency of the data they provide to the Commission as the quality of the information about water in the Union as a whole depends on the quality of the information Member States provide;

Part XI Special Report No 5/2014 of the Court of Auditors entitled 'European banking supervision taking shape — EBA and its changing context'

120. Highlights the need for cross-sector impact analysis, as well as the importance of taking into account the time needed for drafting technical standards; welcomes the Commission's proposal to provide deadlines on empowerments for technical standards and notes that a cross-sector analysis examining Union financial legislation adopted in previous years as regards the regulatory package measures is being performed;
121. Stresses that the actions of the European Banking Authority ('the Authority') should continue to be neutral from a political point of view; believes nevertheless that it is essential to enhance the supervisory convergence as soon as possible in order to carry out its tasks and role;
122. Believes that an independent control system is the basis for the proper functioning of the financial market; expresses concern therefore about the political decision to consider the Authority only an authority of coordination and not of micro-prudential supervision in a historical period when confidence in financial institutions requires strong actions;
123. Notes the Authority's constraints as regards the colleges of supervisors, as well as its impact on supervisory convergence; welcomes the progress made by the Authority within those constraints in improving the functioning of colleges, in particular in relation to taking joint risk assessments and reaching joint decisions;
124. Notes with concern that although the Authority's role in initiating and coordinating the stress tests has been strengthened as part of the overall Single Supervisory Mechanism package, the legal responsibility for the conduct of the stress testing exercises still remains within the remit of the competent authorities, leaving the Authority without control of the tests' results;
125. Notes with concern the Authority's inability to entirely fulfil its consumer protection mandate, in particular due to a lack of legal instruments to addressing these issues and a limited scope for taking legally binding decisions to ban certain products or activities; emphasises, however, the role of the Joint Committee in facilitating and improving the exchange of views across sectors and agrees with the Court of Auditors that strengthened measures are needed for consumer protection in the Union's financial sector;
126. Believes that greater coordination with the national authorities of consumer protection could increase the Authority's impact in this area;

127. Agrees with the Court of Auditors that the establishment of a performance measurement system is essential for effective monitoring and acknowledges that the Authority is in the process of implementing a performance management system;
128. Notes that Union-wide banking supervision requires a clear division of roles and accountability between the Authority, the European Central Bank and national supervisory authorities, both inside and outside the Single Supervisory Mechanism; calls therefore for further clarification of their roles and duties in order to avoid the risk of overlapping tasks, possible loopholes and unclear responsibilities;
129. Considers that it is necessary to improve the current supervision rules in order to include the closer supervision of national banks in those third countries which adopted the euro but are not Member States, such as the Vatican City State, Andorra, Monaco, and San Marino;
130. Believes that it is necessary to revise the parameters for risk-weighted assets in order to not penalise the banks most exposed to credit related banking products as well as to not reward the banks with poor or dubious financial products such as derivatives;

Part XII Special Report No 6/2014 of the Court of Auditors entitled ‘Cohesion policy funds support to renewable energy generation — has it achieved good results?’

131. Welcomes the Court of Auditors’ Special Report No 6/2014 and endorses its recommendations;
132. Welcomes the Court of Auditors’ finding of non-problematic implementation in selected renewable energy sources (RES) projects and considers this fact to confirm the maturity of key technologies in renewable energy production;
133. Is of the opinion that in RES projects, which generally take several years to be fully operational, it is difficult to make an accurate evaluation of performance before those years have come to an end;
134. Considers that the principle of cost-effectiveness should be fully enshrined in cohesion policy instruments as well as other instruments such as the European Energy Programme for Recovery, and not only on the RES projects, even when they serve broader purposes; points out that the cost-effectiveness concept can be defined in several ways; suggests therefore that the Commission and the Member States discuss the ways to streamline that idea to provide more efficient guidance for implementing the RES projects;
135. Is concerned that the Union regulatory framework of RES does not fully match the requirements set out in the Union financial instruments — the European Regional Development Fund and the Cohesion Fund — which are the most important funding sources for renewable energy; invites the Commission to carry out an in-depth screening of the legislation and to correct existing inconsistencies;
136. Believes that public funding in this area should complement and play a key role in stimulating private investment; is of the opinion, however, that some projects, especially those of a larger scale, require enhanced public investment;
137. Considers that unstable and unpredictable incentives and support regimes are hampering investment in renewable energy; insists that existing uncertainties also distort the selection process of production technologies which further undermine the principle of cost-effectiveness;
138. Stresses that the difficulties and uncertainties for RES grid integration not only represent an obstacle for private sector investment in renewable energy development but can also undermine the economic and financial sustainability of ongoing projects, as well as the implementation of future ERDF and Cohesion fund programmes; invites the Commission to carry out an up-to-date screening of regulatory and technical barriers at Member State level in order to allow better access for both small and large scale RES projects to the electricity grid;

139. Notes that the Commission needs to oversee more rigorously the new regulatory framework for 2014-2020, including its starting objectives and performance indicators which would allow for effective monitoring and evaluation;
140. Asks the Member States to make further efforts to exchange best practices and to establish common procedures in order to harmonise their national administrative systems;
141. Notes that the very detailed selection criteria of RES can become a way of excluding competitors; asks the Commission to reinforce guidance in that matter and to monitor carefully those cases;
142. Takes note of the Commission's replies stating that some of the Court of Auditors' recommendations have already been put in place through Directive 2009/28/EC of the European Parliament and of the Council ⁽¹⁾ (the renewable energy Directive);

Part XIII Special Report No 7/2014 of the Court of Auditors entitled 'Has the ERDF successfully supported the development of business incubators?'

143. Welcomes the Court of Auditors' Special Report No 7/2014 and endorses its recommendations;
144. Notes that business incubators support the establishment and further development of young businesses that can put small and medium-sized enterprises (SMEs) at the heart of economic growth and job creation in the Union;
145. Believes that cohesion policy funding programmes applied to these audit incubators should have structured planning, a clear set of objectives and effective assessment; is of the opinion that the audited incubators had weaknesses in all of the abovementioned requirements;
146. Recalls that the European Regional Development Fund (ERDF) made a significant financial contribution to the creation of business incubator infrastructure and that audited incubator facilities had been properly established but that the performance of these audited incubators was limited;
147. Points out that the number of business plans created with incubator support, the number of start-ups incubated and the number of jobs created, was, on average, much smaller than the figures from benchmarked incubators used by the Court of Auditors as a comparison;
148. Notes that audited ERDF incubators offered a more limited range of services than benchmarked incubators and that the range of skills and expertise possessed by ERDF incubator staff was less extensive;
149. Stresses that a fully delivered business support value chain with skilled staff, good practices and regular monitoring is important for the effectiveness of business incubators;
150. Takes note of the Commission's explanation that the Member States which acceded the Union in 2004 were lacking business infrastructure, expertise and experience after the accession and could not, for those reasons, reach better outputs; recalls, however, that the audit ran through incubators in 4 + 2 Members States and only two of them joined the Union in 2004;
151. Is of the opinion that the Commission showed, during the successive programming periods 2000-2006 and 2007-2013, a lack of engagement in the support of these enterprises; notes that this is confirmed by the gap in guidance provided by the Commission in those programming periods, especially between 2006 and 2010;

⁽¹⁾ Directive 2009/28/EC of the European Parliament and of the Council of 23 April 2009 on the promotion of the use of energy from renewable sources and amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC (OJ L 140, 5.6.2009, p. 16).

152. Recalls that establishing and sharing good practices, in particular in newly created businesses, is an important measure to improve effectiveness; deplores the disappointing results delivered by the audited incubators; invites the Commission to improve guidance to the Member States' managing authorities in this matter and invites the latter to efficiently apply those guiding principles;
153. Stresses that investment in staff training, to ensure effective support to incubated companies and potential clients, is important for the effectiveness of the business; regrets that this element was also generally neglected in the audited incubators;
154. Notes that the support of business incubators could be based on a comprehensive and in-depth analysis, as well as a set of individual, specific, tailored-made examinations for particularly supported projects (such as a feasibility study, a business plan, etc.); considers that these examinations could present a clear reasoning for such support;
155. Believes that not every locality is predetermined to have a successful outcome with the use of business incubators which are designed to bring added value to regional and economic development; considers that only incubators that fulfil introductory preconditions should be supported;
156. Underlines that the support for business incubators could be provided through the use of the Public Private Partnerships (PPP) method, where the risk of a public service is shared with the private enterprise that is the target of the support;
157. Notes that business incubators should be created in close cooperation with schools and research facilities;
158. Notes that it is important to find complementarities and synergies in business incubators' support from the ERDF, HORIZON 2020 and the programme for the Competitiveness of Enterprises and Small and Medium Enterprises (COSME) sources in the 2014-2020 period;

Part XIV Special Report No 8/2014 of the Court of Auditors entitled 'Has the Commission effectively managed the integration of coupled support into the single payment scheme?'

159. Endorses the recommendations of the Court of Auditors and welcomes the Commission's constructive position;
160. Regrets that some Member States, according to the Court of Auditors, did not always follow the principle of sound financial management when they defined the criteria for the calculation of payment entitlements;
161. Notes that this has led to farmers in certain sectors receiving windfall benefits, which in themselves did not infringe existing rules:
 - (a) in Spain, under the national rules, payment entitlements had a higher value than what farmers had received in coupled support in the past;
 - (b) in Italy, farmers received payment entitlements corresponding to their historical level of support, even though they had in the meantime significantly reduced the areas which they farmed;
 - (c) contrary to Union legislation, the French authorities had not reduced the value of all payment entitlements in order to finance the specific support for farmers (Article 68 of Council Regulation (EC) No 73/2009 ⁽¹⁾); consequently, the value of all payment entitlements in France was overstated by 4,61 % which corresponds to EUR 357,3 million; notes that EUR 74 million of this amount concerned the support integrated into the Single Payment Scheme (SPS) in 2010 and that the Commission states that corrective measures are included in the action plan for France;

⁽¹⁾ Council Regulation (EC) No 73/2009 of 19 January 2009 establishing common rules for direct support schemes for farmers under the common agricultural policy and establishing certain support schemes for farmers, amending Regulations (EC) No 1290/2005, (EC) No 247/2006, (EC) No 378/2007 and repealing Regulation (EC) No 1782/2003 (OJ L 30, 31.1.2009, p. 16).

162. Calls therefore on the Commission to adequately supervise the calculation of payment entitlements of farmers by Member States, including respect for the ceilings available for allocating such entitlements;
163. Takes note with concern that even where the Commission had identified errors, payment entitlements have not been corrected because administrative procedures are too slow;
164. Calls on the Commission to improve timely supervision and to pay more attention to risks linked with entitlements;
165. Notes that as of 2015, the SPS will be replaced by a 'Basic Payment Scheme' (BPS);
166. Is of the opinion that the new system should aim at reducing the administrative burden on farmers;
167. Is convinced that the Commission's controls and audits should essentially be risk-based;
168. Insists that the new system must avoid unjustified discrepancies in payment entitlement calculations in the different Member States and also the unequal treatment of farmers, irrespective of any level of discretion the regulation may offer; asks the Commission to reassure Parliament and its Committee on Budgetary Control that the appropriate measures to achieve this objective are in place;
169. Is worried that incorrect payment entitlements could lead to incorrect payments even beyond 2014, as Member States may choose to pay up to 2021 a part of future aid on the basis of the current level of SPS support; considers that although such payments can be corrected and recovered, they should be avoided in the first place;
170. Reminds the Commission that Article 317 of the Treaty on the Functioning of the European Union stipulates that '[t]he Commission shall implement the budget in cooperation with the Member States[...], on its own responsibility and within the limits of the appropriations, having regard to the principles of sound financial management'; expects the Commission to therefore provide sufficient guidance to Member States in order for them to implement the BPS in accordance with the principles of sound financial management, and to put in place the appropriate monitoring structures with the view to assuming overall responsibility for the budget implementation;

Part XV Special Report No 9/2014 of the Court of Auditors entitled 'Is the EU investment and promotion support to the wine sector well managed and are its results on the competitiveness of EU wines demonstrated?'

171. Welcomes the findings and recommendations of the Court of Auditors' Special Report No 9/2014;
172. Notes the adoption by the Council and the Parliament of Regulation (EU) No 1308/2013 ⁽¹⁾ on the new common organisation of the markets for the period 2014-20;
173. Recalls the Court of Auditors' Special Report No 7/2012 (Discharge 2011) entitled 'Reform of the common organisation of the market in wine: Progress to date' and the Committee on Budgetary Control report that followed;
174. Fully endorses the idea that the aid scheme should be rationalised and that the Commission should periodically monitor the absorption of funds; insists on the absolute need that the investment measure should be business and results-orientated and that best practice models should be encouraged and lessons learned from them;

⁽¹⁾ Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007 (OJ L 347, 20.12.2013, p. 671).

175. Expresses its concerns about the unsuccessful efforts to attract more small and medium-sized enterprises (SMEs) for the Union's promotion and support to the wine sector; considers that the co-financing rates should be revised, thereby benefiting SMEs, thus making the participation of potential SME beneficiaries, especially with limited administrative and financing capacities, easier;
176. Considers that a common system of assessing the promotion measure needs to be in place to ensure that the Commission and the Member States will be able to analyse the extent of progress and achievement of the defined objectives and its impact on the wine sector competitiveness at Member States level; points out that an increase of the global market share of the respective wine company could be part of that common system of assessment;
177. Endorses the Court of Auditors' recommendation that ancillary costs such as implementing bodies' costs and overheads are properly justified and limited to a maximum percentage of the total costs;
178. Emphasises the key importance that an appropriate policy mix between investment and promotion is available; believes that the Commission and Member States should be more efficient in the application of the measures; notes, in particular, for the promotion measure, that beneficiaries should be required to demonstrate their need for Union aid, normal operating costs should not be financed, and the support for beneficiaries presenting, in each programming period, promotion programmes in the same targeted countries should be restricted; points out furthermore that the results of the promotion actions should be assessed at beneficiary level rather than for the entire Union wine sector;
179. Supports the Court of Auditors' recommendation that the Commission should analyse how the budget allocated to the national support programmes for the period 2014-2018 matches the needs of the Union wine sector and analyse the absorption capacity of the Member States and readjust the budget where appropriate; invites the Commission to consider whether there is a need for extra financial tool for the wine sector compared to other agricultural sectors;
180. Welcomes the positive evolution of the Union's exports of quality wines; points out that the Union should identify and exploit its competitive advantage in multilateral and ever competitive world wine market and should encourage Union's wine producers to develop world-class quality wines that help further match the Union's balance between supply and demand;
181. Encourages the Commission to contribute to the increased transparency of the wine promotion in third countries through a better system of controlling and monitoring the funded projects; points out that this measure should also help to avoid double financing;

Part XVI Special Report No 10/2014 of the Court of Auditors entitled 'The effectiveness of European Fisheries Fund support for aquaculture'

182. Endorses the Court of Auditors' main recommendations whilst noting that the Commission is developing the requested guidance to the Water Framework Directive and Directive 2008/56/EC of the European Parliament and of the Council ⁽¹⁾ (Marine Strategy Framework Directive); welcomes that the Commission took note of the recommendations related to spatial planning and the need of administrative simplification;
183. Welcomes that the lessons learned from the 2007-2013 period have been incorporated in the new European Maritime and Fisheries Fund for the 2014-2020 period; stresses that it is necessary however for the Commission to ensure that all recommendations were and will be put in practice;
184. Understands that the impact of the financial crisis critically affected the achievement of objectives for growth and employment in the aquaculture sector; stresses, however, that one of the main objectives of the European Fisheries Fund (EFF) — a growth and sustainability of aquaculture — has not been achieved also due to other factors; underlines that instead of growth, the aquaculture sector has stagnated for many years unlike in other parts of the world;

⁽¹⁾ Directive 2008/56/EC of the European Parliament and of the Council of 17 June 2008 establishing a framework for community action in the field of marine environmental policy (Marine Strategy Framework Directive) (OJ L 164, 25.6.2008, p. 19).

185. Is disappointed in the lack of prioritising at project level and strategy planning on the national level; urges the Commission to therefore improve programme design in order to strengthen measures supporting aquaculture and calls on Commission to ensure better implementation;
186. Points out that on the one hand, stronger sustainable aquaculture is one of the key objectives of the Commission yet on the other hand, very little has been done to successfully achieve this objective in the EFF framework; notes that this is a systematic error also to be found in other programmes and thus perceives that the Commission continuously fails to achieve its objectives;
187. Urges the Commission to re-shape its financial management and to change its approach from spending all available sources into concentrating on whether the spending is in line with the rules, whether it delivers value for money and whether it provides effective support to achieving main objectives;
188. Notes that the Member States must address the poor selection of projects instead of granting funds to all projects and must ensure that the selection procedure is subject to detailed evaluation rules that will assess the potential of the projects to deliver results and value for money that will overall contribute to objectives of the European Maritime and Fisheries Fund (EMFF) such as growth and employment; stresses that the Commission should support the Member States in doing so and that it should encourage follow-up monitoring on the project deliverables and should establish more complex post-project evaluation that would be used as lessons learned;
189. Is convinced that the Member States shall improve their reporting tools and channels since the data provided to the Commission are often inaccurate; recommends to the Commission to (a) develop stronger means of pressure on the Member States to deliver reliable data, especially in the case when there are obvious discrepancies, and, (b) consider penalising Member States suspected of intentionally delivering incorrect data;
190. Points out that the Commission needs to develop a stronger framework for all of its financial programmes, including the new EMFF measures for aquaculture; believes that the Commission should consider being more consistent in its approach and should develop stronger integrity;
191. Calls on the Commission to ensure that the Member States clarify their own strategies and implement them in a manner that will complement the objectives of the EMFF; requests that the Commission oversees that the Member States bring extra effort into project evaluation and free themselves from lack of strategic thinking about projects; highlights that there is a need to guarantee that the evaluators assess the projects with open eyes and clear expectations;
192. Recommends that the funding of projects that have already commenced is reconsidered as it has no additional impact; discourages the Commission and the Member States from carrying out 'a ticking box exercise' in order to avoid lack of additional value;
193. Encourages the simplification of administrative procedures to ensure the high quality of projects applying for funding;
194. Welcomes the proposal for a new monitoring system in the EMFF that will include a database at Member State level storing information on every operation and an aggregated report with key information, but insists on implementing this proposal and keeping it to high standards;

Part XVII Special Report No 11/2014 of the Court of Auditors entitled 'The establishment of the European External Action Service'

195. Welcomes the Court of Auditors' Special Report No 11/2014 and endorses its recommendations;
196. Is of the opinion that the European External Action Service (EEAS) is not yet a fully-fledged Union diplomatic service because of resources constraints; considers that the Commission and the Member States are the right actors to push for the consolidation of the EEAS;

197. Points out that the principle of budget neutrality is most welcomed; considers, however, that this should not be viewed in isolation from the savings which the Member States have made by the establishment of the EEAS;
198. Considers that the EEAS continues to have a top-heavy administration which needs to be corrected; takes the view that the measures already implemented to correct this matter are in the right path and asks the Commission to strengthen its engagement in improving the inter-service cooperation;
199. Considers the responsibilities of the Union Special Representatives to be very unclear, lacking a proper monitoring and performance analysis; suggests that in order to bridge this gap, they are integrated into the EEAS;
200. Considers positive the developments made in the area of human resources but nevertheless agrees with the Court of Auditors' observations that thematic expertise in the Delegations is most needed; invites the Commission together with the EEAS to put in place a concerted approach to optimise the profile of delegation staff;
201. Invites the EEAS to get a better overview on the costs incurred in the recruitment procedures; calls on the EEAS to use innovative solutions like videoconferencing for job interviews and to come up, as much as possible, with similar proposals also for the training of staff;
202. Encourages the Commission and the Member States to take measures promoting better coordination and cooperation between their external relations services and the EEAS without disregarding the horizontal thematic issues;
203. Underlines the need to ensure greater flexibility in the funding of the Common Security and Defence Policy's (CSDP) missions to guarantee the internal and external security of Union due to the danger posed by conflicts in countries which border it, as well as the heightened risk of possible terrorist activities connected to IS;
204. Urges the EEAS to maximise the benefits of economies of scale by creating new synergies within the EEAS headquarters and delegations as well as in cooperation with Member States and national diplomatic services, in the spirit of a true Union external policy and services; notes with satisfaction that the co-location of Union delegations and Member State diplomatic representations is increasing, even if it continues to be limited, and congratulates the EEAS for considering this matter as primordial in its action;
205. Accepts that there is still work to be done in relation to consular services;

Part XVIII Special Report No 12/2014 of the Court of Auditors entitled 'Is the ERDF effective in funding projects that directly promote biodiversity under the EU biodiversity strategy to 2020?'

206. Points out that the Convention on Biological Diversity (CBD) defines biodiversity as variability among living organisms from all sources including terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part; points out, further, that the CBD recognises several major threats to biodiversity such as loss and fragmentation of habitats, overexploitation of forests, oceans, rivers, lakes and soils, pollution, climate change, and incoming species that compete with native flora and fauna;
207. Emphasises that biodiversity is essential for human life and for the wellbeing of societies; emphasises, furthermore, that climate change, the loss of biodiversity, the threats posed by invasive species and the overconsumption of natural resources are major challenges affecting every Union citizen;
208. Regrets that the Union has been unable to meet its headline target of curbing biodiversity loss in the Union by 2010;

209. Notes that economically speaking, the loss of biodiversity is enormously costly to society and that not enough attention has yet been paid to this in global policies; notes, furthermore, that the Economics of Ecosystems and Biodiversity study estimates that the cost of inaction and the deterioration of ecosystem services could amount to as much as 7 % of global GDP per year by 2050 ⁽¹⁾;
210. Is convinced that there is, therefore, an urgent need to act and attach greater political importance to biodiversity in order to meet the relevant commitments for 2020;
211. Notes that project outcomes often take a long time to materialise, which makes the assessment of those outcomes difficult;
212. Takes the view that despite the limitations relating to the low level of funding allocated to biodiversity and to the difficulties involved in assessing the way in which such funding is used, it is essential to maintain the funding at this stage;
213. Emphasises the fact that protecting biodiversity is not just a noble environmental aim, but that such a policy also has significant potential to create new skills, jobs and business opportunities;
214. Emphasises the importance of mainstreaming biodiversity protection and conservation in the development, setting-up and financing of all other Union policies (including agriculture, forestry, fisheries, regional development and cohesion, energy, industry, transport, tourism, development cooperation and aid, and research and development) so as to make Union sector-specific and budget policies more consistent and to ensure that the Union honours its binding commitments to protect biodiversity; points out, in this context, that cooperation between local, regional, national and Union authorities should be stepped up;
215. Notes that, despite the guidance and impetus provided by the Commission, it is for the Member States alone to set financing priorities in accordance with their own needs, and that the vast majority of Member States does not use the European Regional Development Fund (ERDF) as an instrument with which to protect biodiversity;
216. Takes the view, therefore, that given the low take-up rate (0,79 %) there is a need to consider making it mandatory for a proportion of ERDF funding (percentage to be confirmed) to be earmarked for the promotion of biodiversity;

Part XIX Special Report No 13/2014 of the Court of Auditors entitled 'EU support for rehabilitation following the earthquake in Haiti'

217. Welcomes the Special Report No 13/2014 evaluating the Union support for rehabilitation following the earthquake in Haiti as an important contribution to the overall political debate about the Union's external humanitarian and development policies; takes note of the findings and recommendations;
218. Welcomes and takes note of the main conclusions and recommendations of the final report on the evaluation of the Union cooperation with the Republic of Haiti carried out by the Commission's Directorate-General for International Cooperation and Development — EuropeAid at the request of the Parliament and sets out its observations and recommendations below;

General comments

219. Reiterates the overall satisfaction with the work and efforts carried out by the Commission's services in response to the earthquake in Haiti in 2010 and this, in an extremely critical situation for the Union delegation and its staff; welcomes in this respect the Commission's ability to withhold payments and disbursements as a consequence to unsatisfactory progress in the Government's financial management and deficiencies in national public procurement procedures;

⁽¹⁾ Leon Braat, Patrick ten Brink (eds. et al.), *The Cost of Policy Inaction: The case of not meeting the 2010 biodiversity target*, Wageningen/Brussels, 2008, p. 28.

220. Regrets the weaknesses identified in the coordination between donors and within the Commission's services as also elaborated by an evaluation of the Union's cooperation with the Republic of Haiti (2008-2012) ⁽¹⁾, which was issued on behalf of the Commission; calls, in this respect, for a better articulation of the humanitarian aid and development aid with a stronger link between relief, rehabilitation and development by means of a permanent LRRD (linking of relief, rehabilitation and development) framework; considers that integrated approaches with clearly stated coordination objectives and a coherent country strategy between the Commission's Humanitarian Aid and Civil Protection Department (ECHO) and EuropeAid, alongside the sharing of best practices, have to be set up wherever possible; welcomes, in this respect, the inclusion of the systematic integration of the LRRD approach in the funding cycle covering the period 2014-20; calls furthermore on the Commission's services to improve the transition from short-term humanitarian activities to long-term development interventions and to develop a coherent coordination, not only among different Union actors but also with national priorities through a common strategy by means of a joint humanitarian and development framework; invites the Commission to enter into a dialogue with Parliament if an effective coordination among the various financial instruments in humanitarian and development aid is hindered by the existing legal framework; believes furthermore that the involvement of local civil society non-governmental organisations can strengthen the use of the local knowledge base in order to better identify rehabilitation needs and to supervise progress achieved by national authorities;
221. Recalls the recommendations in the aftermath of the visit by the delegation of Parliament's Committee on Budgetary Control to Haiti in February 2012 and insists, as a constant principle, on the salient issue of traceability and accountability of Union development funds, in particular by linking budget support to performance, in particular with a clear definition of obligations and duties in the national administration to ensure adequate transparency, traceability and accountability; reiterates its call for putting more emphasis on the fight against endemic corruption; points out that humanitarian aid should be based on an exit strategy and stresses that funds should be channelled through the Haitian institutions whenever possible, within the framework of the Cotonou Agreement, in order to ensure ownership and to support the strengthening of the national organs, including the Procurement Agency, which should act as a control filter; invites the Commission and the European External Action Service (EEAS) to emphasise the conditionality matrix for sectorial budget support;
222. Recalls that 'State building' is at the centre of the Union development strategy and the cornerstone of any such crisis situation, in line with the principles for intervention in fragile contexts; notes that this includes supporting institutional building, the transparency and efficiency of public financial management, budgetary allocations and effectiveness of public expenditure, with reinforced political and policy dialogues;
223. Calls for the definition of a good policy mix in the logic of the Union intervention through a comprehensive approach to state and non-state/non-governmental stakeholders and to the sectors support to be provided through rapid sectorial needs assessment and this, to the benefit of the viability, complementarity and sustainability of projects;

Orientations for the future

224. Considers that beyond the Haitian situation, measures need to be discussed and improved in order to strengthen the policy framework of intervention and disaster risk reduction with the ultimate purpose of limiting the risk for human lives and their human living conditions to a minimum; believes that investment in disaster risk reduction is crucial as a full component of sustainable development, as well as highly cost-effective, as it allows for a significantly more efficient and effective use of resources than paying the bill for disaster response;
225. Considers that situations of crisis and fragility require the development of policies which call for new approaches, new methods and expertise, particularly concerning activities such as (i) identifying risks at different operational levels, (ii) making scenario and projections of likely consequences and (iii) designing instruments to avoid, reduce and prepare for risks and potential disaster; calls for a flexible approach in order to allow the Commission to adapt its measures and instruments for assistance adequately and rapidly to a crisis and post-crisis situation; notes in this context that in the meantime the Commission has set up a system to mobilise experts in various fields of

⁽¹⁾ Evaluation of the EU's cooperation with the Republic of Haiti (2008-2012), Partecip GmbH, carried out on behalf of the Commission, August 2014.

competence in order to allow at short notice the deployment of additional staff to Union delegations or headquarter services in the case of staff shortage;

226. Encourages the Commission and the EEAS to work systematically on the four phases of the disaster management cycle namely mitigation and preparedness, response and recovery towards the definition of strategic framework for disaster risk management and resilience-building; calls on the Commission and the EEAS to inform Parliament about the developments in particular with regard to risk management and the preparedness to implement and achieve programme objectives in a post-disaster context;
227. Recalls that in the circumstances of any such crisis, due care has to be attributed to the soundness and operational effectiveness of the national governance framework for managing disaster risk reduction as a pre-condition for the success of the Union intervention; recalls that the assessment of any national governance framework should take into account, inter alia, the existing accountability frameworks for outcomes, the existing definition and decision of responsibilities at central and local levels, a clear chain of commands and controls, information channels among various actors/donors alongside with feedback mechanisms on projects;
228. Supports the Court of Auditors' recommendations with regard to Union support for rehabilitation following the earthquake in Haiti and welcomes the Commission's response to also accept the recommendations;

Part XX Special Report No 14/2014 of the Court of Auditors entitled 'How do the EU institutions and bodies calculate, reduce and offset their greenhouse gas emissions?'

229. Believes that all Union institutions and bodies should aim at a common approach to their greenhouse gas emissions and their possible reduction; considers that in order to achieve this they need to comprehensively calculate their greenhouse gas emissions and should not refrain from publishing their results;
230. Believes that the Commission, in order to maintain its reliability in environmental negotiations with third parties, should put more effort in collecting more data on its own greenhouse gas emissions;
231. Invites those Union institutions and bodies who have no Eco-Management and Audit Scheme (EMAS) certificate to consider applying it promptly; emphasises, however, that EMAS should be considered as a tool to structure, inter alia, greenhouse gas emissions and should not be considered as the sole ultimate goal of the green policy of the institutions;
232. Points out that offsetting greenhouse gas emissions can be used by the Union institutions and bodies to a greater degree to reduce their carbon footprint; agrees with the Court of Auditors that using high-quality offsets in addition to emission reduction measures (and not instead of such reduction measures) would address these issues appropriately; notes however that offsetting should come second to investing these funds to further improvement of environmental policy of the Union institutions and bodies;
233. Welcomes the fact that some of the Union institutions have started pilot projects of green procurement; hopes that the results prove to be promising and that green procurement will become a standard procedure of the Union institutions and bodies in the future;
234. Stresses that in the implementation of these policies, human factors remain a key aspect; urges therefore the management in the Union institutions and bodies responsible for these policies to train and improve further their skills and understanding of the importance of the greenhouse gas emissions of the institutions; hopes that the establishment of the new College of Commissioners in 2014 provides an opportunity of a new opening in implementation of higher standards in the Commission and its agencies;

Part XXI Special Report No 15/2014 of the Court of Auditors entitled ‘The External Borders Fund has fostered financial solidarity but requires better measurement of results and needs to provide further EU added value’

235. Notes with concern that the strategic objectives of the External Borders Fund (EBF) have not been clear, and that, in particular, there is tension between the general nature of the EBF as solidarity mechanism and its concentration on concrete objectives for better cooperation in the field of border controls and visas;
236. Notes that for the Commission the successful launch of SIS II, VIS and Eurosur in all Member States indicates the contribution of the EBF; is of the opinion, however, that such a general statement can never be used as a satisfactory reply to the Court of Auditors’ specific criticisms of lacking performance indicators;
237. Notes that similar problems may arise in respect of the objectives of the instrument for financial support for external borders and visa, as part of the Internal Security Fund (ISF), since again this instrument serves both solidarity between Member States in respect of border controls management and the realisation of a uniform and high level of control of the external borders and the effective processing of Schengen visas, in compliance with the Union’s commitment to fundamental freedoms and human rights;
238. Emphasises that Member States, whilst recognising the importance of effective border controls at the common external borders as part of the Schengen *acquis*, regard border controls management and, to a lesser extent, the processing of visas still as essentially national competences;
239. Calls on the Member States to therefore include the ISF in national strategies for border management in order to contribute to consular cooperation, to Frontex operations or to emergency actions and specific actions which are of importance to the Schengen area as a whole; urges the Commission and the Member States to improve their cooperation in this regard;
240. Requests that the Commission examine whether it may be useful to divide the border controls and visas part of the ISF into several earmarked segments: one for solidarity, one for the fulfilment of consular cooperation, Frontex operations and emergency and specific actions, and one for actions that are particularly relevant from a national perspective;
241. Recommends that Member States develop and use relevant and measurable indicators for the output, outcome and impact of the funded projects; stresses that high quality *ex ante* verifications should be in place to ensure that all funded projects serve concrete and measurable objectives and have added value; notes that *ex post* verifications would help to provide quality control mechanisms;
242. Points out that further Union added value can be achieved through additional contributions from the Member States to Frontex operations by making obligatory the entering of at least part of the ISF co-financed assets into Frontex’s technical equipment pool obligatory;
243. Is worried about the irregularities found by the Court of Auditors in the various national procurement policies and states that the exception clause for defence and security procurements may not be used in cases where less restrictive procedures could have been used without compromising security; recommends the streamlining of the procurement procedures to ensure the timely implementation of the funding;
244. Commends the Commission for having taken corrective financial measures in the case of a project that was found in breach of fundamental freedoms and human rights, but calls upon the Commission to identify, as far as possible, *ex ante* any possible risks in this regard, especially when it comes to the manner in which border controls are carried out in respect of the right to seek asylum;
245. Emphasises the need to improve the standard of data collection on the funded projects at a national level in order to increase the degree of transparency;

Part XXII Special Report No 16/2014 of the Court of Auditors entitled ‘The effectiveness of blending regional investment facility grants with financial institution loans to support EU external policies’

246. Welcomes the special report dedicated to the evaluation of the effectiveness of blending regional investment facility grants with financial institution loans to support EU external policies and sets out its observations and recommendations below;

General comments

247. Encourages the Court of Auditors to further deepen audit activities in this emerging cooperation field in order to regularly provide to policymakers a regular comprehensive assessment of issues and risks at stake;
248. Acknowledges that the increased interest in blending and opportunities offered by the use of new financial investment facilities is mainly motivated by the combination of important developmental challenges with heavily constrained public funds, therefore leading to the development of new financial resources combining Union grant aid and non-grant resources;
249. Stresses that any new financial instruments and blending have to remain in line with the Union development policies objectives based on Official Development Assistance (ODA) criteria and set in the Agenda for Change i.e. improving the quality, the efficiency, the sustainability and the speed of implementation of the Union interventions; believes that those instruments must focus on Union priorities where economic and non-economic value added and impact are highest and considers that they have to be strategically used in sectors where Union financial support is crucial for the vitality of the investment and where blending can be most usefully deployed; regrets therefore that the special report mainly focuses on the financial aspects of blending regional investment facility grants while their efficiency and effectiveness are not sufficiently assessed;
250. Demands, as a core constant principle, the avoidance of the risk of financial incentives outweighing development principles (financial objectives may prevail over development concerns) and demands the respect of sustainable development principles such as social and environmental standards and access to basic public goods;
251. Takes note of the results of the review of the EU Platform for Blending in External Cooperation with the original aim to increase the effectiveness, efficiency and quality of existing blending mechanisms and facilities considering that harmonisation of key principles, valid for all regional facilities and financial instruments, will be of utmost importance for the new multiannual financial framework (MFF); according to the outcomes of the post-electoral revision of the MFF, invites the Commission and the EEAS to continue a structured/strategic dialogue on, in particular, the issue of how transparency and accountability would be steadily ensured and enhanced;
252. Believes that during the planning phase, the Commission should concentrate on achieving sustainable, long-term, economic, social and environmental goals in the areas where the investments are to be implemented;
253. Demands, as a core principle, the concentration of Union funds on the projects which wouldn't be implemented without the Union money, such as projects with a low profitability, but which can result to an improvement of the social, environment, human rights fields;
254. Demands, as a core principle, the monitoring and follow-up of the results and mid-term/long-term effects of the projects implemented on the social, environment, human rights fields; considers that the findings of such follow-up assessments should be directly used to report on achieved long-term goals and improve the planning phase/project selection for the future funding;
255. Demands that the political role of the Commission, as a politically responsible body in this field, be strengthened;

256. Demands the introduction of common standards of governance for such financial activities, as well as the definition of best practices and well-defined eligibility and evaluation criteria for the use of those financial tools; believes that coherent rules of management such as structured reporting, clear monitoring frameworks and oversight conditions will result in the reduction of transaction costs or of the possible duplication of costs;
257. Considers it imperative to design adequate governance structures of the various facilities to foster recipient countries, beneficiaries or stakeholders' ownerships of these instruments; recalls that the development of blended official development assistance channelled through facilities requires a well-structured cooperation between the Commission and the European External Action Service (EEAS) with the European Investment Bank (EIB), the Member States and Parliament; calls on an enhanced involvement of Union Delegations in the decision process making in particular in the identification phase of projects through contributions to *ex ante* evaluation or impact assessment and more generally for ensuring the Union weight in the policy dialogue with partner countries and also as an interface with local civil society;
258. Insists on the necessity to achieve the highest level of transparency and accountability by accessing to exhaustive and sound budgetary information and financial data relating to projects funded by these investment facilities to allow Parliament power of scrutiny and consent; calls for regular reporting to Parliament on the use of these financial instruments and results, in particular on the assessment of the financial and non-financial leveraging and additionality while recalling complying with the provisions of Article 140 of the Financial Regulation;
259. Supports the Court of Auditors' recommendations, as a first step in the right direction, with regard to the effectiveness of blending regional investment facility grants with financial institution loans to support Union external policies and welcomes the Commission's response to also accept the recommendations;

Part XXIII Special Report No 17/2014 of the Court of Auditors entitled 'Can the EU's Centres of Excellence initiative contribute effectively to mitigating chemical, biological, radiological and nuclear risks from outside the EU?'

260. Welcomes the chemical, biological, radiological and nuclear (CBRN) Centres of Excellence initiative; considers that its governance structure emphasises the network character of the initiative;
261. Welcomes the overall positive thrust of the Special Report No 17/2014 and the Court of Auditors' recommendations which were all accepted by the Commission;
262. Notes that the initiative represents an innovative approach providing for networking, regional and international partnerships, consolidating, coordinating and optimising existing capabilities in terms of expertise, training, technical assistance or equipment;
263. Points to the fact that such structures are necessarily complex, therefore difficult to set up and run effectively;
264. Recalls that this initiative had EUR 100 million at its disposal for the period 2010-2013;
265. Is of the opinion that the prime value of this initiative is its bottom-up approach, building on the experience of the partner countries; considers that the Union delegations should be regularly informed and undertake to play a more active role in consultation with the respective partner country's authorities;
266. Would like to point out at the same time that respecting partner countries' 'ownership' of projects should not prevent the Commission from making proposals which would benefit from a joint response (i.e. in fighting the outbreak of the Ebola epidemic);
267. Is convinced that projects should be selected in such a way as to allow for the limited amount available to be concentrated on areas most relevant to Union security; believes that in the project selection, Union institutions could usefully assume a clearing-house function;

268. Notes that the technical expertise of the regional secretariats should be enhanced in order to facilitate the identification of issues to be addressed through initiatives as well as to improve the preparation and implementation of individual projects;
269. Welcomes the fact that partner countries may propose projects at any moment since May 2013 which enhances the ability to react to developing threats;
270. Takes note that the delay between the project proposal and subsequent project approval and implementation should be further reduced;
271. Stresses that wider strategic cooperation is needed in order to improve coherence and coordination of various funding instruments in the area of security; stresses that enhanced coordination among relevant actors in the CBRN field would enhance the effectiveness of existing initiatives;
272. Is of the opinion that the initiative might benefit from a clearer distinction between the internal and external dimension of CBRN actions ⁽¹⁾;

Part XXIV Special Report No 19/2014 of the Court of Auditors entitled 'EU Pre-accession Assistance to Serbia'

273. Invites the Serbian authorities to improve the quality of, and to further rationalise, their national strategies and action plans, and to adequately address the various political and socioeconomic issues; invites the Commission, if necessary, to make itself available to provide the required technical support in this regard;
274. Stresses the importance of preparing national strategies in politically sensitive areas; asks the relevant authorities to prepare strategies in the following main areas of governance and include a realistic time frame for implementation: territorial decentralisation and a strategy to coordinate the implementation of public finance management reform;
275. Urges the Commission and the Union Delegation in Serbia to prevent the problems which occurred in the first part of the 2007-2013 programming period, namely the selection of underdeveloped or problematic projects; supports the cooperation of the Commission and the Serbian authorities to address the identified problems, including the lack of support from national authorities, a lack of inter-institutional coordination, weak project design, poor definition in the terms of reference, unsustainable financing solutions and the failure to learn from mistakes in previous projects;
276. Welcomes the fact that governance related projects generally achieved good results, but considers the implementation and control systems of the projects weak or inefficient especially where the Court of Auditors identified material shortcomings in four out of the eight audited governance related Instrument for Pre-Accession Assistance projects;
277. Points out that the reform of the judicial sector has reported little progress since 2007;
278. Insists on the necessity to strengthen the current protection for whistle-blowers which is outlined in the 2013-2018 national anti-corruption strategy; insists that the Serbian authorities should advance the preparation of new legislation on whistle-blowing and such legislation should instil trust and encourage potential whistle-blowers to come forward;
279. Endorses the Court of Auditors' recommendations and demands that the Commission pay adequate attention to define the objectives, to assess the needs and to learn lessons from past projects, as well as to avoid delays and inefficient or ineffective procurement procedures; stresses the importance of sustainability, as results raised a number of questions in two thirds of the projects, in particular in those relating to governance;

⁽¹⁾ See also European Parliament's resolution of 14 December 2010 on strengthening chemical, biological, radiological and nuclear security in the European Union — an EU CBRN Action Plan (OJ C 169 E, 15.6.2012, p. 8).

Part XXV Special Report No 20/2014 of the Court of Auditors entitled 'Has ERDF support to SMEs in the area of e-commerce been effective?'

280. Welcomes the Court of Auditors' Special Report No 20/2014 and endorses its conclusions and recommendations;
281. Welcomes also the constructive reaction of the Commission to the Court of Auditors' recommendations;
282. Notes that e-commerce technologies are the key to improving development and competitiveness of the small and medium-sized enterprises (SMEs); highlights the importance of SMEs for economic development and job creation in the Union;
283. Acknowledges that the Court of Auditors' special report emphasised the importance of performance measurements and European value-added;
284. Notes that despite the fact that online business availability had increased, projects selected for investment were weak; notes that a lack of comparative selection of applications and the absence of comprehensive business information resulted in over one third of the cases offering low or no value for money;
285. Points out that 10 of the 30 co-financed projects audited would have been carried out even in the absence of public co-financing, five of these projects had started before the grant had been notified and three of them started before the enterprise had even submitted a co-financing application;
286. Is of the opinion that it should be compulsory to submit a business plan that shows the European value added to avoid deadweight;
287. Stresses that Member States should put in place the selection criteria and procedures that ensure that the projects selected maximise added value in terms of contributing to the e-commerce development in SMEs and achieving the targets of the Digital Agenda for Europe (DAE);
288. Notes that the lack of Commission's monitoring made it impossible to assess to what degree European Regional Development Fund (ERDF) support had contributed to the achievement of national and Union information technology goals as well as to SME's own business plans;
289. Believes that the Commission should ensure that it obtains consistent and reliable information from the Member States on the use of ERDF's funding; is of the opinion that this information should indicate the Operational Programmes' progress, not only in financial terms but also in performance terms;
290. Shares the Court of Auditors' view that a minimum set of robust indicators with related targets should be defined in the grant agreements, measured and subjected to subsequent monitoring, both once the project has been implemented and is operational and at a later stage with the view to evaluating performance;

Part XXVI Special Report No 21/2014 of the Court of Auditors entitled 'EU-funded airport infrastructures: poor value for money'

291. Acknowledges that the Commission has already put in place changes which address many of the issues outlined in the special report and broadly supports the new regulatory framework described by the Commission; with this in mind, proposes that the Commission should report back to Parliament's Committee on Budgetary Control within a year from the adoption of this resolution with progress against these recommendations;
292. Supports the Court of Auditors' recommendation that Member States have coherent plans for airport development and recommends that these plans be approved by the Commission before any funding for specific projects is granted; further recommends that these regional, national or supranational plans should take into account not only air transport but other public transport with similar travel times to flight times including trains and buses in order to avoid market saturation and increase service viability;

293. Recommends that funding only be granted to financially viable airports;
 294. Recommends that the Commission examine all new projects in light of a catchment area analysis to ensure viability, taking into account in each case the importance of regional airports for accessibility and mobility in the Union;
 295. Considers that the Commission should closely monitor, as a priority, Member States that the report identifies as having particularly problematic projects in the past;
 296. Instructs its President to forward this Resolution to the Council, the Commission, the Court of Justice of the European Union, and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).
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DECISION (EU, EURATOM) 2015/1617 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the Education, Audiovisual and Culture Executive Agency for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the general budget of the European Union for the financial year 2013 ⁽¹⁾,
- having regard to the consolidated annual accounts of the European Union for the financial year 2013 (COM(2014) 510 — C8-0140/2014) ⁽²⁾,
- having regard to the final annual accounts of the Education, Audiovisual and Culture Executive Agency for the financial year 2013 ⁽³⁾,
- having regard to the Commission's report on the follow-up to the discharge for the 2012 financial year (COM(2014) 607), and to the accompanying Commission staff working documents (SWD(2014) 285, SWD(2014) 286),
- having regard to the Commission's annual report to the discharge authority on internal audits carried out in 2013 (COM(2014) 615), and to the accompanying Commission staff working document (SWD(2014) 293),
- having regard to the Court of Auditors' report on the annual accounts of the Education, Audiovisual and Culture Executive Agency for the financial year 2013, together with the Agency's replies ⁽⁴⁾,
- having regard to the statement of assurance ⁽⁵⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the executive agencies in respect of the implementation of the budget for the financial year 2013 (05305/2015 — C8-0048/2015),
- having regard to Articles 317, 318 and 319 of the Treaty on the Functioning of the European Union,
- having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,
- having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
- having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁷⁾, and in particular Articles 62, 164, 165 and 166 thereof,
- having regard to Council Regulation (EC) No 58/2003 of 19 December 2002 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes ⁽⁸⁾, and in particular Article 14(3) thereof,
- having regard to Commission Regulation (EC) No 1653/2004 of 21 September 2004 on a standard financial regulation for the executive agencies pursuant to Council Regulation (EC) No 58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes ⁽⁹⁾, and in particular the first and second paragraphs of Article 66 thereof,

⁽¹⁾ OJ L 66, 8.3.2013.

⁽²⁾ OJ C 403, 13.11.2014, p. 1.

⁽³⁾ OJ C 408, 15.11.2014, p. 39.

⁽⁴⁾ OJ C 442, 10.12.2014, p. 67.

⁽⁵⁾ OJ C 403, 13.11.2014, p. 128.

⁽⁶⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁷⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁸⁾ OJ L 11, 16.1.2003, p. 1.

⁽⁹⁾ OJ L 297, 22.9.2004, p. 6.

- having regard to Commission Decision 2009/336/EC of 20 April 2009 on the creation of the Education, Audiovisual and Culture Executive Agency for the management of Community action in the fields of education, audiovisual and culture in application of Council Regulation (EC) No 58/2003 ⁽¹⁾,
 - having regard to Commission Implementing Decision 2013/776/EU of 18 December 2013 establishing the 'Education, Audiovisual and Culture Executive Agency' and repealing Decision 2009/336/EC ⁽²⁾,
 - having regard to Rule 93 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinions of the other committees concerned (A8-0101/2015),
- A. whereas, under Article 17(1) of the Treaty on European Union, the Commission is to execute the budget and manage programmes and is to do so, pursuant to Article 317 of the Treaty on the Functioning of the European Union, in cooperation with the Member States, on its own responsibility, having regard to the principles of sound financial management,
1. Grants the Director of the Education, Audiovisual and Culture Executive Agency discharge in respect of the implementation of the Agency's budget for the financial year 2013;
 2. Sets out its observations in the resolution forming an integral part of the decisions on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section III — Commission and executive agencies;
 3. Instructs its President to forward this decision, the decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section III — Commission and the resolution forming an integral part of those decisions, to the Director of the Education, Audiovisual and Culture Executive Agency, the Council, the Commission, the Court of Justice of the European Union and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

⁽¹⁾ OJ L 101, 21.4.2009, p. 26.

⁽²⁾ OJ L 343, 19.12.2013, p. 46.

DECISION (EU, EURATOM) 2015/1618 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the Executive Agency for Small and Medium-sized Enterprises (formerly the Executive Agency for Competitiveness and Innovation) for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the general budget of the European Union for the financial year 2013 ⁽¹⁾,
- having regard to the consolidated annual accounts of the European Union for the financial year 2013 (COM(2014) 510 — C8-0140/2014) ⁽²⁾,
- having regard to the final annual accounts of the Executive Agency for Small and Medium-sized Enterprises (formerly the Executive Agency for Competitiveness and Innovation) for the financial year 2013 ⁽³⁾,
- having regard to the Commission's report on the follow-up to the discharge for the 2012 financial year (COM(2014) 607), and to the accompanying Commission staff working documents (SWD(2014) 285, SWD(2014) 286),
- having regard to the Commission's annual report to the discharge authority on internal audits carried out in 2013 (COM(2014) 615), and to the accompanying Commission staff working document (SWD(2014) 293),
- having regard to the Court of Auditors' report on the annual accounts of the Executive Agency for Small and Medium-sized Enterprises (formerly the Executive Agency for Competitiveness and Innovation) for the financial year 2013, together with the Agency's replies ⁽⁴⁾,
- having regard to the statement of assurance ⁽⁵⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the executive agencies in respect of the implementation of the budget for the financial year 2013 (05305/2015 — C8-0048/2015),
- having regard to Articles 317, 318 and 319 of the Treaty on the Functioning of the European Union,
- having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,
- having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
- having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁷⁾, and in particular Articles 62, 164, 165 and 166 thereof,
- having regard to Council Regulation (EC) No 58/2003 of 19 December 2002 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes ⁽⁸⁾, and in particular Article 14(3) thereof,

⁽¹⁾ OJ L 66, 8.3.2013.

⁽²⁾ OJ C 403, 13.11.2014, p. 1.

⁽³⁾ OJ C 408, 15.11.2014, p. 6.

⁽⁴⁾ OJ C 442, 10.12.2014, p. 74.

⁽⁵⁾ OJ C 403, 13.11.2014, p. 128.

⁽⁶⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁷⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁸⁾ OJ L 11, 16.1.2003, p. 1.

- having regard to Commission Regulation (EC) No 1653/2004 of 21 September 2004 on a standard financial regulation for the executive agencies pursuant to Council Regulation (EC) No 58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes ⁽¹⁾, and in particular the first and second paragraphs of Article 66 thereof,
 - having regard to Commission Decision 2004/20/EC of 23 December 2003 setting up an executive agency, the 'Intelligent Energy Executive Agency', to manage Community action in the field of energy in application of Council Regulation (EC) No 58/2003 ⁽²⁾,
 - having regard to Commission Implementing Decision 2013/771/EU of 17 December 2013 establishing the 'Executive Agency for Small and Medium-sized Enterprises' and repealing Decisions 2004/20/EC and 2007/372/EC ⁽³⁾,
 - having regard to Rule 93 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinions of the other committees concerned (A8-0101/2015),
- A. whereas, under Article 17(1) of the Treaty on European Union, the Commission is to execute the budget and manage programmes and is to do so, pursuant to Article 317 of the Treaty on the Functioning of the European Union, in cooperation with the Member States, on its own responsibility, having regard to the principles of sound financial management,
1. Grants the Director of the Executive Agency for Small and Medium-sized Enterprises (formerly the Executive Agency for Competitiveness and Innovation) discharge in respect of the implementation of the Agency's budget for the financial year 2013;
 2. Sets out its observations in the resolution forming an integral part of the decisions on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section III — Commission and executive agencies;
 3. Instructs its President to forward this decision, the decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section III — Commission and the resolution forming an integral part of those decisions, to the Director of the Executive Agency for Small and Medium-sized Enterprises (formerly the Executive Agency for Competitiveness and Innovation), the Council, the Commission, the Court of Justice of the European Union and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

⁽¹⁾ OJ L 297, 22.9.2004, p. 6.

⁽²⁾ OJ L 5, 9.1.2004, p. 85.

⁽³⁾ OJ L 341, 18.12.2013, p. 73.

DECISION (EU, EURATOM) 2015/1619 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the Consumers, Health, Agriculture and Food Executive Agency (formerly the Executive Agency for Health and Consumers) for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the general budget of the European Union for the financial year 2013 ⁽¹⁾,
- having regard to the consolidated annual accounts of the European Union for the financial year 2013 (COM(2014) 510 — C8-0140/2014) ⁽²⁾,
- having regard to the final annual accounts of the Consumers, Health, Agriculture and Food Executive Agency (formerly the Executive Agency for Health and Consumers) for the financial year 2013 ⁽³⁾,
- having regard to the Commission's report on the follow-up to the discharge for the 2012 financial year (COM(2014) 607), and to the accompanying Commission staff working documents (SWD(2014) 285, SWD(2014) 286),
- having regard to the Commission's annual report to the discharge authority on internal audits carried out in 2013 (COM(2014) 615), and to the accompanying Commission staff working document (SWD(2014) 293),
- having regard to the Court of Auditors' report on the annual accounts of the Consumers, Health, Agriculture and Food Executive Agency (formerly the Executive Agency for Health and Consumers) for the financial year 2013, together with the Agency's replies ⁽⁴⁾,
- having regard to the statement of assurance ⁽⁵⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the executive agencies in respect of the implementation of the budget for the financial year 2013 (05305/2015 — C8-0048/2015),
- having regard to Articles 317, 318 and 319 of the Treaty on the Functioning of the European Union,
- having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,
- having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
- having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁷⁾, and in particular Articles 62, 164, 165 and 166 thereof,
- having regard to Council Regulation (EC) No 58/2003 of 19 December 2002 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes ⁽⁸⁾, and in particular Article 14(3) thereof,

⁽¹⁾ OJ L 66, 8.3.2013.⁽²⁾ OJ C 403, 13.11.2014, p. 1.⁽³⁾ OJ C 408, 15.11.2014, p. 5.⁽⁴⁾ OJ C 442, 10.12.2014, p. 83.⁽⁵⁾ OJ C 403, 13.11.2014, p. 128.⁽⁶⁾ OJ L 248, 16.9.2002, p. 1.⁽⁷⁾ OJ L 298, 26.10.2012, p. 1.⁽⁸⁾ OJ L 11, 16.1.2003, p. 1.

- having regard to Commission Regulation (EC) No 1653/2004 of 21 September 2004 on a standard financial regulation for the executive agencies pursuant to Council Regulation (EC) No 58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes ⁽¹⁾, and in particular the first and second paragraphs of Article 66 thereof,
 - having regard to Commission Decision 2004/858/EC of 15 December 2004 setting up an executive agency, the 'Executive Agency for the Public Health Programme' for the management of Community action in the field of public health pursuant to Council Regulation (EC) No 58/2003 ⁽²⁾,
 - having regard to Commission Implementing Decision 2013/770/EU of 17 December 2013 establishing the Consumers, Health and Food Executive Agency and repealing Decision 2004/858/EC ⁽³⁾,
 - having regard to Commission Implementing Decision 2014/927/EU of 17 December 2014 amending Implementing Decision 2013/770/EU in order to transform the 'Consumers, Health and Food Executive Agency' into the 'Consumers, Health, Agriculture and Food Executive Agency' ⁽⁴⁾,
 - having regard to Rule 93 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinions of the other committees concerned (A8-0101/2015),
- A. whereas, under Article 17(1) of the Treaty on European Union, the Commission is to execute the budget and manage programmes and is to do so, pursuant to Article 317 of the Treaty on the Functioning of the European Union, in cooperation with the Member States, on its own responsibility, having regard to the principles of sound financial management,
1. Grants the Director of the Consumers, Health, Agriculture and Food Executive Agency (formerly the Executive Agency for Health and Consumers) discharge in respect of the implementation of the Agency's budget for the financial year 2013;
 2. Sets out its observations in the resolution forming an integral part of the decisions on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section III — Commission and executive agencies;
 3. Instructs its President to forward this Decision, the Decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section III — Commission and the resolution forming an integral part of those decisions, to the Director of the Consumers, Health, Agriculture and Food Executive Agency (formerly the Executive Agency for Health and Consumers), the Council, the Commission, the Court of Justice of the European Union and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

⁽¹⁾ OJ L 297, 22.9.2004, p. 6.

⁽²⁾ OJ L 369, 16.12.2004, p. 73.

⁽³⁾ OJ L 341, 18.12.2013, p. 69.

⁽⁴⁾ OJ L 363, 18.12.2014, p. 183.

DECISION (EU, EURATOM) 2015/1620 OF THE EUROPEAN PARLIAMENT
of 29 April 2015
on discharge in respect of the implementation of the budget of the European Research Council
Executive Agency for the financial year 2013

THE EUROPEAN PARLIAMENT,

- having regard to the general budget of the European Union for the financial year 2013 ⁽¹⁾,
- having regard to the consolidated annual accounts of the European Union for the financial year 2013 (COM(2014) 510 — C8-0140/2014) ⁽²⁾,
- having regard to the final annual accounts of the European Research Council Executive Agency for the financial year 2013,
- having regard to the Commission's report on the follow-up to the discharge for the 2012 financial year (COM(2014) 607), and to the accompanying Commission staff working documents (SWD(2014) 285, SWD(2014) 286),
- having regard to the Commission's annual report to the discharge authority on internal audits carried out in 2013 (COM(2014) 615), and to the accompanying Commission staff working document (SWD(2014) 293),
- having regard to the Court of Auditors' report on the annual accounts of the European Research Council Executive Agency for the financial year 2013, together with the Agency's replies ⁽³⁾,
- having regard to the statement of assurance ⁽⁴⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the executive agencies in respect of the implementation of the budget for the financial year 2013 (05305/2015 — C8-0048/2015),
- having regard to Articles 317, 318 and 319 of the Treaty on the Functioning of the European Union,
- having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,
- having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁵⁾,
- having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁶⁾, and in particular Articles 62, 164, 165 and 166 thereof,
- having regard to Council Regulation (EC) No 58/2003 of 19 December 2002 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes ⁽⁷⁾, and in particular Article 14(3) thereof,

⁽¹⁾ OJ L 66, 8.3.2013.

⁽²⁾ OJ C 403, 13.11.2014, p. 1.

⁽³⁾ OJ C 442, 10.12.2014, p. 240.

⁽⁴⁾ OJ C 403, 13.11.2014, p. 128.

⁽⁵⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁶⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁷⁾ OJ L 11, 16.1.2003, p. 1.

- having regard to Commission Regulation (EC) No 1653/2004 of 21 September 2004 on a standard financial regulation for the executive agencies pursuant to Council Regulation (EC) No 58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes ⁽¹⁾, and in particular the first and second paragraphs of Article 66 thereof,
 - having regard to Commission Decision 2008/37/EC of 14 December 2007 setting up the European Research Council Executive Agency for the management of the specific Community programme Ideas in the field of frontier research in application of Council Regulation (EC) No 58/2003 ⁽²⁾,
 - having regard to Commission Implementing Decision 2013/779/EU of 17 December 2013 establishing the European Research Council Executive Agency and repealing Decision 2008/37/EC ⁽³⁾,
 - having regard to Rule 93 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinions of the other committees concerned (A8-0101/2015),
- A. whereas, under Article 17(1) of the Treaty on European Union, the Commission is to execute the budget and manage programmes and is to do so, pursuant to Article 317 of the Treaty on the Functioning of the European Union, in cooperation with the Member States, on its own responsibility, having regard to the principles of sound financial management,
1. Grants the Director of the European Research Council Executive Agency discharge in respect of the implementation of the Agency's budget for the financial year 2013;
 2. Sets out its observations in the resolution forming an integral part of the decisions on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section III — Commission and executive agencies;
 3. Instructs its President to forward this decision, the decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section III — Commission and the resolution forming an integral part of those decisions, to the Director of the European Research Council Executive Agency, the Council, the Commission, the Court of Justice of the European Union and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

⁽¹⁾ OJ L 297, 22.9.2004, p. 6.

⁽²⁾ OJ L 9, 12.1.2008, p. 15.

⁽³⁾ OJ L 346, 20.12.2013, p. 58.

DECISION (EU, EURATOM) 2015/1621 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the Research Executive Agency for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the general budget of the European Union for the financial year 2013 ⁽¹⁾,
- having regard to the consolidated annual accounts of the European Union for the financial year 2013 (COM(2014) 510 — C8-0140/2014) ⁽²⁾,
- having regard to the final annual accounts of the Research Executive Agency for the financial year 2013 ⁽³⁾,
- having regard to the Commission's report on the follow-up to the discharge for the 2012 financial year (COM(2014)607), and to the accompanying Commission staff working documents (SWD(2014)285, SWD(2014)286),
- having regard to the Commission's annual report to the discharge authority on internal audits carried out in 2013 (COM(2014)615), and to the accompanying Commission staff working document (SWD(2014)0293),
- having regard to the Court of Auditors' report on the annual accounts of the Research Executive Agency for the financial year 2013, together with the Agency's replies ⁽⁴⁾,
- having regard to the statement of assurance ⁽⁵⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the executive agencies in respect of the implementation of the budget for the financial year 2013 (05305/2015 — C8-0048/2015),
- having regard to Articles 317, 318 and 319 of the Treaty on the Functioning of the European Union,
- having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,
- having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
- having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁷⁾, and in particular Articles 62, 164, 165 and 166 thereof,
- having regard to Council Regulation (EC) No 58/2003 of 19 December 2002 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes ⁽⁸⁾, and in particular Article 14(3) thereof,
- having regard to Commission Regulation (EC) No 1653/2004 of 21 September 2004 on a standard financial regulation for the executive agencies pursuant to Council Regulation (EC) No 58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes ⁽⁹⁾, and in particular the first and second paragraphs of Article 66 thereof,

⁽¹⁾ OJ L 66, 8.3.2013.

⁽²⁾ OJ C 403, 13.11.2014, p. 1.

⁽³⁾ OJ C 408, 15.11.2014, p. 40.

⁽⁴⁾ OJ C 442, 10.12.2014, p. 351.

⁽⁵⁾ OJ C 403, 13.11.2014, p. 128.

⁽⁶⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁷⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁸⁾ OJ L 11, 16.1.2003, p. 1.

⁽⁹⁾ OJ L 297, 22.9.2004, p. 6.

- having regard to Commission Decision 2008/46/EC of 14 December 2007 setting up the Research Executive Agency for the management of certain areas of the specific Community programmes People, Capacities and Cooperation in the field of research in application of Council Regulation (EC) No 58/2003 ⁽¹⁾,
 - having regard to Commission Implementing Decision 2013/778/EU of 13 December 2013 establishing the Research Executive Agency and repealing Decision 2008/46/EC ⁽²⁾,
 - having regard to Rule 93 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinions of the other committees concerned (A8-0101/2015),
- A. whereas, under Article 17(1) of the Treaty on European Union, the Commission is to execute the budget and manage programmes and is to do so, pursuant to Article 317 of the Treaty on the Functioning of the European Union, in cooperation with the Member States, on its own responsibility, having regard to the principles of sound financial management,
1. Grants the Director of the Research Executive Agency discharge in relation to the implementation of the Agency's budget for the financial year 2013;
 2. Sets out its observations in the resolution forming an integral part of the decisions on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section III — Commission and executive agencies;
 3. Instructs its President to forward this decision, the decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section III — Commission and the resolution forming an integral part of those decisions, to the Director of the Research Executive Agency, the Council, the Commission, the Court of Justice of the European Union and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

⁽¹⁾ OJ L 11, 15.1.2008, p. 9.

⁽²⁾ OJ L 346, 20.12.2013, p. 54.

DECISION (EU, EURATOM) 2015/1622 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the Innovation and Networks Executive Agency (formerly the Trans-European Transport Network Executive Agency) for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the general budget of the European Union for the financial year 2013 ⁽¹⁾,
- having regard to the consolidated annual accounts of the European Union for the financial year 2013 (COM(2014) 510 — C8-0140/2014) ⁽²⁾,
- having regard to the final annual accounts of the Innovation and Networks Executive Agency (formerly the Trans-European Transport Network Executive Agency) for the financial year 2013 ⁽³⁾,
- having regard to the Commission's report on the follow-up to the discharge for the 2012 financial year (COM(2014) 607), and to the accompanying Commission staff working documents (SWD(2014) 285, SWD(2014) 286),
- having regard to the Commission's annual report to the discharge authority on internal audits carried out in 2013 (COM(2014) 615), and to the accompanying Commission staff working document (SWD(2014) 293),
- having regard to the Court of Auditors' report on the annual accounts of the Innovation and Networks Executive Agency (formerly the Trans-European Transport Network Executive Agency) for the financial year 2013, together with the Agency's replies ⁽⁴⁾,
- having regard to the statement of assurance ⁽⁵⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the executive agencies in respect of the implementation of the budget for the financial year 2013 (05305/2015 — C8-0048/2015),
- having regard to Articles 317, 318 and 319 of the Treaty on the Functioning of the European Union,
- having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,
- having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
- having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁷⁾, and in particular Articles 62, 164, 165 and 166 thereof,
- having regard to Council Regulation (EC) No 58/2003 of 19 December 2002 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes ⁽⁸⁾, and in particular Article 14(3) thereof,

⁽¹⁾ OJ L 66, 8.3.2013.⁽²⁾ OJ C 403, 13.11.2014, p. 1.⁽³⁾ OJ C 408, 15.11.2014, p. 41.⁽⁴⁾ OJ C 442, 10.12.2014, p. 358.⁽⁵⁾ OJ C 403, 13.11.2014, p. 128.⁽⁶⁾ OJ L 248, 16.9.2002, p. 1.⁽⁷⁾ OJ L 298, 26.10.2012, p. 1.⁽⁸⁾ OJ L 11, 16.1.2003, p. 1.

- having regard to Commission Regulation (EC) No 1653/2004 of 21 September 2004 on a standard financial regulation for the executive agencies pursuant to Council Regulation (EC) No 58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes ⁽¹⁾, and in particular the first and second paragraphs of Article 66 thereof,
 - having regard to Commission Decision 2007/60/EC of 26 October 2006 establishing the Trans-European Transport Network Executive Agency pursuant to Council Regulation (EC) No 58/2003 ⁽²⁾,
 - having regard to Commission Implementing Decision 2013/801/EU of 23 December 2013 establishing the Innovation and Networks Executive Agency and repealing Decision 2007/60/EC as amended by Decision 2008/593/EC ⁽³⁾,
 - having regard to Rule 93 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinions of the other committees concerned (A8-0101/2015),
- A. whereas, under Article 17(1) of the Treaty on European Union, the Commission is to execute the budget and manage programmes and is to do so, pursuant to Article 317 of the Treaty on the Functioning of the European Union, in cooperation with the Member States, on its own responsibility, having regard to the principles of sound financial management;
1. Grants the Director of the Innovation and Networks Executive Agency (formerly the Trans-European Transport Network Executive Agency) discharge in respect of the implementation of the Agency's budget for the financial year 2013;
 2. Sets out its observations in the resolution forming an integral part of the decisions on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section III — Commission and executive agencies;
 3. Instructs its President to forward this decision, the decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section III — Commission and the resolution forming an integral part of those decisions, to the Director of the Innovation and Networks Executive Agency (formerly the Trans-European Transport Network Executive Agency), the Council, the Commission, the Court of Justice of the European Union and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

⁽¹⁾ OJ L 297, 22.9.2004, p. 6.

⁽²⁾ OJ L 32, 6.2.2007, p. 88.

⁽³⁾ OJ L 352, 24.12.2013, p. 65.

DECISION (EU, EURATOM) 2015/1623 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on the closure of the accounts of the general budget of the European Union for the financial year 2013, Section III — Commission**

THE EUROPEAN PARLIAMENT,

- having regard to the general budget of the European Union for the financial year 2013 ⁽¹⁾,
- having regard to the consolidated annual accounts of the European Union for the financial year 2013 (COM(2014) 510 — C8-0140/2014) ⁽²⁾,
- having regard to the Commission's report on the follow-up to the discharge for the 2012 financial year (COM(2014) 607), and to the accompanying Commission staff working documents (SWD(2014) 285, SWD(2014) 286),
- having regard to the Commission communication of 11 June 2014 entitled 'Synthesis of the Commission's management achievements in 2013' (COM(2014) 342),
- having regard to the Commission's annual evaluation report on the Union's finances based on the results achieved (COM(2014) 383) and to the accompanying Commission staff working documents (SWD(2014) 200, SWD(2014) 201),
- having regard to the Commission's annual report to the discharge authority on internal audits carried out in 2013 (COM(2014) 615), and to the accompanying Commission staff working document (SWD(2014) 293),
- having regard to the Court of Auditors' annual report on the implementation of the budget for the financial year 2013, together with the institutions' replies ⁽³⁾, and to the Court of Auditors' special reports,
- having regard to the statement of assurance ⁽⁴⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Commission in respect of the implementation of the budget for the financial year 2013 (05303/2015 — C8-0053/2015),
- having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the executive agencies in respect of the implementation of the budget for the financial year 2013 (05305/2015 — C8-0048/2015),
- having regard to Articles 317, 318 and 319 of the Treaty on the Functioning of the European Union,
- having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,
- having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁵⁾,
- having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁶⁾, and in particular Articles 62, 164, 165 and 166 thereof,

⁽¹⁾ OJ L 66, 8.3.2013.⁽²⁾ OJ C 403, 13.11.2014, p. 1.⁽³⁾ OJ C 398, 12.11.2014, p. 1.⁽⁴⁾ OJ C 403, 13.11.2014, p. 128.⁽⁵⁾ OJ L 248, 16.9.2002, p. 1.⁽⁶⁾ OJ L 298, 26.10.2012, p. 1.

- having regard to Council Regulation (EC) No 58/2003 of 19 December 2002 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes ⁽¹⁾, and in particular Article 14(2) and (3) thereof,
 - having regard to Rule 93 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinions of the other committees concerned (A8-0101/2015),
1. Approves the closure of the accounts of the general budget of the European Union for the financial year 2013;
 2. Sets out its observations in the resolution forming an integral part of the decisions on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section III — Commission and executive agencies;
 3. Instructs its President to forward this decision to the Council, the Commission, the Court of Justice of the European Union, the Court of Auditors and the European Investment Bank, and to the national parliaments and the national and regional audit institutions of the Member States, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

⁽¹⁾ OJ L 11, 16.1.2003, p. 1.

DECISION (EU) 2015/1624 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section X — European External Action Service**

THE EUROPEAN PARLIAMENT,

- having regard to the general budget of the European Union for the financial year 2013 ⁽¹⁾,
 - having regard to the consolidated annual accounts of the European Union for the financial year 2013 (COM(2014) 510 — C8-0155/2014) ⁽²⁾,
 - having regard to the Court of Auditors' annual report on the implementation of the budget concerning the financial year 2013, together with the institutions' replies ⁽³⁾,
 - having regard to the statement of assurance ⁽⁴⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to Article 314(10) and Articles 317, 318 and 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁵⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁶⁾, and in particular Articles 55, 99 and 164 to 167 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Foreign Affairs (A8-0109/2015),
1. Grants the High Representative of the Union for Foreign Affairs and Security Policy discharge in respect of the implementation of the budget of the European External Action Service for the financial year 2013;
 2. Sets out its observations in the resolution below;
 3. Instructs its President to forward this decision and the resolution forming an integral part of it to the European Council, the Council, the Commission, the Court of Justice of the European Union, the Court of Auditors, the European Ombudsman, the European Data Protection Supervisor and the European External Action Service, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

⁽¹⁾ OJ L 66, 8.3.2013.

⁽²⁾ OJ C 403, 13.11.2014, p. 1.

⁽³⁾ OJ C 398, 12.11.2014, p. 1.

⁽⁴⁾ OJ C 403, 13.11.2014, p. 128.

⁽⁵⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁶⁾ OJ L 298, 26.10.2012, p. 1.

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section X — European External Action Service**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section X — European External Action Service,
 - having regard to the Decision of the European Ombudsman of 26 February 2015 closing her own-initiative inquiry OI/1/2014/PMC concerning whistleblowing,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Foreign Affairs (A8-0109/2015),
1. Welcomes the fact that in its third financial year, the European External Action Service ('EEAS') has continued to implement its budget without major errors being identified by the Court of Auditors; notes the progress made in fixing the errors identified in previous years and supports the recommendations for further improvements made by the Court of Auditors in its annual report; welcomes Special Report No 11/2014 on the establishment of the EEAS, published by the Court of Auditors, and the many useful suggestions for improvements which that report contains which will hopefully be implemented as soon as possible;
 2. Points out that in the 2011, 2012 and in the 2013 annual report, the Court of Auditors repeatedly inserted observations about the EEAS with regard to payments of salaries to staff, weaknesses in the management of family allowances performed on behalf of the EEAS by the PMO, the procurement of security services in Delegations and contracts for IT services;
 3. Is concerned by the fact that staff allowances were already a point of concern and were subject to errors in previous years; requests that more rigorous controls on this matter be performed, in particular by regularly reminding staff to declare allowances received from other sources;
 4. Is concerned that in 2013, the PMO system was still not fully functional, leading to the incorrect payment of social allowances to staff members, asks the EEAS to extend the system to the officials of all Member States;
 5. Recalls that regular attention has to be paid by EEAS Headquarters to any kind of procurement procedure at all stages of the procurement procedure, especially in Delegations; considers that continuous support through clear guidance should be provided to Delegation staff involved in order to reduce the inherent risk exposure, in particular for sensitive tenders and contracts; welcomes the creation of a dedicated task force at EEAS Headquarters for security service contracts in Delegations;
 6. Notes that for framework contracts awarded by the EEAS, due care has to be ensured in terms of the traceability of operations by recording adequate documentation for each contract regardless of its specific nature; asks EEAS Headquarters to further develop staff skills and awareness of this issue in Delegations and, more generally, on the effective application of related internal control standards; notes that information quality is one of the most important weaknesses identified by the *ex ante* controls carried out in 2013 and calls for this situation to be swiftly remedied in order to have access to accurate and comprehensive management and administrative information;
 7. Invites the EEAS to strengthen its new Anti-fraud Strategy covering third countries and welcomes the fact that the administrative Memorandum of Understanding with the European Anti-Fraud Office (OLAF) was finally signed on 23 January 2015;

8. Asks the EEAS to report on the progress made regarding the new Anti-fraud Strategy for Union Delegations which was planned to be finalised in 2013;
9. Is concerned by the delayed adoption of the internal whistleblowing rules; calls on the EEAS to implement these without further delay;
10. Calls on the EEAS to include in its annual activity reports, in compliance with the existing rules on confidentiality and data protection, the results and consequences of closed OLAF cases where the institution or any of the individuals working for it were the subject of the investigation;
11. Notes that the final budget for the year 2013 for EEAS Headquarters was EUR 508,8 million, representing a 4,09 % increase, with the budget being split as follows: EUR 195,81 million for EEAS Headquarters and EUR 312,95 million for Union Delegations; notes that in addition to the EEAS' own budget, the Commission contributed EUR 272,4 million;
12. Takes note that at EEAS Headquarters, 69 % of the budget is intended for the payment of salaries and other entitlements of statutory and external staff (i.e. EUR 134,59 million) and 10 % (or EUR 19,92 million) for buildings and associated costs; notes that for the Union Delegations EUR 106,6 million (34 %) relates to the remuneration of statutory staff, EUR 62,2 million (19,9 %) for external staff and EUR 99,6 million (31,8 %) for buildings and associated costs;
13. Is of the opinion that the EEAS is not yet a fully-fledged Union diplomatic service because of resource constraints; considers that the Commission and the Member States are the appropriate actors to push for the consolidation of the EEAS;
14. Points out that the principle of budget neutrality is most welcomed, but that this should not be viewed in isolation from the savings which the Member States have made from the establishment of the EEAS;
15. Considers that the EEAS continues to have a top-heavy administration, which needs to be corrected; takes the view that the measures already implemented to correct this matter are a step in the right direction and asks the Commission to strengthen its engagement in order to improve the inter-service cooperation; asks the institution to report on the reduction of the AD 15 and AD 16 posts in its next annual activity report; notes furthermore the absence of a competency framework for managers as the basis for the evaluation of pre-selected candidates; emphasises that competence in the field of foreign affairs must remain the main criterion for hiring decisions;
16. Insists on the need to rationalise EEAS top management and to streamline decision-making processes;
17. Welcomes the improved geographical balance in terms of the number of EEAS staff coming from the Member States that have acceded to the Union since 2004, who now represent 18 % of administrative staff and 17,7 % of Heads of Delegations, as compared to the relative population size of those countries, which stands at 21 %; emphasises the need for geographical balance in the recruitment and the appointment of staff; is of the opinion that equivalent geographical representation within the EEAS is an important element, contributing to the enhancement of its performance and calls on the Commission to continue working in this direction;
18. Notes the efforts made to improve gender balance and to remove potential barriers to career progression; urges the EEAS to continue to work to reduce the gender imbalance especially within the category of senior level employees;
19. Expresses its concern, however, at the lack of women in positions of responsibility in the EEAS (204 men to 55 women in the Delegations, while the proportion in senior management positions is 42 men to 4 women — i.e. just 8,7 % women); calls for an equal opportunities plan to be implemented which targets managerial positions particular so as to remedy this imbalance as soon as possible;
20. Notes that the statutory target that at least one third of staff at administrator (AD) level within the EEAS should comprise of Member States' diplomats was reached in 2013; notes however the relatively high number of seconded national experts from Member States (397 in June 2014) and requests further clarification on their status/entitlements and costs for the EEAS budget;

21. Reiterates last year's request to have an exhaustive table of all the human resources at the disposal of the EEAS, with a breakdown according to grade, gender and nationality; notes that this table should be automatically included in the annual activity report of the institution;
22. Regrets, however, that a better geographical balance has not yet been achieved and asks the EEAS to strengthen the geographical balance, in particular as regards appointments to management posts and the posts of Heads of Delegations; reiterates the need for an enforced geographical balance of the Member States at all levels of the administration and urges the EEAS to implement measures that contribute to a better and more balanced representation of all Member States;
23. Considers the responsibilities of the Union Special Representatives to be very unclear and lacking proper monitoring and performance analysis; suggests that they are integrated into the EEAS in order to bridge this gap;
24. Recalls the importance of transferring the Union Special Representatives budget from the operational Common Security and Defence Policy (CSDP) to the EEAS budget to better support the integration into the EEAS;
25. Notes the developments made in the area of human resources yet agrees with the Court of Auditors' observations that the thematic expertise in the Delegations is needed; expresses its concern that Union Delegations are lacking staff in their political sections and for the operational planning and implementation of Common Foreign and Security Policy (CFSP) missions; notes also that there are practical difficulties for the Union Delegations to receive and deal with intelligence reporting; invites the Commission, together with the EEAS, to put a concerted approach in place to optimise the profile of Delegation staff;
26. Notes that the EEAS continues to dedicate insufficient resources to the external aspects of internal policies and that it lacks the personnel needed to provide proper input on the programming of the financial instruments, thus undermining the coherence of the Union's external action;
27. Believes that in this time of crisis and the general cutting of budgets, the costs of 'away days' for staff of the Union institutions should be reduced and that these should be held, wherever possible, on the premises of the institutions, since the added value derived from 'away days' does not justify such high costs;
28. Invites the EEAS to get a better overview on the costs incurred in recruitment procedures; calls on the EEAS to use innovative solutions like videoconferencing for job interviews and to come up with similar proposals for the training of staff as much as possible;
29. Reiterates the need to introduce a requirement by the EEAS that newly appointed EEAS staff give a declaration of honour stating that they have not worked for intelligence services in the past;
30. Encourages the Commission and the Member States to take measures to promote better coordination and cooperation between their external relations services and the EEAS without disregarding the horizontal thematic issues;
31. Underlines that significant cost savings can be made by better cooperation between Member States in terms of their foreign and security policy and by proactively identifying joint efforts the EEAS can gradually take over in order for the Union to be both a stronger and more efficient global player;
32. Emphasises that working practices to ensure cooperation with DG for Development and Cooperation (DEVCO) and to support thematic divisions (such as the Directorate for Conflict Prevention and Security Policy) should be further developed;
33. Stresses that thematic divisions should be involved in programming during all stages to avoid that conflict prevention, peace building, gender and human rights are last-minute add-ons;

34. Takes the view that current Union foreign policy continues to be very much influenced by the foreign policies of particular Member States; emphasises that the policy of sidelining countries with specific expertise on some of the ongoing conflicts, specifically the Ukrainian-Russian conflict, dominates the results of Union foreign policy; invites the EEAS to consistently monitor this and take into account the possible effect that the foreign policy of particular Member States has on Union foreign policy;
35. Stresses the importance of recognising and supporting the hard work of detached civilian staff and military personnel in the most unstable and dangerous parts of the world where the Union must also be represented and conduct its work; considers it essential, therefore, that those staff who live and work under severe pressure, in terms of both safety and mobility, family unity/disjunction and cultural and social factors, enjoy the highest levels of protection and security and a sufficient degree of flexibility; advocates an increase in the budget earmarked for the security costs of the delegations concerned; considers that it would be very useful to have comparative statistics for EEAS staff and Member State external action staff working in those situations;
36. Insists on the need for simplification of the budget scheme for supporting Delegations; emphasises the difficult situation faced by the Delegations with the fewest members of staff as a result of the complex and rigid rules governing the delegation of payment authorisations between EEAS and Commission staff; calls on the EEAS and the Commission to consider how the procedure for authorising funds might be made easier while ensuring that financial control rules are complied with;
37. Stresses that the financial regulations, as currently applied to the Union Delegations, continue to impose a heavy administrative burden on the Head of Delegation, which distracts from the Head of Delegation's primary responsibility of political work; urges the EEAS and the Commission to find a solution to this issue, which could entail a change to the financial regulations, provided that this does not also entail a reduction in the quality and rigour of the Delegations' financial management; notes also the continuing use of budget lines from both EEAS and Commission budget for administrative expenditure, which unnecessarily complicates financial circuits;
38. Points out that Union staff in Delegations and Union staff on CFSP missions in the same localities are treated differently as regards days off, flights, allowances and other benefits; calls for a detailed comparison of payments and benefits for Union Delegation staff and Union staff on CFSP missions in Mogadishu (Somalia) and Bangui (Central African Republic) as of 1 January 2014, for example, and insists that reasons be given where treatment differs;
39. Emphasises the need to ensure greater flexibility in the funding of CSDP missions to guarantee the internal and external security of the Union due to the danger posed by conflicts in countries which border it, as well as the heightened risk of possible terrorist activities;
40. Stresses the vital importance of setting-up a Shared Services Centre (SSC) that would result in important cost savings by providing centralised logistical, procurement and administrative support to the CSDP missions and to the Union Special Representatives and their offices; deplores the long delay in setting up the centre and urges all stakeholders involved to strive to reach as a matter of urgency an agreement on an ambitious SSC, capable of efficiently supporting missions, especially at their start-up, of standardising work processes and of delivering faster and more cost-effective procurement;
41. Urges the EEAS to maximise the benefits of economies of scale by creating new synergies within the EEAS Headquarters and Delegations, as well as in cooperation with Member States and national diplomatic services in the spirit of a true Union external policy and services; notes with satisfaction that the colocation of Union Delegations and Member State diplomatic representations is increasing, even if it continues to be limited; asks the EEAS to continue to seek for ways to further increase colocation;
42. Demands that the building policy of the EEAS be attached to the annual activity report, especially given that it is important that the costs of such a policy are properly rationalised and that such costs are not excessive;
43. Urges the EEAS to provide the discharge authority with the list of building contracts concluded in 2013, including the details of the contracts, the country where the contract is entered in and the length of the contract, as it was done in the 2011 EEAS annual activity report and asks the EEAS to provide the same details of building contracts in its 2014 annual activity report;

44. Recognises that there is still work to be done in relation to consular services; emphasises the cost saving potential of providing consular services through Union Delegations; invites the EEAS to prepare a detailed analysis of its financial implications and the Member States to agree on this issue in order to develop harmonised rules and legislation;
 45. Calls on the Court of Auditors to include in its next annual report a review of the follow-up by the EEAS of Parliament's recommendations in this resolution.
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DECISION (EU) 2015/1625 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section IV — Court of Justice**

THE EUROPEAN PARLIAMENT,

- having regard to the general budget of the European Union for the financial year 2013 ⁽¹⁾,
 - having regard to the consolidated annual accounts of the European Union for the financial year 2013 (COM(2014) 510 — C8-0149/2014) ⁽²⁾,
 - having regard to the Court of Auditors' annual report on the implementation of the budget concerning the financial year 2013, together with the institutions' replies ⁽³⁾,
 - having regard to the statement of assurance ⁽⁴⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to Article 314(10) and Articles 317, 318 and 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁵⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁶⁾, and in particular Articles 55, 99, 164, 165 and 166 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0111/2015),
1. Grants the Registrar of the Court of Justice discharge in respect of the implementation of the budget of the Court of Justice for the financial year 2013;
 2. Sets out its observations in the resolution below;
 3. Instructs its President to forward this Decision and the resolution forming an integral part of it to the European Council, the Council, the Commission, the Court of Justice of the European Union, the Court of Auditors, the European Ombudsman, the European Data Protection Supervisor and the European External Action Service, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

⁽¹⁾ OJ L 66, 8.3.2013.

⁽²⁾ OJ C 403, 13.11.2014, p. 1.

⁽³⁾ OJ C 398, 12.11.2014, p. 1.

⁽⁴⁾ OJ C 403, 13.11.2014, p. 128.

⁽⁵⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁶⁾ OJ L 298, 26.10.2012, p. 1.

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section IV — Court of Justice**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section IV — Court of Justice,
 - having regard to the Decision of the European Ombudsman of 26 February 2015 closing her own-initiative inquiry OI/1/2014/PMC concerning whistleblowing,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0111/2015),
1. Notes with satisfaction that in its 2013 annual report, the Court of Auditors observed that no significant weaknesses had been identified in respect of the audited topics relating to human resources and procurement for the Court of Justice of the European Union ('Court of Justice');
 2. Welcomes the fact that, on the basis of its audit work, the Court of Auditors concluded that the payments as a whole for the year ended on 31 December 2013 for administrative and other expenditure of the institutions and bodies were free from material error;
 3. Notes that in 2013, the Court of Justice had appropriations amounting to EUR 354 880 000 (EUR 348 300 000 in 2012) and that the implementation rate was 96,3 %; regrets the decrease of the utilisation rate in 2013 when compared to that of 98,6 % in 2012;
 4. Takes note that the lower implementation rate can be attributed to the fact that the initial appropriations for 2013 had included a proposed adjustment to salaries and pensions, totalling almost EUR 6 000 000, whereas no adjustment was ultimately granted by the Council; points out that the reasons behind the unexpected ruling on the salary adjustment are no longer applicable following the agreement on the new Staff Regulation in 2014;
 5. Stresses, however, that the Court of Justice's budget is purely administrative, with a large amount being used on expenditure concerning persons working within the institution; takes note of the justification for the decrease in the utilisation rate stated in the Court of Justice's annual activity report for the 2013 financial year;
 6. Notes that the Court of Justice completed 701 cases in 2013 (595 completed cases in 2012), had 699 new cases brought before it (632 in 2012), including 450 appeals and references for preliminary ruling; endorses the positive statistical results and finds that despite the good outcome, there is still margin for improvement;
 7. Takes note that in 2013 the General Court received 790 new cases, had 702 cases dealt with and 1 325 cases pending, constituting a general increase in the number of proceedings when compared to 2012; notes also that the duration of proceedings has slightly decreased; points out that the creation of a ninth chamber did not contribute in 2013 to an increase in the General Court's efficiency yet notwithstanding this, reiterates its position that the General Court needs reinforcement in the area of human resources;
 8. Notes that in 2013, the Civil Service Tribunal completed 184 cases, as against 121 in 2012 (i.e. an increase of 52 %), thus reducing the number of pending cases by 24 (i.e. a decrease of its backlog by 11 %); believes that the elimination of the Civil Service Tribunal is an inadequate solution to face the Council's long lasting blockage;

9. Considers that there is still a margin for improvement within the existing resources at the disposal of the Court of Justice; stresses that the internal reforms implemented in 2013, namely the creation of a new chamber in the General Court and the new Advocate General, as well as the reform of the Rules of Procedure governing the operation of the Court of Justice, particularly in the areas of languages and the use of technology, and other supplementary rules, have contributed to positive changes in the system that have enabled progress to be made in optimising resources; encourages the Court of Justice to continue with this approach;
10. Recommends that the institution be reorganised in such a way as to make a clearer separation between legal and administrative functions, thus bringing the setup more closely in line with Article 6 of the European Convention on Human Rights so that judges no longer run the risk of having to rule on appeals against acts in which their authorities have been directly involved;
11. Recalls that in its response to the discharge resolution 2012 the Court of Justice indicates that holding more hearings and issuing more judgments would not increase productivity significantly; points out that on the other hand, the Court of Justice asked to increase the number of judges; urges the Court of Justice to request an external peer review in order to be provided with external instruments to identify possible solutions to the problems raised by the Court of Justice;
12. Highlights the particular importance of respect for multilingualism in the Court of Justice since it must guarantee not only equal access to the Court of Justice's case-law but also equal opportunities for the parties involved in litigation before the Court of Justice;
13. Regrets the insufficient information received during the discharge procedure regarding the list of external activities pursued by the Judges; asks the Court of Justice to publish on its homepage a register which includes detailed information on the outside activities of each judge with an impact on the Union budget;
14. Calls on the Court of Justice, in the case of the two retired staff translators who were awarded translation contracts, to submit a report making it possible to verify that the situation meets the requirements of the Staff Regulations of Officials of the European Union as regards both conflicts of interest and pay;
15. Asks the Court of Justice to consider a consolidation of the Registries of the Court of Justice into one Registry in order to ensure a better coordination of procedural actions between the Courts;
16. Takes note of the improvements made in the e-Curia application; acknowledges that the application has not yet achieved its full potential; recommends that the Court of Justice establish a plan to encourage all the Member States to use it;
17. Acknowledges the launch in 2013 of the digital case-law reports project to replace the paper case-law reports; is of the opinion that this project could have been implemented earlier;
18. Considers that the Court of Justice, taking into account the data provided in the annual activity report, can further reduce the number of paper copies without undermining its responsibilities;
19. Encourages the Court of Justice, given that the Court of Justice had its first live web streaming broadcast in 2013, to use the technology further and widen its application to work related matters;
20. Recognises that the quality of interpretation at the Court of Justice is fundamental and it is not possible to control the number of hearings; believes, however, that a more efficient planning of the hearings' calendar is possible; suggests that the Court of Justice, in its interinstitutional relations, looks for best practices undertaken by other institutions on this matter;
21. Notes the Court of Justice's policy of giving preference to the use of internal resources, in particular within the translation services; understands the difficulties in finding some language combinations with a legal expertise background; is deeply concerned however with the very high unused appropriations — EUR 2 200 000 — allocated to freelance translation; considers therefore that outsourcing, if needed, should also lead to further savings;

22. Asks the Court of Justice to consider implementing a system of translation 'on demand' for specific cases and to make more frequent use of technological based translation tools;
23. Asks the Court to verify on a case by case basis the necessity of translation if there is a limited relevance for Union citizens;
24. Observes with concern the enormous disparities in translation costs for the different Union institutions; asks consequently that the Interinstitutional Working Group on Translation identify the causes of these disparities and put forward solutions that will bring this imbalance to an end and produce harmonised translation costs that fully respect quality and linguistic diversity; notes, with this in mind, that the Working Group should relaunch collaboration between the institutions in order to share best practice and outcomes and identify those areas in which cooperation or agreements between institutions may be strengthened; notes that the Working Group should also aim to establish a unified methodology for presentation of translation costs which all the institutions can use, in order to simplify the analysis and comparison of these costs; notes that the Working Group should present the results of this work before the end of 2015; calls on all the institutions to play an active part in the work of the Interinstitutional Working Group; recalls in this regard the fundamental importance of respect for multilingualism in the Union institutions in order to guarantee equal treatment and equal opportunities for all Union citizens;
25. Considers that at a time of crisis and budgetary cuts in general, the cost of 'away days' for staff at the Union institutions has to be reduced and that these should take place, where possible, on the institutions' own premises as the added value derived from these away days does not justify such high costs;
26. Expects that the Court of Justice will continue to look for new in-house synergies, in particular in the areas of translation and interpretation;
27. Reiterates the request to have the agenda of the Court of Justice meetings included as an annex in the annual activity report of the corresponding year;
28. Recommends the establishment of some objective criteria to define the excessive delay in the period for delivering judgments;
29. Regrets the fact that the Member States which acceded the Union after 2004 are not represented in the top management of the institution; reiterates the need for a greater geographical balance at all levels within the administration;
30. Is concerned by the shortage of women in positions of responsibility at the Court of Justice (70 % - 30 %); calls for an equal opportunities plan to be set in motion, particularly in relation to management posts, with the aim of correcting this imbalance as soon as possible;
31. Takes note that the rules applied by the Court of Justice governing the private use of official cars are similar to those applied in other institutions; is of the opinion that those rules should be updated in order to reduce costs, notably in the case of private use;
32. Calls on the Court of Justice to reduce the number of official cars at the disposal of the Members and staff and to report to Parliament on the savings made; is of the opinion that a revision of post assignments for drivers will thus be required; points out that the cost of the extended private services provided by drivers is borne by Union taxpayers;
33. Believes that the Court of Justice should improve its environmental commitment by further developing the existing measures to reduce emissions and to include environmental criteria in procurement;
34. Takes note of the Court of Justice's commitment to continue improving its system for the timely monitoring and control of the recruitment and procurement procedures; supports the Court of Justice in its continued efforts to monitor the management of allowances and to improve its performance levels;

35. Finds the amount of contracts concluded under negotiated procedure quite high; requests to be thoroughly informed of the reasons behind those decisions;
 36. Calls on the Court of Justice to include in its annual activity reports, in compliance with the existing rules on confidentiality and data protection, the results and consequences of closed OLAF cases, where the institution or any of the individuals working for it were the subject of the investigation;
 37. Takes note of the Court of Justice's building policy attached to the annual activity report;
 38. Notes with satisfaction that the Court of Justice has prepared a thorough and detailed annual activity report and has included in it in-depth information on its human resources management, as requested by Parliament;
 39. Is concerned by the delayed adoption of the internal whistle-blowing rules; calls on the Court of Justice to implement these without further delay.
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DECISION (EU) 2015/1626 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section V — Court of Auditors**

THE EUROPEAN PARLIAMENT,

- having regard to the general budget of the European Union for the financial year 2013 ⁽¹⁾,
 - having regard to the consolidated annual accounts of the European Union for the financial year 2013 (COM(2014) 510 — C8-0155/2014) ⁽²⁾,
 - having regard to the Court of Auditors' annual report on the implementation of the budget concerning the financial year 2013, together with the institutions' replies ⁽³⁾,
 - having regard to the statement of assurance ⁽⁴⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to Article 314(10) and Articles 317, 318 and 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁵⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁶⁾, and in particular Articles 55, 99, 164, 165 and 166 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0113/2015),
1. Grants the Secretary-General of the Court of Auditors discharge in respect of the implementation of the budget of the Court of Auditors for the financial year 2013;
 2. Sets out its observations in the resolution below;
 3. Instructs its President to forward this Decision and the resolution forming an integral part of it to the European Council, the Council, the Commission, the Court of Justice of the European Union, the Court of Auditors, the European Ombudsman, the European Data Protection Supervisor and the European External Action Service, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

⁽¹⁾ OJ L 66, 8.3.2013.

⁽²⁾ OJ C 403, 13.11.2014, p. 1.

⁽³⁾ OJ C 398, 12.11.2014, p. 1.

⁽⁴⁾ OJ C 403, 13.11.2014, p. 128.

⁽⁵⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁶⁾ OJ L 298, 26.10.2012, p. 1.

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section V — Court of Auditors**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section V — Court of Auditors,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0113/2015),
1. Notes that the Court of Auditors' annual accounts are audited by an independent external auditor — PricewaterhouseCoopers SARL — in order to apply the same principles of transparency and accountability that it applies to its auditees; takes note of the auditor's opinion that 'the financial statements give a true and fair view of the financial position of the Court';
 2. Emphasises that in 2013, the Court of Auditors' final appropriations amounted to a total of EUR 142 761 000 (EUR 142 477 000 in 2012) and that the overall rate of implementation for the budget was 92 %; regrets the decrease of the utilisation rate in 2013 when compared to 96 % in 2012;
 3. Stresses, however, that the Court of Auditors' budget is purely administrative, with a large amount being used on expenditure concerning persons working within the institution; takes note of the justification for the utilisation rate decrease stated in the Court of Auditors' report on budgetary and financial management for 2013;
 4. Takes note of the Court of Auditors' new strategy for 2013-2017 to maximise its role as the external auditor of the Union; endorses the plan established for 2013 and its intention to improve the quantity and quality of the performance audit reports by increasing efficiency and the resources earmarked for them; takes note, furthermore, of the 60 % increase in the number of such reports since 2008 and insists that quantity should not come at the expense of quality;
 5. Reminds the Court of Auditors that Parliament, the Council and the Commission agreed in point 54 of the Common Approach on decentralised agencies from 2012 that all aspects of outsourced external audits 'remain under the full responsibility of the ECA, which manages all administrative and procurement procedures required and finances these, as well as any other costs associated with outsourced external audits, from its own budget'; expects the Court of Auditors to follow this Common Approach and contract and pay for agencies' external auditors;
 6. Asks the Court of Auditors to conduct an audit on the effects of a consolidation of the registries of the Court of Justice into one registry in order to ensure the better coordination of procedural actions between the Courts;
 7. Welcomes the Court of Auditors' internal reform programme which is included in its strategy for 2013-2017 and is based on the 2014 peer report, Parliament's report on the future of the Court of Auditors and the Court of Auditors' own internal analysis; calls on the Court of Auditors to report to Parliament regularly on the development and implementation of the reform;
 8. Believes that a certain degree of flexibility in the Court of Auditors' work programme is needed to ensure that it swiftly adapts to unexpected major events that may require specific auditing or attention and that it is able to disregard items on the programme that are no longer relevant; considers it also important that the Court of Auditors should achieve a certain level of diversification and balance, rather than concentrating too much and too

often on certain areas of activity; draws the Court of Auditors' attention to the political priorities of the legislators and the issues of major interest to Union citizens as communicated by Parliament's Committee on Budgetary Control;

9. Supports the Court of Auditors in its efforts to devote more resources to performance audits; recalls that the Court of Auditors should ensure that auditors assigned to performing specific audits possess the necessary technical knowledge and methodological skills;
10. Reminds the Court of Auditors of the need to improve time plans, in particular in the case of the Court of Auditors' Special Reports, without compromising the quality of these reports; regrets that the timeliness of the audit findings continue to be far from the long-term target; recommends that the Court of Auditors set the objective of reducing the duration of every phase of the performance audit plan;
11. Notes that the Court of Auditors' methodology must be consistent and applied to all areas of management; understands that further alignment could lead to inconsistencies in the Court of Auditors' definitions of illegal transactions in direct and shared management;
12. Notes that the average time to produce a Special Report continues to be 20 months, as it was in 2012; regrets that the Court of Auditors did not reach the strategic goal of an average production time of 18 months for Special Reports; calls on the Court of Auditors to attach to each Special Report details about the background to it and details about the various drafting stages;
13. Finds that the Special Reports' recommendations should be clearer and should consistently disclose the positive and the negative conducts of the concerned countries;
14. Notes that the latest changes to Parliament's Rules of Procedure, geared towards increasing the involvement of the parliamentary committees in different areas as regards Special Reports, have not lived up to expectations; endeavours to look into ways of improving the parliamentary procedures that apply to Special Reports from the Court of Auditors;
15. Supports the continued reinforcement of audit posts in 2013; takes note of the successful recruitment of new staff to audit posts and of the reduction of vacant posts at the end of 2013, compared to 2012;
16. Notes that the Court of Auditors states that it does not take geographical criteria into account in appointing staff to management posts; calls on the Court of Auditors, in this regard, to do what is necessary to remedy the current major imbalance at the Court of Auditors in the future, especially as regards management posts;
17. Regrets that the equal opportunities plan launched by the Court of Auditors in 2012 to guarantee gender balance has not delivered as expected, especially where management posts are concerned; notes that among 70 management and head of unit posts, only 21 are occupied by women, and that, furthermore, the majority of these posts are in the translation and administration directorates; highlights and welcomes the increase in the number of female auditors, which will doubtless have an effect on the number of women in management posts in auditing; takes note of the Court of Auditors' commitment to act quickly to review the equality plan with a view to identifying effective solutions that make it possible to attain the targets set in this area as soon as possible;
18. Calls on the Court of Auditors to include an overview of staff holding management positions sorted by nationality, gender and position in the annual activity report;
19. Notes with satisfaction the completion of the K3 building on schedule and within budget;
20. Demands that the Court of Auditors' building policy be attached to its annual activity report, especially given that it is important that the costs of such a policy are properly rationalised and that such costs are not excessive;
21. Takes note of the substantial pricing variation of translation cost per language (with variations of up to more than EUR 100 per page, depending on the language) at the Court of Auditors; is of the opinion that such a high discrepancy in costs, even including indirect costs, should be analysed and corrected;

22. Notes with concern the enormous disparities in translation costs among the various Union institutions; calls, therefore, on the Interinstitutional Working Party on Translation to identify the causes of those disparities and put forward solutions that will put an end to the imbalance and harmonise translation costs while ensuring full respect for quality and linguistic diversity; notes with this in mind that the working party should re-launch cooperation among the institutions in order to share best practices and outcomes and to identify areas in which cooperation or agreements between institutions can be strengthened; notes that the working party should also aim to establish a unified methodology for the presentation of translation costs which all the institutions can use in order to make it simpler to analyse and compare costs; notes that the working party should present those findings before the end of 2015; calls on all the Union institutions to play an active role in the work of the Interinstitutional Working Party; recalls in this regard the fundamental importance of respect for multilingualism in the Union institutions in order to guarantee equal treatment and equal opportunities for all Union citizens;
23. Considers that at a time of crisis and budgetary cuts in general, the cost of 'away days' for staff of the Union institutions has to be reduced and that they should take place, where possible, on the institutions' own premises, as the added value derived from 'away days' does not justify such high costs;
24. Recognises that the Court of Auditors has made improvements with regard to defining and clarifying the competences and responsibilities of the Chamber for coordination, evaluation, assurance and development; calls on the Court of Auditors to press ahead with these efforts and asks to be informed of the measures taken to improve the Chamber's performance;
25. Takes note that in 2013, the Court of Auditors reported a total of 14 cases of suspected fraud arising from its audit work and 10 cases arising from communications to the European Anti-Fraud Office (OLAF); notes that OLAF decided to open an enquiry in seven of the 14 cases and in the other cases, the information was sent to another authority for follow-up action;
26. Calls on the Court of Auditors to include in its annual activity reports, in compliance with the existing rules on confidentiality and data protection, the results and consequences of closed OLAF cases, where the institution or any of the individuals working for it were the subject of the investigation;
27. Endorses the internal auditor's 2013 follow-up review and the progress made in identifying and prioritising the financial and operational risks and in designing appropriate mitigating controls;
28. Notes that the information security policy needs a coordinated and harmonised corporate security strategy; points out that management efficiency and internal controls can be improved in the main areas of the Court of Auditors' governance;
29. Takes note of the introduction at the Court of Auditors of a new Audit Support System (ASSYST) application as an in-house audit tool; asks to be informed of the performance targets set for this application;
30. Takes notes that the Court of Auditors has made assurances that it takes every possible measure to ensure that mission appropriations are used in strict compliance with principles of economy, efficiency and effectiveness;
31. Takes note furthermore of the introduction of new software applications to improve the language training administration; expects that these tools will further enhance the management of language training;
32. Understands the interest of the Court of Auditors in assessing its presence in the media; considers, however, that it needs to improve the clarity of its messages; suggests, therefore, that the editorial quality of all of the Court of Auditors' texts be submitted in a centralised process;
33. Appreciates the cooperation between the Court of Auditors and Parliament's Committee on Budgetary Control and welcomes regular feedback on the basis of Parliament's demands; calls on the Court of Auditors to include in its annual activity report a specific section on the action it has taken in response to Parliament's discharge recommendations concerning the Court of Auditors for the previous financial year, as most of the other institutions do; asks however that the Court of Auditors and the discharge authorities improve their cooperation again in order to make their work more efficient and more effective;

34. Considers that Court of Auditors' reports, and particularly the special reports, are an important contribution to move towards an improved spending approach with regards to the Union funds; is of the opinion that the Court of Auditors' reports could have even more added value if they were complemented by a certain number of corrective measures to be taken by the Union, and an expected timing to implement them, in order to reach the goals and objectives defined by the Union programme, fund, or policy; considers that this enhanced focus on outputs, and in particular long-term outcomes, according to the efficiency and effectiveness principles, would therefore improve the needed follow-up process to be carried out by the Court of Auditors in which the effects of the proposed recommendations would be monitored;
 35. Calls on the Court of Auditors to examine the possibility of advancing the presentation of its annual report within the parameters set by the Financial Regulation of the Union.
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DECISION (EU) 2015/1627 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section VI — European Economic and Social Committee**

THE EUROPEAN PARLIAMENT,

- having regard to the general budget of the European Union for the financial year 2013 ⁽¹⁾,
 - having regard to the consolidated annual accounts of the European Union for the financial year 2013 (COM (2014) 510 — C8-0151/2014) ⁽²⁾,
 - having regard to the Court of Auditors' annual report on the implementation of the budget concerning the financial year 2013, together with the institutions' replies ⁽³⁾,
 - having regard to the statement of assurance ⁽⁴⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to Article 314(10) and Articles 317, 318 and 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁵⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁶⁾, and in particular Articles 55, 99, 164, 165 and 166 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0114/2015),
1. Grants the Secretary-General of the European Economic and Social Committee discharge in respect of the implementation of the budget of the European Economic and Social Committee for the financial year 2013;
 2. Sets out its observations in the resolution below;
 3. Instructs its President to forward this decision and the resolution forming an integral part of it to the European Council, the Council, the Commission, the Court of Justice of the European Union, the Court of Auditors, the European External Action Service, the European Economic and Social Committee, the Committee of the Regions, the European Ombudsman and the European Data Protection Supervisor and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

⁽¹⁾ OJ L 66, 8.3.2013.

⁽²⁾ OJ C 403, 13.11.2014, p. 1.

⁽³⁾ OJ C 398, 12.11.2014, p. 1.

⁽⁴⁾ OJ C 403, 13.11.2014, p. 128.

⁽⁵⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁶⁾ OJ L 298, 26.10.2012, p. 1.

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section VI — European Economic and Social Committee**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section VI — European Economic and Social Committee,
 - having regard to the Decision of the European Ombudsman of 26 February 2015 closing her own-initiative inquiry OI/1/2014/PMC concerning whistleblowing,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0114/2015),
1. Welcomes the fact that on the basis of its audit work, the Court of Auditors concluded that the payments as a whole for the year ended on 31 December 2013 for administrative and other expenditure of the institutions and bodies were free from material error;
 2. Notes with satisfaction that in its 2013 annual report, the Court of Auditors observed that no significant weaknesses had been identified in respect of the audited topics related to the human resources and the procurement for the European Economic and Social Committee (EESC);
 3. Notes that in 2013 the EESC budget amounted to EUR 130 104 400 (EUR 128 816 588 in 2012), with a utilisation rate of 94,1 %; regrets the decrease of the utilisation rate in 2013 when compared to the 96,8 % in 2012;
 4. Stresses, however, that the EESC budget is purely administrative, with a large amount being used on expenditure concerning persons working within the institution and the remaining amount relating to buildings, furniture, equipment and miscellaneous running costs; takes note of the EESC explanation for the utilisation rate decrease being due to precautionary measures;
 5. Points out that the reasons behind the unexpected ruling on salary adjustment are no longer of application following the agreement on the new Staff Regulation in 2014;
 6. Notes the rise by 1 % in the 2013 budget compared to the previous annual budget; supports the EESC's efforts to limit the budgets of the coming years, thereby ensuring a flat rate increase;
 7. Takes note of the follow-up observations to Parliament's 2012 discharge resolution attached to the EESC annual activity report; reiterates its call to be informed about the detailed spending review and the results of that exercise;
 8. Welcomes the EESC's intention to plan its work more efficiently within the legislative process, without necessarily increasing the number of opinions, placing an emphasis instead on the quality of its opinions;
 9. Takes note that the EESC has implemented the new reimbursement rules of members' travel expenses based on real costs, as recommended by Parliament; recalls that the system should be fully operational in the autumn of 2015 when the next EESC term begins;
 10. Takes note of the cooperation between the EESC and Parliament's Committee on Budgetary Control, in particular in relation to the discharge exercise;

11. Notes that the use of external translation has decreased to 2,9 % in 2013, compared with 4,5 % in 2012; finds, however, that the productivity of the internal translation service has also decreased;
12. Notes with concern that translation costs vary enormously from one Union institution to another; asks consequently that the Interinstitutional Working Group on Translation determine the causes of these disparities and put forward solutions with a view to ending the inequality and harmonising translation costs, without in any way impairing quality and linguistic diversity; notes, with this in mind, that the working group should relaunch interinstitutional collaboration in order to share best practices and outcomes and determine those areas in which interinstitutional cooperation or agreements could be strengthened; notes that the working group should also aim to establish a unified methodology, common to all the institutions, for the presentation of translation costs in order to simplify cost analysis and comparison; notes that the working group should present the results of this work before the end of 2015; calls on all the institutions to play an active part in the proceedings of the Interinstitutional Working Group; points to the fundamental importance of preserving multilingualism in the Union institutions in order to ensure that all Union citizens can enjoy equal treatment and equal opportunities;
13. Takes note of the Cooperation Agreement between the EESC, the Committee of the Regions and Parliament, which was eventually signed on 5 February 2014 and has led, first of all, to the transfer of a large number of committee staff to the new European Parliamentary Research Service; expects that the agreement will evolve in a balanced way, benefit all three institutions equally, and contribute positively to the further rationalisation of resources; calls on each of the institutions, at the end of the first year of their collaboration, to make an individual assessment of the impact that the agreement is having in terms both of human resources and of expenditure, synergies, added value, and substantive quality;
14. Calls on the EESC to include an overview of staff holding management positions sorted by nationality, sex and position in the annual activity report;
15. Expresses concern at the shortage of women holding senior EESC posts (61 % — 39 %); calls for an equal opportunities plan to be set in motion, particularly as regards management positions, with the aim of correcting this imbalance as quickly as possible;
16. Recommends that the EESC continues to develop a regular screening of the budgetary savings resulting from the implementation of the new administrative cooperation agreement with the Committee of the Regions; requests detailed information on the results of this cooperation;
17. Notes that the next mid-term review of that cooperation agreement will be the appropriate moment to evaluate the agreement and correct any shortcomings identified;
18. Requests detailed information on the results of the mid-term review and expects that this evaluation will also include a joint assessment of the budgetary savings resulting from the cooperation;
19. Takes note of the still-limited use of videoconferencing tools; acknowledges that measures are being put in place to extend its use; asks to be informed about the progress achieved on this matter;
20. Considers positive the decrease of the unused rate of interpretation services requested from 7,6 % in 2012 to 5,1 % in 2013; emphasises, however, that this rate is still high and calls for a further reduction in interpretation costs;
21. Considers that at a time of crisis and budget cuts in general, the cost of staff 'away days' at the Union institutions has to be lowered and that these events should take place, wherever possible, on the institutions' own premises, as the resulting added value does not justify such high spending;
22. Is concerned that several major events scheduled to take place during the year 2013 were cancelled or postponed; calls on the EESC to better plan and rationalise the organisation of in-house events;
23. Takes note of the information provided on the new insurance contract which entered into force on 1 July 2012, covering the Consultative Commission on Industrial Change delegates;

24. Deplores the European Civil Service Tribunal judgment published on 22 May 2014 condemning the EESC for breaching the Charter of Fundamental Rights of the European Union when dismissing one of its staff members in 2013; also deplores the ruling handed down on 8 October 2014 in Case T-530/12 P, M. B. G. v EESC, in which the General Court found against the EESC in connection with the reporting of irregularities concerning the former Secretary-General by the head of the EESC Legal Service; calls on the EESC and its new Secretary-General to take the steps required to prevent further serious breaches of the Charter of Fundamental Rights of the European Union, to inform the EESC Bureau, the members, and the entire staff about the content of the two judgments, and to draw their attention to the fact that officials and other staff covered by the Staff Regulations have an obligation to report irregularities and that the EESC Bureau is an appropriate body to receive such reports; also asks to be informed about the total legal expenses incurred in the last 5 years in staff cases ultimately dealt with in the courts or by the Ombudsman;
 25. Is concerned by the delayed adoption of the internal whistle-blowing rules; calls on the EESC to implement these without further delay;
 26. Notes that the internal audit service is composed of a staff of three; notes that extended sick leave significantly reduced the available workforce in 2013; calls on the EESC to reinforce the internal audit service and to expand the scope of audit investigations;
 27. Calls on the EESC to include in its annual activity reports, in compliance with the existing rules on confidentiality and data protection, the results and consequences of closed European Anti-Fraud Office cases, where the institution or any of the individuals working for it were the subject of the investigation;
 28. Demands that the EESC's building policy be attached to its annual activity report, especially given that it is important that the costs of such a policy are properly rationalised and that such costs are not excessive;
 29. Points to the need to raise the EESC's profile by stepping up the necessary information and communication policy.
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DECISION (EU) 2015/1628 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section VII — Committee of the Regions**

THE EUROPEAN PARLIAMENT,

- having regard to the general budget of the European Union for the financial year 2013 ⁽¹⁾,
 - having regard to the consolidated annual accounts of the European Union for the financial year 2013 (COM(2014) 510 — C8-0152/2014) ⁽²⁾,
 - having regard to the Court of Auditors' annual report on the implementation of the budget concerning the financial year 2013, together with the institutions' replies ⁽³⁾,
 - having regard to the statement of assurance ⁽⁴⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to Article 314(10) and Articles 317, 318 and 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁵⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁶⁾, and in particular Articles 55, 99, 164, 165 and 166 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0105/2015),
1. Grants the Secretary-General of the Committee of the Regions discharge in respect of the implementation of the budget of the Committee of the Regions for the financial year 2013;
 2. Sets out its observations in the resolution below;
 3. Instructs its President to forward this Decision and the resolution forming an integral part of it to the European Council, the Council, the Commission, the Court of Justice of the European Union, the Court of Auditors, the European External Action Service, the European Economic and Social Committee, the Committee of the Regions, the European Ombudsman and the European Data Protection Supervisor, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

⁽¹⁾ OJ L 66, 8.3.2013.

⁽²⁾ OJ C 403, 13.11.2014, p. 1.

⁽³⁾ OJ C 398, 12.11.2014, p. 1.

⁽⁴⁾ OJ C 403, 13.11.2014, p. 128.

⁽⁵⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁶⁾ OJ L 298, 26.10.2012, p. 1.

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section VII — Committee of the Regions**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section VII — Committee of the Regions,
 - having regard to the Decision of the European Ombudsman of 26 February 2015 closing her own-initiative inquiry OI/1/2014/PMC concerning whistle-blowing,
 - having regard to the new rules on the protection of whistle-blowers,
 - having regard to the judgment of the European Union Civil Service Tribunal dated 7 May 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0105/2015),
1. Notes with satisfaction that in its 2013 annual report, the Court of Auditors observed that no significant weaknesses had been identified in respect of the audited topics relating to human resources and procurement for the Committee of the Regions ('the Committee');
 2. Welcomes the fact that on the basis of its audit work, the Court of Auditors concluded that the payments as a whole for the year ended on 31 December 2013 for administrative and other expenditure of the institutions and bodies were free from material error;
 3. Notes that in 2013, the Committee had an approved budget of EUR 87 373 000 (EUR 86 503 000 in 2012), of which EUR 84 800 000 were commitment appropriations with a utilisation rate of 97 %; regrets the decrease of the utilisation rate in 2013 when compared to that of 98,2 % in 2012;
 4. Stresses, however, that the Committee's budget is purely administrative, with a large amount being used for expenditure relating to persons working within the institution and the remaining amount relating to buildings, furniture, equipment and miscellaneous running costs; takes note of the Committee's explanation for the decrease in the utilisation rate;
 5. Points out that the reasons behind the unexpected ruling on salary adjustment are no longer applicable following the agreement on the new Staff Regulation in 2014;
 6. Welcomes the Annual Subsidiarity Report 2013 which presents an overview of the Committee's subsidiarity monitoring activities throughout the year; considers the report to be a valuable tool for Parliament's legislative work; asks for the launch of such reports to be properly advertised and for the reports to be circulated to the co-legislators;
 7. Takes note of the creation of a new political group (ECR) in the Committee and of the limited financial impact of its creation in 2013; welcomes the information provided in the annual activity report on the Committee's political activities and asks to continue to be updated on the projects and informed about the budgetary consequences of the measures taken;

8. Takes note of the cooperation between the Committee and Parliament's Committee on Budgetary Control, in particular in relation to the discharge exercise;
9. Notes with satisfaction that the recommendations and requirements made by Parliament's Committee on Budgetary Control are recorded by the budget service of the Committee in a central database and that the progress of implementation is regularly monitored; welcomes the fact that a committee, consisting of five members and an external expert, has been set up for internal audit purposes and that the Court of Auditors' and Parliament's recommendations are so far being taken into account;
10. Welcomes the new activity-based budgeting system that the Committee has put into operation as it is better suited to the specific features of smaller institutions and can thus give a more complete picture of costs and projected activities; calls on the Committee to assess the advantages that it has ascertained when implementing the new system;
11. Takes note of the Cooperation Agreement between the European Economic and Social Committee (EESC), the Committee, and Parliament, which was eventually signed on 5 February 2014 and has led to the transfer of a large number of Committee staff to the new European Parliamentary Research Service (EPRS); expects that the agreement will evolve in a balanced way, benefit all three institutions equally, and contribute positively to the further rationalisation of resources; calls on each of the institutions, at the end of the first year of the collaboration, to make an individual assessment of the impact that the agreement is having in terms of human resources, expenditure, synergies, added value, and substance;
12. Notes that the translation demand fell by 19,1 % compared to that in 2012; notes, however, that the productivity of the internal translation service has also decreased;
13. Takes note of the Committee's intention to rationalise translation requests and to standardise some types of documents; supports this initiative and asks to be fully informed of its implementation; notes with concern that some of the Committee's in-house translation staff have been transferred to the new European Parliamentary Research Service (EPRS), following the Cooperation Agreement; calls on the Committee to conduct a specific study gauging the impact of this cut on the quality and efficiency of its translation services;
14. Notes that a common methodology with other institutions has been agreed to calculate and compare translation costs and other indicators; calls on the Committee to inform the discharge authority about the implementation of the common agreed methodology;
15. Considers that at a time of crisis and budget cuts in general, the cost of staff 'away days' at the Union institutions has to be lowered and that these events should take place, wherever possible, on the institutions' own premises, as the resulting added value does not justify such high spending;
16. Notes with satisfaction that the Committee included information on unused interpretation services in the 2013 annual activity report; considers it positive that the unused rate of the interpretation services decreased from 3,23 % in 2012 to 2,51 % in 2013; believes that this rate can still be improved and calls on the Committee to plan its meetings better;
17. Takes note of the continued limited use of videoconferencing tool; acknowledges that measures are being put in place to extend its use; asks to be informed about the progress achieved on this matter;
18. Recommends that the Committee continues to develop the regular screening of the budgetary savings resulting from the implementation of the new administrative cooperation agreement with the EESC; requests detailed information on the results of this cooperation;
19. Notes that the next mid-term review of that new cooperation agreement will be the appropriate moment to evaluate the agreement and correct any shortcomings identified;
20. Requests detailed information on the results of the mid-term review and expects that this evaluation will also include a joint assessment of the budgetary savings resulting from the cooperation agreement;

21. Points to the need to raise the Committee's profile by stepping up the necessary information and communication policy;
 22. Expresses concern at the shortage of women holding senior Committee posts (67 % — 33 %); calls for an equal opportunities plan to be set in motion, particularly as regards management positions, with the aim of correcting this imbalance as quickly as possible;
 23. Calls on the Committee to include in its annual activity reports, in compliance with the existing rules on confidentiality and data protection, the results and consequences of closed OLAF cases, where the institution or any of the individuals working for it were the subject of the investigation;
 24. Demands that the Committee's building policy be attached to its annual activity report, especially given that it is important that the costs of such a policy are properly rationalised and that such costs are not excessive;
 25. Congratulates the Committee for the consistent quality of the annual activity report and for providing a comprehensive annual impact report that is an important tool for the assessment of its work; notes with satisfaction that an exhaustive table of all human resources at the Committee's disposal was provided in the annual activity report;
 26. Points out that the Committee members are democratically legitimated local and regional representatives performing political activities; believes that they should thus be subject to the same rules as other national or European politicians where it concerns their access to the Commission and its services;
 27. Is concerned by the delayed adoption of the internal whistle-blowing rules; calls on the Committee to implement these rules without further delay;
 28. Recalls that the Committee has been dealing with the same whistle-blowing case since 2003; emphasises the considerable cost to Union taxpayers and the harm done to the whistle-blower; demands that the Committee of the Regions urgently comply with the conclusions of the Civil Service Tribunal's judgment of 7 May 2013 and recognise the plaintiff's action as legitimate and finally close the case;
 29. Stresses that Parliament will not tolerate any mistreatment of whistle-blowers in its own ranks or in any other Union Institution and reiterates its total commitment to the spirit and the letter of the legislation on whistle-blower protection.
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DECISION (EU) 2015/1629 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section VIII — European Ombudsman**

THE EUROPEAN PARLIAMENT,

- having regard to the general budget of the European Union for the financial year 2013 ⁽¹⁾,
 - having regard to the consolidated annual accounts of the European Union for the financial year 2013 (COM(2014) 510 — C8-0153/2014) ⁽²⁾,
 - having regard to the Court of Auditors' annual report on the implementation of the budget concerning the financial year 2013, together with the institutions' replies ⁽³⁾,
 - having regard to the statement of assurance ⁽⁴⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to Article 314(10) and Articles 317, 318 and 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁵⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁶⁾, and in particular Articles 55, 99, 164, 165 and 166 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0115/2015),
1. Grants the European Ombudsman discharge in respect of the implementation of the budget of the European Ombudsman for the financial year 2013;
 2. Sets out its observations in the resolution below;
 3. Instructs its President to forward this Decision and the resolution forming an integral part of it to the European Council, the Council, the Commission, the Court of Justice of the European Union, the Court of Auditors, the European Ombudsman, the European Data Protection Supervisor and the European External Action Service, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

⁽¹⁾ OJ L 66, 8.3.2013.

⁽²⁾ OJ C 403, 13.11.2014, p. 1.

⁽³⁾ OJ C 398, 12.11.2014, p. 1.

⁽⁴⁾ OJ C 403, 13.11.2014, p. 128.

⁽⁵⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁶⁾ OJ L 298, 26.10.2012, p. 1.

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section VIII — European Ombudsman**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section VIII — European Ombudsman,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0115/2015),
1. Notes with satisfaction that in its 2013 annual report, the Court of Auditors observed that no significant weaknesses had been identified in respect to the audited topics related to the human resources and the procurement for the European Ombudsman ('the Ombudsman');
 2. Emphasises the fact that on the basis of its audit work, the Court of Auditors concluded that the payments as a whole for the year ended on 31 December 2013 for administrative and other expenditure of the institutions and bodies were free from material error;
 3. Stresses that the Ombudsman's budget is purely administrative and amounted in 2013 to EUR 9 731 371 (EUR 9 516 500 in 2012), with EUR 7 567 371 being allocated to Title 1 (expenditure relating to persons working for the institution), EUR 1 606 700 attributed to Title 2 (buildings, equipment and miscellaneous operating expenditure) and EUR 557 300 for Title 3 (expenditure resulting from special functions carried out by the institution);
 4. Takes note that of the total appropriations, 98,20 % were committed (98,30 % in 2012) and 91,82 % paid (88,69 % in 2012) with a utilisation rate of 98,20 % (95,88 % in 2012); welcomes the results achieved in 2013;
 5. Notes the continued improvements of the financial planning and its monitoring; calls for this effort to continue in the next budgetary exercises;
 6. Endorses the Ombudsman's Annual Management Plan for 2013 including a Key Performance Indicators (KPIs) scoreboard to measure the office's performance in achieving its objectives;
 7. Takes note of the Ombudsman's commitment to continue to improve its system for the timely monitoring and control of the recruitment and procurement procedures; supports the Ombudsman to continue to monitor the management of allowances and improve its performance levels;
 8. Takes note that the Ombudsman seeks constant improvements in financial planning so as to ensure the most efficient possible budget implementation;
 9. Calls on the Ombudsman to put the unused rate of the interpretation services requested during that year in the next annual activity report;
 10. Notes with concern the enormous disparities in translation costs among the various Union institutions; calls, therefore, on the Interinstitutional Working Party on Translation to identify the causes of those disparities and to put forward solutions that will put an end to the imbalance and harmonise translation costs while also ensuring full respect for quality and linguistic diversity; notes, with this in mind, that the working party should relaunch cooperation among the institutions in order to share best practices and outcomes and to identify areas in which cooperation or agreements between institutions can be strengthened; notes that the working party should also aim to establish a unified methodology of presenting the translation costs which all the institutions can use in order to

simplify the analysis and comparison of the costs; notes that the working party should present those findings before the end of 2015; calls on all the institutions to play an active role in the work of the Interinstitutional Working Party; recalls in this regard the fundamental importance of respect for multilingualism in the Union institutions in order to guarantee equal treatment and equal opportunities for all Union citizens;

11. Takes note of the internal auditor's conclusions in the 2013 audit reports that internal management and control systems are effective and efficient and that all the still-open actions were closed;
12. Welcomes the fact that the aim of closing 70 % of cases in less than a year was surpassed in 2013; notes, however, that the proportion of inquiries closed within 18 months is still below the target set by the Ombudsman, even though it has increased from 79 % to 81 %; believes that the 90 % target is realistic and can be achieved; expects that this target will be reached in 2014 and that this result be detailed in the annual activity report; welcomes the launch of specific own-initiative inquiries and asks to be informed about the initial outcomes of those inquiries;
13. Welcomes the Ombudsman's achievement of the European Foundation for Quality Management first level of recognition 'Committed to Excellence' in 2012 and welcomes the fact that an excellent, productive relationship was maintained with the Foundation in 2013;
14. Draws attention to the high level of spending on away days, conferences and similar events for staff at the Ombudsman's office in 2013, which was noticeably higher than it was in the other institutions; considers that at a time of crisis and budgetary cuts in general, the cost of away days for staff of the Union institutions has to be reduced and that they should take place, where possible, on the institutions' own premises, as the added value derived from away days does not justify such high costs;
15. Welcomes the fact that a woman has been elected as European Ombudsman; is concerned, nevertheless, about the lack of women in management posts at the Ombudsman's office; calls for the introduction of an equal opportunities plan specifically geared towards management posts with a view to correcting this imbalance as soon as possible;
16. Considers that the Ombudsman should continue to strive for consistent quality in the annual activity report and provide a comprehensive annual impact report which is an important tool for the assessment of its work;
17. Demands that the Ombudsman's building policy be attached to its annual activity report, especially given that it is important that the costs of such a policy are properly rationalised and that such costs are not excessive;
18. Calls on the Ombudsman to include in its annual activity reports, in compliance with the existing rules on confidentiality and data protection, the results and consequences of closed OLAF cases, where the institution or any of the individuals working for it were the subject of the investigation;
19. Agrees wholeheartedly with the transparency policy advocated by the Ombudsman's office and calls for the introduction of a procedure to assess the possible impact of certain publications in advance, with a view to publishing them, along with an explanatory report, so as to avoid them being used in a biased way; points out that this procedure should be launched by the Ombudsman in cooperation with the European Data Protection Supervisor, the Commission and the institution to which the publication refers;
20. Points out that the annual report on the activities of the Ombudsman in 2013 was adopted by the plenary on 15 January 2015 ⁽¹⁾ and takes note of the observations made therein.

⁽¹⁾ Texts adopted, P8_TA(2015)0009.

DECISION (EU) 2015/1630 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section IX — European Data Protection Supervisor**

THE EUROPEAN PARLIAMENT,

- having regard to the general budget of the European Union for the financial year 2013 ⁽¹⁾,
 - having regard to the consolidated annual accounts of the European Union for the financial year 2013 (COM(2014) 510 — C8-0154/2014) ⁽²⁾,
 - having regard to the Court of Auditors' annual report on the implementation of the budget concerning the financial year 2013, together with the institutions' replies ⁽³⁾,
 - having regard to the statement of assurance ⁽⁴⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to Article 314(10) and Articles 317, 318 and 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁵⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁶⁾, and in particular Articles 55, 99, 164, 165 and 166 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A8-0118/2015),
1. Grants the European Data Protection Supervisor discharge in respect of the implementation of the budget of the European Data Protection Supervisor for the financial year 2013;
 2. Sets out its observations in the resolution below;
 3. Instructs its President to forward this Decision and the resolution forming an integral part of it to the European Council, the Council, the Commission, the Court of Justice of the European Union, the Court of Auditors, the European Ombudsman, the European Data Protection Supervisor and the European External Action Service, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

⁽¹⁾ OJ L 66, 8.3.2013.

⁽²⁾ OJ C 403, 13.11.2014, p. 1.

⁽³⁾ OJ C 398, 12.11.2014, p. 1.

⁽⁴⁾ OJ C 403, 13.11.2014, p. 128.

⁽⁵⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁶⁾ OJ L 298, 26.10.2012, p. 1.

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section IX — European Data Protection Supervisor**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section IX — European Data Protection Supervisor,
 - having regard to the Decision of the European Ombudsman of 26 February 2015 closing her own-initiative inquiry OI/1/2014/PMC concerning whistleblowing,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A8-0118/2015),
1. Welcomes the conclusion of the Court of Auditors that the payments as a whole for the year ended on 31 December 2013 for administrative and other expenditure of the European Data Protection Supervisor (‘the Supervisor’) were free from material error and that the examined supervisory and control systems for administrative and other expenditure were effective;
 2. Notes that in its 2013 annual report, the Court of Auditors observed that no significant weaknesses had been identified in respect to the audited topics related to the human resources and procurement for the Supervisor;
 3. Notes that in 2013, the Supervisor had a total allocated budget of EUR 7 661 409 (EUR 7 624 090 in 2012) and that the implementation rate was 84,7 % (83,2 % in 2012); finds this a positive development and calls for further efforts to improve the implementation rate;
 4. Stresses that the Supervisor’s budget is purely administrative; notes that the implementation rate of expenditure on persons working with the institution is 93,41 % (Title 1) and that the expenditure on buildings, equipment and expenditure in connection with the operation of the institution is 99,14 % (Title 2);
 5. Takes note of the Supervisor’s commitment to continue to improve its system for the timely monitoring and control of the recruitment and procurement procedures; supports the Supervisor in continuing to monitor the management of allowances and to improve its performance levels;
 6. Notes with satisfaction that the follow-up audit carried out in June 2013 by the Supervisor’s internal audit service showed that work on implementing most of the measures proposed and recommendations made concerning administrative procedures had been completed, prompting the conclusion that no specific recommendations needed to be made as of 31 December 2013;
 7. Notes that work on implementing the recommendation concerning the securitisation of the data contained in complaints had not been completed when the follow-up audit was carried out in June 2013, as a result of a delay in setting up the Case Management System (CMS); notes that this recommendation was likely to be implemented in full in 2014, given that the CMS has been operational since October 2013;
 8. Notes that the authorising officer by delegation takes the view that the level of management and control is appropriate and is being improved, that no significant errors had occurred when the 2013 annual activity report was drawn up and that no reservation should therefore be entered concerning *ex ante* checks;

9. Reiterates that the Treaty of Lisbon enhanced the Supervisor's competences by extending data protection to all Union policy domains; notes that the discussions in the Council about the new data protection legal framework (proposed by the Commission on 25 January 2012) are still on-going;
10. Takes note that a new Title III was added to the Supervisor's budget in order to envisage the establishment of an independent secretariat for a new European Data Protection Board; acknowledges that this Title has no appropriations until the legal framework is adopted;
11. Takes note that a new tool, Activity-based Costing, has been recently approved, which aims to increase efficiency in the allocation of resources and will be implemented in 2015;
12. Requests to be informed about the budgetary impact of the reorganisation of the Supervisor's secretariat;
13. Points out that the Internal Audit Service (IAS) concluded that substantial improvements were made since the last risk assessment in 2011; urges the Supervisor to continue in these efforts to address the remaining opened recommendations;
14. Notes the installation of a video-conference system at the Supervisor's new premises; asks to be informed about how many times the system was used in meetings in 2013;
15. Fully endorses the creation of the key performance indicators to assess the efficient use of resources; calls upon the Supervisor to continue to provide the scoreboard in the annual activity report;
16. Demands that the Supervisor's building policy be attached to the annual activity report, especially given that it is important that the costs of such a policy are properly rationalised and that such costs are not excessive;
17. Reiterates last year's request to have an exhaustive table of all the human resources at the Supervisor's disposal, with a break-down according to grade, sex and nationality; notes that this table should be automatically included in the annual activity report of the institution;
18. Expresses concern at the shortage of women holding senior posts; calls for an equal opportunities plan to be set in motion, particularly as regards management positions, with the aim of correcting this imbalance as quickly as possible;
19. Considers that at a time of crisis and budget cuts in general, the cost of staff 'away days' at the Union institutions has to be lowered and that these events should take place, wherever possible, on the institutions' own premises, as the resulting added value does not justify such high spending;
20. Notes with concern the enormous disparities in translation costs among the various Union institutions; calls, therefore, on the Interinstitutional Working Group on Translation to identify the causes of those disparities and put forward solutions that will put an end to the imbalance and harmonise translation costs while ensuring full respect for quality and linguistic diversity; notes, with this in mind, that the working group should relaunch cooperation among the institutions in order to share best practices and outcomes and to identify areas in which cooperation or agreements between the institutions can be strengthened; notes that the working group should also aim to establish a unified methodology of presenting the translation costs which all the institutions can use, in order to simplify the analysis and comparison of the costs; notes that the working group should present those findings before the end of 2015; calls on all the institutions to play an active role in the work of the Interinstitutional Working Group; recalls in this regard the fundamental importance of respect for multilingualism in the Union institutions in order to guarantee equal treatment and equal opportunities for all Union citizens;
21. Agrees wholeheartedly with the transparency policy advocated by the European Ombudsman's office, and calls for the introduction of a procedure to assess the possible impact of certain publications in advance, with a view to publishing them along with an explanatory report so as to avoid them being used in a biased way; points out that this procedure should be launched by the Ombudsman in cooperation with the Supervisor, the Commission and the institution that the publication concerns;

22. Is concerned by the delayed adoption of the internal whistleblowing rules; calls on the Supervisor to implement these without further delay;
 23. Welcomes the fact that the Supervisor took note of the observations made by Parliament in its 2010 and 2012 discharge resolutions when drawing up his strategy for 2013-2014 and that the implementation of the strategy has brought about positive results;
 24. Considers, in general, that the Supervisor should pay greater attention to the principle of sound financial management in respect of the budgetary principle of annuality, i.e. to using appropriations economically, efficiently and effectively in carrying out his remit.
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DECISION (EU) 2015/1631 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the eighth, ninth and 10th European Development Funds for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the financial statements and revenue and expenditure accounts for the eighth, ninth and 10th European Development Funds for the financial year 2013 (COM(2014) 487 — C8-0146/2014),
- having regard to the Commission's annual report of 14 April 2014 on the financial management of the eighth, ninth and 10th European Development Funds for the financial year 2013,
- having regard to the financial information on the European Development Fund (COM(2014) 350),
- having regard to the Court of Auditors' annual report on the activities funded by the eighth, ninth and 10th European Development Funds for the financial year 2013, together with the Commission's replies ⁽¹⁾,
- having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council's recommendations of 17 February 2015 on discharge to be given to the Commission in respect of the implementation of the operations of the European Development Funds for the financial year 2013 (05135/2015 — C8-0050/2015, 05136/2015 — C8-0051/2015, 05138/2015 — C8-0052/2015),
- having regard to the Commission's report on the follow-up to the discharge for the 2012 financial year (COM(2014) 607), and to the accompanying Commission staff working document (SWD(2014) 285 and SWD(2014) 286),
- having regard to the Partnership Agreement between the members of the African, Caribbean and Pacific Group of States, of the one part, and the European Community and its Member States, of the other part, signed in Cotonou on 23 June 2000 ⁽³⁾ and amended in Ouagadougou, Burkina Faso, on 22 June 2010 ⁽⁴⁾,
- having regard to Council Decision 2001/822/EC of 27 November 2001 on the association of the overseas countries and territories with the European Community ('Overseas Association Decision') ⁽⁵⁾,
- having regard to Article 33 of the Internal Agreement of 20 December 1995 between the representatives of the Governments of the Member States, meeting within the Council, on the financing and administration of the Community aid under the Second Financial Protocol to the fourth ACP-EC Convention ⁽⁶⁾,
- having regard to Article 32 of the Internal Agreement of 18 September 2000 between Representatives of the Governments of the Member States, meeting within the Council, on the Financing and Administration of the Community Aid under the Financial Protocol to the Partnership Agreement between the African, Caribbean and Pacific States and the European Community and its Member States signed in Cotonou (Benin) on 23 June 2000 and the allocation of financial assistance for the Overseas Countries and Territories to which Part Four of the EC Treaty applies ⁽⁷⁾,

⁽¹⁾ OJ C 398, 12.11.2014, p. 1.

⁽²⁾ OJ C 401, 13.11.2014, p. 264.

⁽³⁾ OJ L 317, 15.12.2000, p. 3.

⁽⁴⁾ OJ L 287, 4.11.2010, p. 3.

⁽⁵⁾ OJ L 314, 30.11.2001, p. 1, and OJ L 324, 7.12.2001, p. 1.

⁽⁶⁾ OJ L 156, 29.5.1998, p. 108.

⁽⁷⁾ OJ L 317, 15.12.2000, p. 355.

- having regard to Article 11 of the Internal Agreement of 17 July 2006 between the Representatives of the Governments of the Member States, meeting within the Council, on the financing of Community aid under the multiannual financial framework for the period 2008 to 2013 in accordance with the ACP-EC Partnership Agreement and on the allocation of financial assistance for the Overseas Countries and Territories to which Part Four of the EC Treaty applies ⁽¹⁾,
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Article 74 of the Financial Regulation of 16 June 1998 applicable to development finance cooperation under the fourth ACP-EC Convention ⁽²⁾,
 - having regard to Article 119 of the Financial Regulation of 27 March 2003 applicable to the 9th European Development Fund ⁽³⁾,
 - having regard to Article 142 of Council Regulation (EC) No 215/2008 of 18 February 2008 on the Financial Regulation applicable to the 10th European Development Fund ⁽⁴⁾,
 - having regard to Rule 93 and the third indent of Rule 94 of, and Annex V to, its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Development (A8-0102/2015),
1. Grants the Commission discharge in respect of the implementation of the budget of the eighth, ninth and 10th European Development Funds for the financial year 2013;
 2. Sets out its observations in the resolution below;
 3. Instructs its President to forward this Decision and the resolution forming an integral part of it to the Council, the Commission, the Court of Justice of the European Union, the Court of Auditors and the European Investment Bank, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

⁽¹⁾ OJ L 247, 9.9.2006, p. 32.

⁽²⁾ OJ L 191, 7.7.1998, p. 53.

⁽³⁾ OJ L 83, 1.4.2003, p. 1.

⁽⁴⁾ OJ L 78, 19.3.2008, p. 1.

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the eighth, ninth and 10th European Development Funds for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the eighth, ninth and 10th European Development Funds for the financial year 2013,
- having regard to Rule 93 and the third indent of Rule 94 of, and Annex V to, its Rules of Procedure,
- having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Development (A8-0102/2015),
- A. whereas the main goal of the Cotonou Agreement as the framework of the Union's relations with African, Caribbean and Pacific (ACP) States and overseas countries and territories (OCTs) is to reduce and eventually eradicate poverty, consistent with the objectives of sustainable development and the gradual integration of the ACP States and OCTs into the world economy,
- B. whereas the specific development policy objectives must be safeguarded under the European External Action Service (EEAS); emphasises that other considerations such as trade policy and foreign and security policy considerations should not cut across the Union's development priorities,
- C. whereas the European Development Funds (EDFs), funded by the Member States, are the Union's main financial instrument for providing development cooperation to the ACP States for which the Commission is accountable within the discharge procedure,
- D. whereas pre-financing instruments paid by the European Commission reached EUR 424 million and the operating revenue amounted to EUR 124 million for the financial year 2013,
- E. whereas the EDF has defined its strategy and priority areas based on political preferences as well as economic and financial criteria connected with general efficiency criteria, and works with adequate financial instruments to fulfil these priorities defined on a sustainable and long-term horizon,
- F. whereas there is an inherent high-level risk exposure in the developing country context due to geopolitical, institutional and administrative environment frequently associated with instability and fragile context,
- G. whereas the level and nature of the Union's engagement must be differentiated and conditional, depending on measurable progress in various fields such as democratisation, human rights, good governance, sustainable socio-economic development, the rule of law, transparency and the fight against corruption,
- H. whereas the use of innovative financial instruments like blending mechanisms is seen as one way of extending the scope of existing tools such as grants and loans and also includes challenges in terms of oversight and governance,
- I. whereas it is fundamental to ensure Union visibility and promote Union values in all Union interventions,
- J. whereas the 'budgetisation' of the EDF, consisting of its incorporation and integration into the Union budget structure, remains a priority for Parliament; whereas the inclusion of the EDF in the general budget would lead to greater financial security for recipient countries but also to improved policy coherence and democratic scrutiny,

- K. whereas budget support carries a considerable fiduciary risk, in particular a number of transparency, accountability, good financial management related challenges; whereas budget support requires close monitoring and policy dialogue between the Union and the partner country regarding objectives, progress towards agreed results and performance indicators as well as a systemic risk analysis and risk mitigation strategy that should be further enhanced,

Statement of assurance

Reliability of the accounts

1. Welcomes the Court of Auditors' opinion that the final annual accounts of the eighth, ninth and 10th European Development Funds for the year 2013 present fairly, in all material respects, the financial position of the EDFs as of 31 December 2013, and that the results of their operations, their cash flows and the changes in net assets for the year-end, are in accordance with the provisions of the EDF financial regulation and with internationally accepted accounting standards for the public sector;
2. Notes with satisfaction the improvement achieved as regards the number and value of recoveries increased compared to 2012, with 24 recoveries totalling EUR 4,7 million in 2013 compared to 13 recoveries amounting EUR 1,3 million in 2012;
3. Is deeply concerned however that authorising officers in sub-delegations still do not systematically comply with the rule that for pre-financing payments over EUR 750 000 the Commission is required to recover interest on an annual basis and that the amount of interest revenue disclosed in the accounts is partly based on estimates;
4. Regrets in addition that the interest earned on pre-financing between EUR 250 000 and 750 000 was still not recognised as a financial revenue in the financial statements due to the fact that the development of the Common Relex Information System (CRIS) was not yet completed;

Legality and regularity of the transactions underlying the accounts

5. Welcomes the Court's opinion, according to which revenue and commitments underlying the accounts for the year 2013 are legal and regular in all material aspects;
6. Expresses concern, however, about the Court of Auditors' assessment related to the legality and regularity of payments underlying the accounts whereby the supervisory and control systems at EuropeAid's Headquarters and Union delegations are only partially effective in ensuring the legality and regularity of payments;
7. Regrets that according to the Court of Auditors' estimation, the most likely error rate for expenditure transactions from the eighth, ninth and 10th EDF is 3,4 %, which indicates a slight increase compared to 2012 (3 %) but still remains below the peak of 2011 (5,1 %);
8. Takes note that the Court of Auditors' Annual Report concerning EDF activities for the financial year 2013 shows that the error rate has increased compared to the previous year and that this error rate is still too high; urges the Commission to work towards the agreed target of 2 % error rate;
9. Take notes and regrets that the payments underlying the accounts are due to the shortcomings of the oversight system and that the payments were materially affected by error; takes note that 27 % of the payments were affected by error, namely 45 out of the 165 payments transactions tested;
10. Take notes of the results of the sampling with regard to projects whereby 42 among 130 payments (32 %) were affected by error, and in particular the fact that 30 payments out of this 42 were qualified as quantifiable errors, with 17 final transactions authorised after all *ex ante* checks had been performed;

11. Regrets the fact that despite the corrective action plan which was set up in May 2013, the typology of errors identified is, to a large extent, similar to previous years, namely a lack of supporting documents, non-compliance by beneficiaries with procurement provisions and ineligible expenditure; observes that these errors were also related to transactions linked to the following activities (i) programme estimates, (ii) grants and (iii) contribution agreements between the Commission and international organisations;
12. Urges the Commission to intensify its efforts in these specific areas of cooperation by refining the existing corrective action plan which was set up, especially when quantifiable errors point to shortcomings in the checks by international organisations on compliance with contractual provisions as a part of the general effort to improve the risk management methods and overall controlling and management systems;

Risks related to regularity and effectiveness of the control mechanisms

13. Acknowledges that the implementation of the EDFs by using numerous modus operandi and diverse delivery methods (centralised direct management and indirect management) with complex rules and procedures, such as the tendering and the award of contracts and with a wide geographical coverage, present a high degree of inherent risk making it difficult to optimise the controlling system and strengthen the transparency of the EDFs financing;
14. Is deeply concerned that *ex ante* checks carried out before the project payments transactions are executed still present significant weaknesses according to the Court's evaluation;
15. Calls on the Commission to pay regular attention to the quality and adequacy of the *ex ante* controls performed by all the actors (Commission staff and external auditors) before projects payments are made and especially given the high political and operational risk environment;
16. Takes note that for both budget support (with EUR 718 million of payments made from the EDF in 2013) and Union contributions to multi-donor projects carried out by international organisations such as the United Nations (UN) (payments from the EDFs amounted to EUR 458 million in 2013), the nature of the instrument and the payment conditions limit the extent to which transactions are prone to errors;
17. Is worried by the recurring issue that errors concerning final claims have been continuously found, despite external audits and expenditure verifications;
18. Urges the Commission's Directorate-General for Development and Cooperation (DG DEVCO) to act upon the recommendation of the Court in 2011 to strengthen the capacity of its Internal Audit Capacity as soon as possible so that it could perform its tasks more effectively;

Strategy and priorities

19. Emphasises that all EDFs activities have to accurately follow the general strategy and priority areas based on political preferences, as well as economic and financial efficiency criteria, consequently reflected in management performance, including risk-management and controlling activities and the concrete form of financial instruments for this purpose;
20. Draws attention, in light of the increased focus on the performance of Union aid, to the fact that Sub-Saharan Africa is the region which is lagging behind the most with regard to the Millennium Development Goals (MDGs) and is the only region worldwide where, according to projections, poverty will most probably not be halved by 2015; is concerned that declining levels of Official Development Assistance (ODA) for social services over the past few years, particularly in the education and reproductive health sectors, threaten to reverse progress on human capital development;

21. Concludes that an intensification of efforts is needed in order to accelerate the achievement of the MDGs in Africa by the target date of 2015; calls on the Commission to take the Post-2015 Development Agenda and the negotiations on the Sustainable Development Goals (SDG) once adopted into account as a basis for the CoA performance audit; welcomes the fact that the EDFs, which are the main instrument for providing Union aid for development cooperation to the ACP States, accounted for as much as 45 % of the total value of new contracts concluded by DG DEVCO in 2013;
22. Notes that agreement was found in 2013 on the establishment of the 11th EDF with a total value of close to EUR 27 billion (in 2011 prices), thus effectively freezing funds at the level of the 10th EDF, rather than increasing them by 13 % as the Commission had proposed, despite the Union's standing commitment to increase development financing in the coming years;

Monitoring and supervision

23. Is seriously concerned about the remaining weaknesses in the management information system on the results and the follow-up of external audits, expenditure verifications and monitoring visits despite the Commission's commitment to improve the quality of CRIS data in recent years;
24. Recalls that the reliability and accuracy of the management information system plays a pivotal role which require persistent vigilance; urges the Commission to pursue its efforts to develop and set up new functions in the audit module of its CRIS management system, and in particular, the follow-up of all audit reports and all types of evaluation; considers it fundamental to have consistent results-oriented monitoring systems to provide adequate and reliable information on results achieved in order to adjust strategic priorities;
25. Considering that most of the EDFs are implemented in a devolved way by Union delegations; invites DG DEVCO's Headquarters to consistently support them in the management of their portfolio according to respective risk components through CRIS; reiterates and encourages the better use of the possibilities provided by risk assessment in the framework of the follow-up of the Union delegation's operations;
26. Welcomes the introduction of the measurement study on the residual error rate on closed transactions as an example of the DG DEVCO management environment in action;
27. Notes that on the basis of the second study in 2013, the error rate was estimated by DG DEVCO at 3,35 % (equal to about EUR 228,55 million) compared to the 3,4 % estimated by the Court of Auditors; notes with concern that the main causes identified are the absence of satisfactory documentation provided by beneficiary organisations, errors due to the insufficient evidence available to check the regulatory of transactions, non-compliance with public procurement procedures and unrecovered and uncorrected amounts;
28. Considers that prioritisation might be integrated into the action plan developed by DG DEVCO for the implementation of mitigating actions by putting the focus on the specific and most critical areas of concern and the opportunities for cost-efficiency; calls on DG DEVCO to indicate in the annual activity report progress achieved or specific difficulties encountered in the implementation of the action plan;
29. Believes that it will be useful to clearly identify which activity based budgeting activities present the most weaknesses, errors and the highest level of vulnerability; is of the opinion that in order to maintain the cost of controls at a reasonable level, the treatment and analysis of these specific areas could be done on a multiannual rotation;
30. Acknowledges with regard to the cost-efficiency of controls mechanisms that the issue is not to add other control layers but to work on the effectiveness of the framework of control activities and their complementarity under good governance principles;
31. Welcomes the inclusion of the overview of all costs in the annual activity report, including the cost of administrative expenditure as well as the cost of control and monitoring systems;

32. Welcomes the review of the External Assistance Management Reports, which now includes a summary of corrective measures to any error identified and the introduction of the assurance by Heads of Delegations that they will increase their level of accountability in the global assurance chain and the exhaustiveness of the Union delegations' reporting;

Budget support

33. Acknowledges with interest and welcomes the implementation of the Commission's new budget support approach; notes that in 2013, a total of EUR 660 million was allocated to new budget support operations in Africa, which were used in part to implement the 'MDG initiative' to support those countries that were lagging behind in important sectors such as health, water, sanitation, food security and nutrition;
34. Considering the aim of budget support, with contributions directly transferred to a recipient countries' general budget or to a budget devoted to a specific general policy or objective, insists that the budget support respects and strictly links the general eligibility conditions with substantial progress achieved by partner countries, in particular in public finance management; would welcome the development of binding key performance indicators (KPI) in an attempt at risk reduction;
35. Draws attention to the need to support the fight against fraud and corruption in all the areas of government covered by the Union's cooperation strategy; emphasises that the risk of resources being diverted remains high and that it is the areas in which public funds are managed which offer scope for corruption and fraud;
36. Reiterates that robust and verifiable KPIs have to be applied to any continued budget support programmes; emphasises that focus should be put on the differentiation principle in order to avoid a widened interpretation of budget support disbursement conditionality; requests a strong support of anti-corruption mechanisms as corruption seems to be one of the key issues which reduces the effectiveness of the support programmes and thus leads to lack of effectiveness of European development cooperation; stresses therefore the need to strengthen cooperation for good governance measures and anti-corruption measures;
37. Criticises the fact that the funds made available by the Union are ultimately combined with the partner country's own budget resources and that as a result, Union funds cannot be traced; calls for detailed reports to be published on the way funds are used in order to increase transparency and to ensure that the funds made available by the Union are more readily traceable;
38. Invites the Court, in this context, to progressively elaborate more on the issue of corruption and to try to quantify and indicate the degree of corruption in its special reports as well as in the Court of Auditor's Annual Activity Report;
39. Demands, as regards sectorial budget support, that the sectorial conditionality matrix be systematically used and reinforced and that adequate benchmarks for Union intervention be defined; would welcome if all general budget support programmes were gradually changed into sectorial budget support programmes to increase the level of control and accountability in order to further protect the Union's financial interests;
40. Emphasises the importance of ensuring an appropriate incentive-based policy dialogue, a continuous monitoring of sector reforms and programmes measuring the performance and the sustainability of the results via the Commission's financial management systems for the implementation of budget support in partner countries;
41. Calls on the Commission to strongly support the development of parliamentary control and oversight bodies, competence and capabilities in beneficiary countries, also by continuously providing technical assistance; insists that an independent national audit body must be a condition for granting budget support;
42. Strongly supports the Commission's ability to stop transfers of funds to recipient countries when *ex ante* conditionality, in particular the required macroeconomic conditions, are not met; calls on the Commission to block the transfer of funds in countries that have a high rate of corruption and that have not undertaken targeted policies to combat the phenomenon;

Cooperation with international organisations

43. Suggests that, during the new parliamentary term, further steps towards a better exchange of information with the World Bank and UN institutions should be found to optimise the cooperation;
44. Reiterates Parliament's support for the definition and exchange of good practices in order to set up similar and sustainable core principles of assurance and compliance with Union financial regulations;
45. Supports the enhanced disclosure of the audit reports of UN institutions to get a better stewardship of Union funding;
46. Believes that the continuous approximation of respective governance systems and of internal and external audits to compare their data, methodologies and outcomes should be pursued;
47. Calls for the visibility of Union funding to be strongly respected in multi-donor initiatives, particularly when Union funding is disbursed in a risky environment;
48. Welcomes the deepening of the relationship of the United Nations Children's Fund (Unicef) and the World Bank with the European Anti-Fraud Office (OLAF) through the adoption of OLAF's guidelines relating to the exchange of information and strategies;
49. Reiterates its concern with regard to the implementation of the 11th EDF that entrusted entities can further entrust budget implementation tasks to other organisations governed by private law with a service contract, thus creating a chain of trust relationships; calls on the Commission to apply strict subcontracting conditions and recalls that those entrusted entities shall guarantee a strong level of protection of the financial interests of the Union for this mode of implementation;
50. Requests that further clarification be swiftly provided on funds pooling (including trust funds) and related risks regarding the regularity of transactions, namely when the Commission's financial contributions to multi-donor projects are pooled with funds from other donors, without being earmarked for a specific identifiable items of eligible expenditure;
51. Requests to be informed about the preliminary survey of controls and management systems performed by the Commission on other associated international organisations; further requests information on the level of comparability and consistency of the already existing systems;
52. Asks to be informed about the preventive, mitigating or other measures that could be activated in case of a divergent view on the level of assurance to be attained and the correlative risk involved for the entire spending;

European Investment Bank Investment Facility

53. Reiterates and strongly believes that the Investment Facility managed by the European Investment Bank (EIB) on behalf of the Union should also be subject to Parliament's discharge procedure as the investment facility is financed by Union tax payers' money;
54. Notes that the Tripartite Agreement mentioned in Article 287(3) of the Treaty on the Functioning of the European Union governing cooperation between the EIB, the Commission and the Court of Auditors with respect to the modes for controls exercised by the Court on the EIB's activity in managing Union funds and Member States' funds is up for renewal in 2015; calls upon the EIB to update the remit of the European Court of Auditors in this respect by including any new EIB financial instruments involving public funds from the Union or the EDF;
55. Welcomes the inclusion in the Court of Auditors' work plan of an audit on the EDF investment facility, following Parliament's request in the 2012 discharge, and awaits the outcome of this special report in 2015;

56. Acknowledges that the EIB supports projects in highly risky environments, notably with political risk, linked to the instability of the recipient countries;
57. Welcomes the EIB's result-oriented approach, notably with the introduction of a Result Measurement Framework which allows for the assessment of the soundness of projects, their financial and economic sustainability and the EIB's own added value; asks that a permanent dialogue on the measurement indicators and on the convergence of results achieved with the associated partners be ensured;
58. Emphasises the importance of the EIB's zero tolerance policy on fraud and corruption; draws attention to the importance of not funding undertakings which have been shown to be involved in fraud and corruption; regards as inadequate the EIB's current policy on non-cooperative jurisdictions, including the latest addendum, and calls on the EIB to implement without delay a new 'responsible tax policy' under which it would carry out a forensic review of the beneficial owners of the undertakings funded and, in cases where multinationals are in receipt of funding, it would require the latter to provide in advance a breakdown of the revenue and profits they generate and the amounts of tax they pay in each country in which they operate;
59. Emphasises how important it is that EIB-funded projects should have a broad social impact and that they should support local firms, rather than fuelling speculative transactions; calls for a detailed annual assessment to be drawn up of the social impact of EIB-funded projects;
60. Asks that the granting of Union funds be awarded only for financial intermediaries not operating in offshore financial centres, which have substantial local ownership and are equipped to implement a pro-development approach supporting the specificity of small and medium-sized enterprises in each country; asks that the EIB shall not cooperate with financial intermediaries with negative track record in terms of transparency, fraud, corruption and environmental and social impacts; stresses that a stringent list of criteria for selection of financial intermediaries shall be established by the EIB jointly with the Commission and be publicly available;
61. Encourages the EIB to fund productive investments and to combine lending with technical assistance when required to increase the effectiveness of projects and to ensure real Union added value regarding additionality and to reach a higher developmental impact;
62. Recalls that consistency with Union objectives is key and that due care should be given to the ACP States' absorption capacity;
63. Calls for a thorough scrutiny of potential local actors and intermediaries during the identification and selection of such actors and intermediaries;

Blended finance

64. Acknowledges that the increased interest in blending is mainly caused by the correlation of important developmental challenges with heavily constrained public's funds, therefore leading to the development of new financial resources combining Union grant aid and non-grant resources; encourages the Court to provide a regular comprehensive assessment on the activities funded by the blending of financial instruments;
65. Acknowledges that by blending grants with additional public and private resources (such as loans and equity), the substantial leverage effect of grants and the development and impact of stronger Union policies can be achieved in order to unlock additional financing;
66. Stresses that any new financial instruments and blending have to remain in line with Union development policy objectives based on Official Development Assistance criteria and set out in the Agenda for Change; believes that those instruments must focus on Union priorities where added value and strategic impact are the highest;
67. Take notes of the results of the review of the EU Platform for blending in external cooperation, with the original aim to increase the effectiveness, efficiency and quality of existing blending mechanisms and facilities;

68. Demands the introduction of common standards of implementation for such financial activities, as well as the definition of best practices and eligibility and evaluation criteria; believes that coherent management rules such as structured reporting, clear monitoring frameworks and oversight conditions will reduce transaction costs and possible duplication of payments due to the higher level of transparency and accountability;
69. Calls for regular reporting to Parliament on the use of these financial instruments and results to allow Parliament to have the power of scrutiny and consent, namely on the assessment of the financial and non-financial leveraging and additionality;

Union support in the Democratic Republic of the Congo

70. Reiterates its stance on the troubling situation in the Democratic Republic of the Congo (DRC), particularly regarding the reform of the judiciary system as well as the rule of law situation, public finances, and the issue of decentralisation;
71. Welcomes the Court of Auditors' assessment regarding Union development aid funded with EDF means; agrees that the lack of political will as well as the lack of absorption capacity largely account for only minimal success in improving governance in the DRC;
72. Acknowledges that the DRC is widely recognised as one of the most fragile states in the world; strongly suggests the development of binding KPIs and benchmarks for reliable improvement assessment; also strongly suggests that KPI and benchmarks be drafted in a realistic manner;
73. Asks the Commission and the EEAS to provide the most recent list of priorities for European development aid in the DRC as a follow-up from last year's discharge report, which suggested a more limited number of priorities to allow for a better and more focused development aid strategy;

EU support in Haiti

74. Reiterates the overall satisfaction with the work and efforts carried out by the Commission's services in response to the earthquake in Haiti in 2010, in an extremely critical situation for the Union delegation and its staff; welcomes the Commission's ability to withhold payments and disbursements as a consequence of insufficient progress in the Haitian Government's financial management and deficiencies in national public procurement procedures;
75. Takes note of the weaknesses identified by the Court of Auditors as regards coordination, in this sense underlines the importance of maintaining a close coordination between donors and within the Commission's services; calls for a continuous articulation of humanitarian aid and development aid, with a stronger link between relief, rehabilitation and development by means of a permanent Linking Relief, Rehabilitation and Development (LRRD) interservices platform; considers that integrated approaches with clearly stated coordination objectives and a coherent country strategy between ECHO and EuropeAid alongside with best practices sharing have to be set up wherever possible; invites the Commission to enter into a dialogue with Parliament; believes also that the involvement of local civil society can strengthen the use of the local knowledge base;
76. Recalls the recommendations in the aftermath of the Committee on Budgetary Control delegation visit to Haiti in February 2012 and again insists on the salient issue of the traceability and the accountability of Union development funds, in particular by linking budget support to a targeted performance; invites the Commission and the EEAS to emphasise the conditionality matrix for sectorial budget support;
77. Recalls that the 'State building' measures are to be at the centre of Union's development strategy and the cornerstone of any crisis situation action plans; calls for the definition of a good policy mix in line with Union intervention;
78. Considers that those situations of crisis and fragility require the development of new approaches, particularly concerning activities such as (i) identifying risks at different operational levels, (ii) drafting projections of likely consequences and (iii) designing instruments to reduce and prepare for risks and potential disaster and which allow for a sufficient level of flexibility and ability to mobilise experts in various fields of competence;

79. Encourages the Commission and the EEAS to work more systematically and jointly on the four phases of the disaster management cycle; calls on the Commission and the EEAS to inform Parliament about the developments, in particular with regard to risk management and preparations to implement and achieve programme objectives in a post-disaster context;
80. Recalls that in any such crisis, due care has to be attributed to the soundness and operational effectiveness of the national governance framework for managing disaster risk reduction as a pre-condition for the success of the Union's intervention;

Future of the EDF

81. Recommends that the strategies and priorities of future EDF activities be precisely defined and that a system of financial instruments be built on that basis, respecting the principles of efficiency and transparency;
82. Regrets that the EDFs have not been included in the general budget in the financial rules applicable to the general budget of the European Union (Regulation (EU, Euratom) No 966/2012);
83. Recalls that Parliament, the Council and the Commission agreed that the financial rules would be revised in order to include amendments made necessary by the outcome of the negotiations on the multiannual financial framework for the years 2014 to 2020, including the issue of the possible inclusion of the EDFs in the Union budget; repeats its call on the Council and Member States to agree to the full incorporation of the EDFs in the Union's budget;
84. Considers that the new parliamentary term is a new political window of opportunity to encourage the Union institutions to initiate soon a reflection and an evaluation on the post 2020 scenario for possible replacement of the current Cotonou Agreement; recalls that in the view of the Parliament the EDF shall be included in the general budget as soon as possible;
85. Is of the opinion that the integration of the EDFs in the general budget will strengthen democratic scrutiny by involving Parliament in setting strategic priorities regarding the allocation of funds and will also provide more effective implementation, with better coordination mechanisms both at Commission Headquarters and field levels; asks the Commission again to duly consider the financial impact of the inclusion of the EDFs for Member States in the coming assessment and a possible binding Member State contribution key;
86. Believes that streamlining and approximating the EDFs rules will likely lead to a reduction of the risk of errors and inefficiencies and will increase the level of transparency and legal certainty; encourages the Commission to propose a single financial regulation for all EDFs; regrets that, in the context of the discussion of the future agreement for the 11th EDF, the Commission has not made proposal for a single financial regulation in order to simplify the EDFs management;

Follow-up of Parliament resolutions

87. Calls upon the Court of Auditors to include in its next annual report a review of the follow-up to the Parliament's recommendations in Parliament's annual discharge report.
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DECISION (EU) 2015/1632 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on the closure of the accounts of the eighth, ninth and 10th European Development Funds for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the financial statements and revenue and expenditure accounts for the eighth, ninth and 10th European Development Funds for the financial year 2013 (COM(2014) 487 — C8-0146/2014),
- having regard to the Commission's annual report of 14 April 2014 on the financial management of the eighth, ninth and 10th European Development Funds for the financial year 2013,
- having regard to the financial information on the European Development Fund (COM(2014) 350),
- having regard to the Court of Auditors' annual report on the activities funded by the eighth, ninth and 10th European Development Funds for the financial year 2013, together with the Commission's replies ⁽¹⁾,
- having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council's recommendations of 17 February 2015 on discharge to be given to the Commission in respect of the implementation of the operations of the European Development Funds for the financial year 2013 (05135/2015 — C8-0050/2015, 05136/2015 — C8-0051/2015, 05138/2015 — C8-0052/2015),
- having regard to the Commission's report on the follow-up to the discharge for the 2012 financial year (COM(2014) 607), and to the accompanying Commission staff working documents (SWD(2014) 285 and SWD(2014) 286),
- having regard to the Partnership Agreement between the members of the African, Caribbean and Pacific Group of States, of the one part, and the European Community and its Member States, of the other part, signed in Cotonou on 23 June 2000 ⁽³⁾ and amended in Ouagadougou, Burkina Faso, on 22 June 2010 ⁽⁴⁾,
- having regard to Council Decision 2001/822/EC of 27 November 2001 on the association of the overseas countries and territories with the European Community ('Overseas Association Decision') ⁽⁵⁾,
- having regard to Article 33 of the Internal Agreement of 20 December 1995 between the representatives of the Governments of the Member States, meeting within the Council, on the financing and administration of the Community aid under the Second Financial Protocol to the fourth ACP-EC Convention ⁽⁶⁾,
- having regard to Article 32 of the Internal Agreement of 18 September 2000 between Representatives of the Governments of the Member States, meeting within the Council, on the Financing and Administration of the Community Aid under the Financial Protocol to the Partnership Agreement between the African, Caribbean and Pacific States and the European Community and its Member States signed in Cotonou (Benin) on 23 June 2000 and the allocation of financial assistance for the Overseas Countries and Territories to which Part Four of the EC Treaty applies ⁽⁷⁾,

⁽¹⁾ OJ C 398, 12.11.2014, p. 1.

⁽²⁾ OJ C 401, 13.11.2014, p. 264.

⁽³⁾ OJ L 317, 15.12.2000, p. 3.

⁽⁴⁾ OJ L 287, 4.11.2010, p. 3.

⁽⁵⁾ OJ L 314, 30.11.2001, p. 1, and OJ L 324, 7.12.2001, p. 1.

⁽⁶⁾ OJ L 156, 29.5.1998, p. 108.

⁽⁷⁾ OJ L 317, 15.12.2000, p. 355.

- having regard to Article 11 of the Internal Agreement of 17 July 2006 between the Representatives of the Governments of the Member States, meeting within the Council, on the financing of Community aid under the multiannual financial framework for the period 2008 to 2013 in accordance with the ACP-EC Partnership Agreement and on the allocation of financial assistance for the Overseas Countries and Territories to which Part Four of the EC Treaty applies ⁽¹⁾,
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Article 74 of the Financial Regulation of 16 June 1998 applicable to development finance cooperation under the fourth ACP-EC Convention ⁽²⁾,
 - having regard to Article 119 of the Financial Regulation of 27 March 2003 applicable to the 9th European Development Fund ⁽³⁾,
 - having regard to Article 142 of Council Regulation (EC) No 215/2008 of 18 February 2008 on the Financial Regulation applicable to the 10th European Development Fund ⁽⁴⁾,
 - having regard to Rule 93 and the third indent of Rule 94 of, and Annex V to, its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Development (A8-0102/2015),
1. Notes that the final annual accounts of the eighth, ninth and 10th European Development Funds are shown in Table 2 of the Court of Auditors' annual report;
 2. Approves the closure of the accounts of the eighth, ninth and 10th European Development Funds for the financial year 2013;
 3. Instructs its President to forward this decision to the Council, the Commission, the Court of Justice of the European Union, the Court of Auditors and the European Investment Bank, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

⁽¹⁾ OJ L 247, 9.9.2006, p. 32.

⁽²⁾ OJ L 191, 7.7.1998, p. 53.

⁽³⁾ OJ L 83, 1.4.2003, p. 1.

⁽⁴⁾ OJ L 78, 19.3.2008, p. 1.

DECISION (EU) 2015/1633 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the Agency for the Cooperation of Energy Regulators for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the Agency for the Cooperation of Energy Regulators for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the Agency for the Cooperation of Energy Regulators for the financial year 2013, together with the Agency's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EC) No 713/2009 of the European Parliament and of the Council of 13 July 2009 establishing an Agency for the Cooperation of Energy Regulators ⁽⁵⁾, and in particular Article 24 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0117/2015),
1. Grants 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 2013;

⁽¹⁾ OJ C 442, 10.12.2014, p. 18.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 211, 14.8.2009, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this Decision, and the resolution forming an integral part of it, to the Director of the Agency for the Cooperation of Energy Regulators, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the Agency for the Cooperation of Energy Regulators for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the Agency for the Cooperation of Energy Regulators for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0117/2015),
- A. whereas, according to its financial statements, the final budget of the Agency for the Cooperation of Energy Regulators ('the Agency') for the financial year 2013 was EUR 11 930 220, representing an increase of 64,74 % compared to 2012, which can be explained by the Agency's recently established nature and as a result of the implementation of the REMIT Regulation ⁽¹⁾; whereas the entire budget of Agency derives from the Union budget,
- B. whereas the Court of Auditors ('Court'), in its report on the annual accounts of the Agency for Cooperation of Energy Regulators for the financial year 2013 ('the Court's report'), has stated that it has obtained reasonable assurances that the Agency's annual accounts are reliable and that the underlying transactions are legal and regular,

Follow-up of 2012 discharge

1. Notes from the Court's report that regarding two comments made in the Court's 2011 report and marked as 'Ongoing' in the Court's 2012 report, corrective actions have been taken and both recommendations are now marked in the Court's report as 'Completed'; notes furthermore that, regarding the five comments made in the Court's 2012 report, corrective actions have been taken and three comments are now marked as 'Completed' and two as 'Ongoing';
2. Acknowledges from the Agency that measures regarding the recommendations on the Agency's recruitment procedures have been formalised with the adoption of its Director's Decision 2014-06 of 4 April 2014; notes that that decision was submitted to the Court and calls on the Agency to inform the discharge authority on the Court's opinion as soon as it becomes available;
3. Acknowledges that the Agency has implemented a series of measures to improve the budget planning processes by developing and implementing a set of guidelines to be followed by the actors involved in the budget planning process, as well as conducting regular exercises of appropriations consumption forecast and review, including monthly monitoring and reporting on budget implementation;

Budget and financial management

4. Notes with concern from the Agency's 2013 Annual Activity Report (AAR) that no agreement was reached for any contribution towards the Agency from the European Free Trade Association states;
5. Notes that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 97,53 %, representing an increase of 4 % compared with 2012, and that the payment appropriations execution rate was low at 55,00 %, below the Agency's target of 70 %, according to the AAR, mainly due to the late receipt of EUR 2 989 000 through an amended budget approved on 31 October 2013;

⁽¹⁾ Regulation (EU) No 1227/2011 of the European Parliament and of the Council of 25 October 2011 on wholesale energy market integrity and transparency (OJ L 326, 8.12.2011, p. 1).

6. Notes with concern that the Agency held EUR 5 500 000 in cash at the end of the year; calls on the Agency to ensure rigorous treasury management in the future;

Commitments and carry-overs

7. Takes note that a total of EUR 1 900 000 from Title II committed appropriations was carried over into 2014, mainly as a result of the implementation of the REMIT Regulation; notes that according to the Court's opinion, this is an operational and multiannual activity which should have been budgeted under Title III; notes furthermore that this shortcoming was rectified in subsequent commitment appropriations;
8. Notes furthermore that the carry-overs for Title III appropriations amounted to EUR 3 100 000, representing 91 % of the total of Title III appropriations; acknowledges that those carry-overs are related to the REMIT Regulation and that their exceptionally high rate is mainly due to EUR 2 989 000 received through an amended budget approved on 31 October 2013;
9. Acknowledges from the Agency that a series of measures have been implemented in order to improve the budgeted planning processes; calls on the Agency to inform the discharge authority on the progress and results of those measures;

Prevention and management of conflicts of interests and transparency

10. Acknowledges from the Agency that its policy on the prevention and management of conflicts of interests has been reviewed on the basis of the Commission's Guidelines on the Prevention and Management of Conflicts of Interest in EU Decentralised Agencies; takes note that as a result of that review, the Agency drafted a new policy which has been subject to the Agency's internal consultation process and is to be adopted by its Administrative Board; calls on the Agency to inform the discharge authority of the assessment results once available;
11. Acknowledges, furthermore, that the CVs and declarations of interests of the members of the Board of Regulators, the Director, senior management officials and the experts participating in the Agency's expert groups, as well as the CVs of the members of the Administrative Board and the Board of Appeal, have been made publicly available on the Agency's website; observes that the declarations of interests of the Director and of the members of the Board of Appeal are public;

Procurement and recruitment procedures

12. Acknowledges that the Agency has implemented new measures after the adoption of the Guidelines on recruitment procedures and work of the Selection Committees for the selection of Temporary Staff and Contract Staff;
13. Notes that the questions for interviews and tests are prepared before the examination of the applications; notes, in addition, that the criteria for admission to written tests and interviews and for being shortlisted are specified in greater detail;

Internal audit

14. Acknowledges that the Commission's Internal Audit Service (IAS) conducted an audit on the Agency according to the its Strategic Audit Plan for the Agency for 2013 — 2015;
15. Takes note that in the course of that risk analysis, the IAS identified a total of eight processes with high inherent risk which could not be considered as auditable within the audit plan, as the controls were assessed as absent or insufficient; acknowledges that the Agency submitted an action plan to the IAS in order to mitigate the identified weaknesses;

16. Acknowledges furthermore that the IAS made the following 'Very Important' recommendations:
 - improve the structure, enhance the contents and ensure the completeness of the annual work programme,
 - strengthen the monitoring of procurement activities,
 - reinforce operational and budget implementation monitoring;
 17. Ascertains that, in response to the recommendations made by the IAS, the Agency prepared an action plan to resolve the shortcomings; notes that the IAS considered the action plan as adequately addressing the identified risks;
 18. Notes that the IAS performed a desk review of the implementation of its earlier recommendations; takes note that as of 31 December 2013, no critical recommendations were open and that the implementation of the three very important recommendations was on track;
 19. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 29 April 2015 ⁽¹⁾ on the performance, financial management and control of the agencies.
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⁽¹⁾ Texts adopted of that date, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU) 2015/1634 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on the closure of the accounts of the Agency for the Cooperation of Energy Regulators for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the Agency for the Cooperation of Energy Regulators for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the Agency for the Cooperation of Energy Regulators for the financial year 2013, together with the Agency's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EC) No 713/2009 of the European Parliament and of the Council of 13 July 2009 establishing an Agency for the Cooperation of Energy Regulators ⁽⁵⁾, and in particular Article 24 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0117/2015),
1. Notes that the final annual accounts of the Agency for the Cooperation of Energy Regulators are as annexed to the Court of Auditors' report;

⁽¹⁾ OJ C 442, 10.12.2014, p. 18.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 211, 14.8.2009, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Approves the closure of the accounts of the Agency for the Cooperation of Energy Regulators for the financial year 2013;
3. Instructs its President to forward this Decision to the Director of the Agency for the Cooperation of Energy Regulators, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1635 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****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 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the Office of the Body of European Regulators for Electronic Communications for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the Office of the Body of European Regulators for Electronic Communications for the financial year 2013, together with the Office's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Office of the Body in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EC) No 1211/2009 of the European Parliament and of the Council of 25 November 2009 establishing the Body of European Regulators for Electronic Communications (BEREC) and the Office ⁽⁵⁾, and in particular Article 13 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0081/2015),
1. 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 2013;

⁽¹⁾ OJ C 442, 10.12.2014, p. 28.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 337, 18.12.2009, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this Decision, and the resolution forming an integral part of it, to the Management Committee of the Office of the Body of European Regulators for Electronic Communications, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision 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 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision 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 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0081/2015),
- A. whereas, according to its financial statements, the final budget of the Office of the Body of European Regulators for Electronic Communications ('the Office') for the financial year 2013 was EUR 3 557 219, representing an increase of 11,51 % compared to 2012, due to the Body's recently established nature;
- B. whereas, according to its financial statements, the overall contribution of the Union to the budget of the Office for 2013 amounted to EUR 3 556 000, representing an increase of 11,47 % compared to 2012;
- C. whereas the Court of Auditors, in its report on the annual accounts of the Office of the Body of European Regulators for Electronic Communications for the financial year 2013 ('the Court's report'), has stated that it has obtained reasonable assurances that the annual accounts of the Office are reliable and that the underlying transactions are legal and regular;

Follow-up of 2012 discharge

1. Notes with satisfaction from the Court's report that regarding the three comments made in the Court's 2011 report and marked as 'Ongoing' in the Court's 2012 report, corrective actions were taken and all comments are marked in the Court's 2013 report as 'Completed'; notes furthermore that for the 10 comments made in the Court's 2012 report, corrective actions were also taken and eight comments are now marked as 'Completed' and two as 'Ongoing';
2. Acknowledges from the Office that it took actions to mitigate the budget implementation and monitoring issues in the form of monthly budget meetings of the Office's managers, as well as detailed overviews of the budget implementation progress, which is presented to the Management Committee for comments quarterly;

Budget and financial management

3. Notes that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 89,55 % and that the payment appropriations execution rate was 76,58 %;
4. Acknowledges from the Court's report that the Office's budget implementation rates improved considerably in comparison to 2012, indicating better planning and a more timely implementation of activities; notes, however, that there is still room for further improvement;
5. Welcomes the Office's efforts to improve its budgetary planning accuracy and to reduce to the minimum the cancellation of commitment appropriations; calls on the Office to inform the discharge authority about the results of those actions;

Commitments and carry-overs

6. Notes with concern that the level of cancelled carry-overs from 2012 remained relatively high at 28 % whereas in 2012, it stood at 45 %; acknowledges from the Office that the high level of cancellations will continue to be addressed by a thorough analysis of amounts carried over at the end of the year, which should diminish the overall carry-over levels;
7. Takes note from the Court's report that the level of committed appropriations carried over decreased from 19 %, as noted in 2012, to 13 % in 2013; acknowledges that the carry-overs were mostly related to contracts signed in the second half of 2012 for planned activities in 2013 and 2014;

Procurement and recruitment procedures

8. Notes that for 2013, neither sampled transactions nor other audit findings have led to any comments on the Office's procurement or recruitment procedures in the Court's report;
9. Takes note that at year-end, the Office employed 25 staff and had six vacancies out of authorised 28 positions; acknowledges that in 2013, the Office finalised six recruitment procedures and employed team members for two AST positions, three contractual agent positions and filled one seconded national expert position for a period of two months; acknowledges that two further recruitments were initiated in 2013;

Prevention and management of conflicts of interests and transparency

10. Takes note from the Office's annual activity report that according to Regulation (EC) No 1211/2009, the Office has to carry out its activities, together with the Body of European Regulators for Electronic Communications (BEREC), with a high level of transparency and must ensure that the public and any interested parties are given objective, reliable and easily accessible information in relation to the results of its work;
11. Acknowledges from the Office that it is undertaking the responsibility for managing all documents created in the course of BEREC's activities and for ensuring the maximum transparency of BEREC's work, in compliance with the legislation in force; acknowledges furthermore that those tasks are carried out by maintaining the public register of BEREC's and Office's documents, as well as its website, and by ensuring the transparency and efficiency of internal procedures of both BEREC and the Office;

Internal audit

12. Notes that in 2013, the Commission's Internal Audit Service (IAS) carried out a limited review on the adequacy of the design and effectiveness of the implementation of internal control standards (ICS), which covered 16 ICS adopted by the Management Committee in May 2011; notes furthermore that as a result of that limited review, and taking into account the recent set-up of the Office and the current status of operations and administration, the IAS made 18 recommendations, of which one rated as 'Critical' and four as 'Very Important';
13. Acknowledges that two issues remain open, namely the implementation of proper information security controls and the establishment of a systematic risk management process; notes that the Office is currently looking at an appropriate solution to resolve these two issues shortly; calls on the Office to report to the discharge authority on the progress made in this regard;
14. Acknowledges from the Office that following that audit, it prepared an action plan which was considered by the IAS as adequately addressing the identified risks and, if implemented as planned, suitable to mitigate them;

Other comments

15. Deeply regrets that 91 % of reimbursements for experts made in 2013 were late; notes, furthermore, that in the first half of 2013, the late payments were overdue by an average of 78 days, against 33 days in the second half of 2013; acknowledges from the Office that it will explore different methods in order to reduce the payment delays to the set target of 30 days; calls on the Office to resolve this issue as a matter of urgency and to report to the discharge authority on the measures taken to do so and on their results;
16. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 29 April 2015 ⁽¹⁾ on the performance, financial management and control of the agencies.

⁽¹⁾ Texts adopted of that date, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU) 2015/1636 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on the closure of the accounts of the Office of the Body of European Regulators for Electronic Communications for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the Office of the Body of European Regulators for Electronic Communications for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the Office of the Body of European Regulators for Electronic Communications for the financial year 2013, together with the Office's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Office of the Body in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EC) No 1211/2009 of the European Parliament and of the Council of 25 November 2009 establishing the Body of European Regulators for Electronic Communications (BEREC) and the Office ⁽⁵⁾, and in particular Article 13 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0081/2015),
1. Notes that the final annual accounts of the Office of the Body of European Regulators for Electronic Communications are as annexed to the Court of Auditors' report;

⁽¹⁾ OJ C 442, 10.12.2014, p. 28.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 337, 18.12.2009, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Approves the closure of the accounts of the Office of the Body of European Regulators for Electronic Communications for the financial year 2013;
3. Instructs its President to forward this Decision to the Management Committee of the Office of the Body of European Regulators for Electronic Communications, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1637 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the Translation Centre for the Bodies of the European Union for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the Translation Centre for the Bodies of the European Union for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the Translation Centre for the Bodies of the European Union for the financial year 2013, together with the Centre's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Centre in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Council Regulation (EC) No 2965/94 of 28 November 1994 setting up a Translation Centre for Bodies of the European Union ⁽⁵⁾, and in particular Article 14 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0084/2015),
1. Grants the Director of the Translation Centre for the Bodies of the European Union discharge in respect of the implementation of the Centre's budget for the financial year 2013;

⁽¹⁾ OJ C 442, 10.12.2014, p. 35.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 314, 7.12.1994, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this Decision, and the resolution forming an integral part of it, to the Director of the Translation Centre for the Bodies of the European Union, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the Translation Centre for the Bodies of the European Union for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the Translation Centre for the Bodies of the European Union for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0084/2015),
- A. whereas, according to its financial statements, the final budget of the Translation Centre for the Bodies of the European Union ('the Centre') for the financial year 2013 was EUR 52 193 667, representing an increase of 8,08 % compared to 2012,
- B. whereas the Court of Auditors, in its report on the annual accounts of the Translation Centre for the Bodies of the European Union for the financial year 2013 ('the Court's report'), has stated that it has obtained reasonable assurances that the Centre's annual accounts are reliable and that the underlying transactions are legal and regular,
- C. whereas the Centre's task is to provide any Union institution or body which call upon its services with the translation services necessary for their activities,

Follow-up of 2012 discharge

1. Notes from the Court's report that the status of two corrective actions taken in response to its previous year's comments are marked as 'Ongoing';
2. Acknowledges from the Centre that it has prepared an action plan in order to reduce its administrative costs as identified in the areas of human resources, financial circuits, IT and infrastructure; ascertains from the Centre that it has reached its limit as regards administrative costs reduction;

Budget and financial management

3. Notes that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 83,47 % and that the payment appropriations execution rate was 77,68 %;

Framework contracts

4. Notes that the Centre concluded 472 framework contracts with translation services for a maximum 4-year period in 2008; notes, furthermore, that in 2012 the Centre participated in the Commission's procurement procedure for translation services, but no agreement on the contract terms could be reached with the Commission;
5. Acknowledges that as a consequence, the Centre extended its existing framework contracts for an additional year; notes with concern that although a derogation was issued by the Centre's Director, such an extension is not in compliance with the implementing rules for the Centre's Financial Regulation, which stipulates a maximum period of 4 years for framework contracts;

6. Acknowledges from the Centre that the lack of an agreement with the Commission was due to the fact that the Commission changed the tender conditions at a late stage of the process; notes the Centre's decision to extend the existing contracts on the basis of the negative impact of no contracts being in place until the next tender could be organised;

Commitments and carry-overs

7. Acknowledges that the Court's report mentions no notable issues as regards the level of carry-overs in 2013; notes that 5,79 % of budget appropriations were carried forward to 2014;

Internal controls

8. Acknowledges that in 2013, the Commission's Internal Audit Service (IAS) carried out a full risk assessment resulting in the IAS Strategic Internal Audit Plan for the Centre, listing the proposed audit topics for 2014-2016;
9. Acknowledges that due to various constraints, such as the move to the Drosbach building, the progress achieved in the implementation of several actions included in the Internal Control Action Plan was not as much as initially anticipated;
10. Notes with concern that in the course of its risk analysis, the IAS identified certain processes of high inherent risk which could not be considered as auditable within the audit plan as the controls were assessed as absent or insufficient; points out that the Centre's management submitted to the IAS an action plan aimed at addressing those weaknesses and that the actions taken by the Centre for addressing them will be followed up by the IAS;
11. Takes note that the IAS has followed up the implementation of its earlier recommendations through a desk review, and that no previous critical recommendations remained open as of 31 December 2013; notes that one very important recommendation is being implemented and is on track, and that the implementation of another one very important recommendation was delayed; calls on the Centre to attend to this issue and inform the discharge authority upon completion;
12. Notes with concern that formal delegations from authorising officers are not always consistent with the authorisation rights for transactions in the accrual based accounting (ABAC) system; acknowledges from the Centre that it has updated the formal delegation in order to bring it in line with the rights in the ABAC system;

Transfers

13. Notes that according to the Centre's annual activity report, as well as the Court's report, the level and nature of transfers in 2012 have remained within the limits of the financial rules;

Procurement and recruitment procedures

14. Notes that for 2013, neither sampled transactions nor other audit findings have led to any comments on the Centre's procurement procedures in the Court's report;

Prevention and management of conflicts of interests and transparency

15. Acknowledges from the Centre that it has assessed its policy on the prevention and management of conflicts of interests on the basis of the Commission's 'Guidelines on the Prevention and Management of Conflicts of Interest in EU Decentralised Agencies'; notes that based on that assessment, the Centre has created a new policy which states that the CVs and declarations of interests of the Management Board members, the Director and senior management officials must be made publicly available;

16. Notes that the Centre presented that new policy to its Management Board in 2014 and that it was approved on 29 October 2014; acknowledges that the Centre made the CVs and declarations of interests of the Managing Board members available on its website; calls on the Centre to facilitate the ease of access to those documents;

Performance

17. Notes from the Court's report that the cash held by the Centre increased from EUR 35 000 000 at the end of 2012 to EUR 40 000 000 at the end of 2013; notes, furthermore, that budgetary surplus and reserves increased from EUR 30 900 000 to 37 500 000 during the same period;
18. Ascertains from the Centre that its 2012 budget surplus was generated mainly by external factors beyond its control and that the Centre took actions in order to reduce it; notes that in light of the Centre's 2012 cost analysis, as well as its cost analysis of the first half of 2013, the Centre decided to lower its prices for 2014; acknowledges from the Centre that its 2014 and 2015 budgets were planned as deficit budgets in order to use part of the previous years' surpluses;

Other comments

19. Acknowledges that the Centre became operational in 1994 and has, since then, worked on the basis of correspondence and exchanges with the host Member State; acknowledges that the Centre's negotiations with its host Member State regarding its headquarters have reached the final phase, and that it has signed the headquarters agreement with the Government of the Grand Duchy of Luxembourg; notes that the Centre is waiting for final confirmation in this matter;
20. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 29 April 2015 ⁽¹⁾ on the performance, financial management and control of the agencies.

⁽¹⁾ Texts adopted of that date, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU) 2015/1638 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on the closure of the accounts of the Translation Centre for the Bodies of the European Union for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the Translation Centre for the Bodies of the European Union for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the Translation Centre for the Bodies of the European Union for the financial year 2013, together with the Centre's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Centre in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Council Regulation (EC) No 2965/94 of 28 November 1994 setting up a Translation Centre for Bodies of the European Union ⁽⁵⁾, and in particular Article 14 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0084/2015),
1. Notes that the final annual accounts of the Translation Centre for the Bodies of the European Union are as annexed to the Court of Auditors' report;

⁽¹⁾ OJ C 442, 10.12.2014, p. 35.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 314, 7.12.1994, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Approves the closure of the accounts of the Translation Centre for the Bodies of the European Union for the financial year 2013;
3. Instructs its President to forward this decision to the Director of the Translation Centre for the Bodies of the European Union, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1639 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the European Centre for the Development of Vocational Training for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Centre for the Development of Vocational Training for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Centre for the Development of Vocational Training for the financial year 2013, together with the Centre's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Centre in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EEC) No 337/75 of the Council of 10 February 1975 establishing a European Centre for the Development of Vocational Training ⁽⁵⁾, and in particular Article 12a thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Employment and Social Affairs (A8-0079/2015),
1. Grants the Director of the European Centre for the Development of Vocational Training discharge in respect of the implementation of the Centre's budget for the financial year 2013;

⁽¹⁾ OJ C 442, 10.12.2014, p. 42.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 39, 13.2.1975, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Director of the European Centre for the Development of Vocational Training, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Centre for the Development of Vocational Training for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the European Centre for the Development of Vocational Training for the financial year 2013,
- having regard to Rule 94 of and Annex V to its Rules of Procedure,
- having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Employment and Social Affairs (A8-0079/2015),
- A. whereas, according to its financial statements, the final budget of the European Centre for the Development of Vocational Training ('the Centre') for the financial year 2013 was EUR 17 925 075, representing a decrease of 6,72 % compared to 2012,
- B. whereas, according to its financial statements, the overall contribution of the Union to the Centre's budget for 2013 amounted to EUR 17 133 900, representing an increase of 1,18 % compared to 2012,
- C. whereas the Court of Auditors ('the Court'), in its report on the annual accounts of the European Centre for the Development of Vocational Training for the financial year 2013 ('the Court's report'), has stated that it has obtained reasonable assurances that the Centre's annual accounts are reliable and that the underlying transactions are legal and regular,

Follow-up of 2012 discharge

1. Notes from the Court's report that regarding two comments made in the Court's 2011 report and marked as 'Ongoing' in the Court's 2012 report, corrective actions have been taken and both recommendations are now marked in the Court's report as 'Completed'; notes furthermore that for the three comments made in the Court's 2012 report, two corrective actions have been taken in response to the previous year's comments and are now marked as 'Completed' whereas one is marked as 'Not Applicable';
2. Acknowledges from the Centre that:
 - after following the Court's recommendation to ensure that the pre-selection committee signs declarations of interests in order to avoid conflicts of interest, the recruitment process for high level officials has been successful,
 - it has reviewed and adapted its policy of conflicts of interest; calls on the Centre to inform the discharge authority about the results of the policy review and on the adaptations made to the situation at the Centre,
 - it is undertaking actions regarding the publication of the CVs of the members of the Governing Board and declarations on the absence of conflicts of interest; notes with concern that the Centre has not fully remedied this issue, and calls on the Centre to implement corrective actions and to inform the discharge authority about the results as a matter of urgency,
 - the information about the Centre's activities is provided mainly to the Commission, Member States and social partners, therefore making its direct impact on Union citizens limited in the short term; notes moreover that the Centre's annual report is made publicly available on the Centre's website,

- in the context of the cooperation framework, it is coordinating with the European Training Foundation and the European Foundation for the Improvement of Living and Working Conditions in order to maximise their synergies and knowledge sharing;

Budget and financial management

3. Notes that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 98,95 % and that the payment appropriations execution rate was 92,39 %;
4. Ascertains from the Centre that the planned underspending in Title I, due to savings and postponement of recruitment has covered expenditure in Title II and Title III linked to requirements for services and deliverables anticipated in the work programme; acknowledges that following the Court's remarks from 2012, the carry-overs of Title II commitment appropriations were brought below the 20 % threshold to 17 % in 2013 compared to 37 % in 2012;

Procurement and recruitment procedures

5. Notes that for the year 2013, neither sampled transactions nor other audit findings have led to any comments on the Centre's procurement procedures in the Court's report;
6. Acknowledges from the Centre's annual report that its establishment plan for the year 2013 had 100 posts, of which 51 were AD posts and 49 were AST posts; takes note furthermore that there were more temporary than permanent posts in both function groups;
7. Takes note that at year-end, the Centre employed 96 staff based on the establishment plan and two job offers were made for the vacant AD posts; acknowledges furthermore that two posts were kept vacant so that they can be cut in 2014, in response to the Commission request for a 5 % staff cut over the next years;

Internal controls

8. Acknowledges from the Centre that new *ex post* and *ex ante* verification measures have been implemented in order to respond to the concerns expressed by the Court in 2012; notes moreover that the *ex post* measures comprise of detailed checks of personnel costs for three randomly selected beneficiaries on the basis of all supporting documentation, including time sheets, payslips, the calculation of daily rates, contracts, invoices and bank statements;
9. Takes note that the Centre has finally developed processes to monitor and report on legality and regularity and is currently deploying its own anti-fraud strategy;

Internal audit

10. Notes that the Commission's Internal Audit Service (IAS) carried out a full risk assessment in order to determine the audit priorities for the following 3 years, which resulted in the final strategic audit plan listing the proposed audit topics for 2013-2015; acknowledges from the Centre that the final strategic audit plan was endorsed by the Centre's Governing Board in June 2013;
11. Observes that in the course of that risk analysis, the IAS identified certain processes of high inherent risk which could not be considered as auditable within the audit plan as the controls were assessed as absent or insufficient; acknowledges from the Centre that its management submitted an action plan aimed at addressing these weaknesses which will be followed up by the IAS during the next in-depth risk assessment;
12. Takes note that the IAS followed up the implementation of its earlier recommendations in 2013 through a desk review of the information provided by the Centre on the status of very important, important or desirable recommendations; acknowledges that no critical or very important recommendations were open as of 31 December 2013;

Other comments

13. Welcomes the exemplary measures taken by the Centre with regard to cost-effective and environment-friendly solutions; encourages the Centre to continue with this good practice;
14. Notes with regret that the repair works on the Centre's building continued to be delayed and should only have been completed in 2014;
15. Emphasises that the Centre's work is highly relevant to the Union vocational education and training (VET) and skills policy agenda; notes its concern that unless the low economic demand driving high unemployment is reversed, this demand will foster and perpetuate the mismatch and obsolescence of skills through over-qualification and unemployment; acknowledges the Centre's key achievements in 2013 in its field of activity; notes furthermore that the Centre is undertaking its first pan-European skills survey (eu-SKILL);
16. Points out the positive experience of some Member States with dual education systems; notes, however, that dual education should not be seen as a sure-fire solution to high youth unemployment;
17. Commends the Centre on the outcomes of the 2013 evaluation by the Commission, which recognised it as a leading centre of expertise worldwide on qualifications frameworks and skills and that it had an important impact on strengthening the cooperation between VET policy stakeholders in Europe;
18. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its Resolution of 29 April 2015 ⁽¹⁾ on the performance, financial management and control of the agencies.

⁽¹⁾ Texts adopted of that date, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU) 2015/1640 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on the closure of the accounts of the European Centre for the Development of Vocational Training
for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Centre for the Development of Vocational Training for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Centre for the Development of Vocational Training for the financial year 2013, together with the Centre's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Centre in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EEC) No 337/75 of the Council of 10 February 1975 establishing a European Centre for the Development of Vocational Training ⁽⁵⁾, and in particular Article 12a thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Employment and Social Affairs (A8-0079/2015),
1. Notes that the final annual accounts of the European Centre for the Development of Vocational Training are as annexed to the Court of Auditors' report;

⁽¹⁾ OJ C 442, 10.12.2014, p. 42.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 39, 13.2.1975, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Approves the closure of the accounts of the European Centre for the Development of Vocational Training for the financial year 2013;
3. Instructs its President to forward this Decision to the Director of the European Centre for the Development of Vocational Training, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1641 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the European Police College for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Police College for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Police College for the financial year 2013, together with the College's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the College in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Council Decision 2005/681/JHA of 20 September 2005 establishing the European Police College (CEPOL) and repealing Decision 2000/820/JHA ⁽⁵⁾, and in particular Article 16 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A8-0086/2015),
1. Grants the Director of the European Police College discharge in respect of the implementation of the College's budget for the financial year 2013;

⁽¹⁾ OJ C 442, 10.12.2014, p. 51.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 256, 1.10.2005, p. 63.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this Decision, and the resolution forming an integral part of it, to the Director of the European Police College, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Police College for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the European Police College for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A8-0086/2015),
- A. whereas, according to its financial statements, the final budget of the European Police College ('the College') for the financial year 2013 was EUR 8 450 640; whereas the entire budget of the College derives from the Union budget,
- B. whereas the Court of Auditors ('Court'), in its report on the annual accounts of the European Police College for the financial year 2013 ('the Court's report'), has stated that it has obtained reasonable assurances that the College's annual accounts are reliable and that the underlying transactions are legal and regular,

Follow-up of 2012 discharge

1. Notes from the Court's report that regarding three comments made in the Court's 2011 report and marked as 'Outstanding' in the Court's 2012 report, as well as regarding one comment marked as 'Ongoing', one corrective action has been taken and is now marked in the Court's report as 'Completed', two were marked as 'Ongoing' and one as 'Not Applicable'; notes furthermore that for the six comments made in the Court's 2012 report, one corrective action was taken in response to the previous year's comments and is now marked as 'Completed', two are marked as 'Not Applicable', two as 'Ongoing' and one as 'Outstanding';
2. Acknowledges from the College that:
 - the availability of the information on its activities' impact on Union citizens is provided on the College's website through the yearly publication of strategic documents including the Annual Report, as well as through other communication tools such as videos and dedicated website sections,
 - a decision was taken by its Governing Board to outsource a part of its accounting services to the Commission starting from April 2014; notes the efforts undertaken by the College to decrease its administrative expenses;

Budget and financial management

3. Notes that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 94,89 % and that the payment appropriations execution rate was 92,46 %; acknowledges the College's efforts to significantly increase the payment execution level by 21 %, from 76 % as observed in the year 2012;

Commitments and carry-overs

4. Notes with concern that the level of committed appropriations carried over to 2014 was high at 30,46 % for Title II (administrative expenditure); takes note that for Title III (operating expenditure) the level of committed appropriations carried over amounted to 17,91 %; acknowledges from the Court's report that the Title II carry-overs resulted mainly from events beyond the College's control, such as payments due in 2014 for services and goods ordered and received as planned in 2013;

5. Acknowledges furthermore that the College's carry-over levels decreased from 20 % for the 2012 to 2013 operations to 11 % for the 2013 to 2014 operations; takes note of the measures put in place by the College but calls on the College to further improve the carry-over levels in order to increase its compliance to the budgetary principle of annuality;
6. Is concerned that out of committed appropriations carried over from 2012 amounting to EUR 1 669 930, cancelled commitments in 2013 equalled EUR 303 740 or 18,19 %; ascertains that the cancelled commitments resulted mainly from lower-than-estimated costs to be reimbursed under 2012 grant agreements; observes that the amount of cancellations indicates the need to obtain more accurate information from beneficiaries at year-end on the actual costs incurred; calls on the College to inform the discharge authority on measures taken to address this deficiency as a matter of urgency;

Transfers

7. Ascertains from the College that it has put in place a new procedure for budget transfers, which improved the budget structure together with increased supervision on budget implementation;
8. Takes note that in 2013, the College made nine budgetary transfers amounting to EUR 500 000 within their respective titles; acknowledges that all transfers were processed in conformity with the Financial Regulation and the implementing rules; observes furthermore that the improvements to the budgetary procedures have put the amounts of budget transfers on a decreasing trend;

Procurement and recruitment procedures

9. Notes with concern from the Court's report that the College's recruitment procedures are still not fully transparent as certain procedural elements are still incomplete, insufficiently clear or non-compliant; takes note of the College's actions towards revising the recruitment process by redesigning and improving the related work instructions, templates and checklists; calls on the College to inform the discharge authority about the impact the redesigned process has on the recruitments launched in 2014 and looks forward to the results of the Court's future audits regarding recruitment processes;

Prevention and management of conflicts of interests and transparency

10. Takes note that the College has scheduled a review of the arrangements in place aiming to develop a specific conflicts of interest policy applicable to its staff as well as to other stakeholders directly collaborating with the College but not employed by it; acknowledges that the College's Governing Board adopted its policy on prevention and management of conflicts of interest in November 2014;
11. Notes the publication of the declarations of interest of the Director, Deputy Director and Head of Corporate Services on the College's website; acknowledges that following the adoption of the conflicts of interest policy in November 2014, the College launched a request to the members of its Governing Board to publish their declarations of interest and CVs on the College's website;
12. Urges the College to publish by June 2015 the declarations of interest of its Staff and Members of the Governing Board, Members of the Working Groups/Audit Panel and National Seconded Experts;
13. Regrets the failure of the College to answer the question related to possible initiatives in the interest of increasing transparency on contacts of the agencies with lobbyists; urges the College to answer by the end of May 2015;

Internal audit

14. Notes that the Commission's Internal Audit Service (IAS) carried out an audit with an objective to assess the adequacy of design and effective application of the internal control system related to the human resources sub-processes managed by the College; acknowledges that the IAS found the internal control system in place as providing reasonable assurance regarding the achievement of the business objectives for relevant human resources processes;

15. Acknowledges that the IAS followed up the implementation of its earlier recommendations through a desk review and that it found no critical or very important recommendations open as at year-end;
16. Takes note of the College's efforts to implement the Court's and the IAS's audit recommendations in order to ensure the prompt implementation of the action plans; notes that the implementation rate of the recommendations by the end of 2013 was 83 %;

Other comments

17. Welcomes that the College officially resumed business at its new headquarters in Budapest in October 2014; supports the College's efforts that the move to the new seat be carried out in accordance with sound financial management principles; acknowledges furthermore that in this regard a budget amendment for the financial year 2014 was initiated and approved by its Governing Board;
18. Acknowledges that the relocation of the College from Bramshill to its new headquarters in Budapest generated yearly savings amounting to EUR 200 000; welcomes such savings in the College's operational costs and welcomes the fact that the use of the offices in College's new headquarters is free of charge and that the infrastructure is provided for a period of at least 10 years; asks the College to include in its next annual report an overview of the savings made in operational costs;
19. Notes with concern that the discussion about the College's future is on-going and it harms business planning and implementation;
20. Notes with concern that the College failed to sufficiently answer the question of the discharge authority regarding the cost-effective and environment-friendly solutions for work environment; calls on the College to remedy this issue;
21. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 29 April 2015 ⁽¹⁾ on the performance, financial management and control of the agencies.

⁽¹⁾ Texts adopted of that date, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU) 2015/1642 OF THE EUROPEAN PARLIAMENT
of 29 April 2015
on the closure of the accounts of the European Police College for the financial year 2013

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Police College for the financial year 2013,
- having regard to the Court of Auditors' report on the annual accounts of the European Police College for the financial year 2013, together with the College's replies ⁽¹⁾,
- having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the College in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
- having regard to Article 319 of the Treaty on the Functioning of the European Union,
- having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
- having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
- having regard to Council Decision 2005/681/JHA of 20 September 2005 establishing the European Police College (CEPOL) and repealing Decision 2000/820/JHA ⁽⁵⁾, and in particular Article 16 thereof,
- having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
- having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
- having regard to Rule 94 of and Annex V to its Rules of Procedure,
- having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A8-0086/2015),

1. Notes that the final annual accounts of the European Police College are as annexed to the Court of Auditors' report;

⁽¹⁾ OJ C 442, 10.12.2014, p. 51.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 256, 1.10.2005, p. 63.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Approves the closure of the accounts of the European Police College for the financial year 2013;
3. Instructs its President to forward this Decision to the Director of the European Police College, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1643 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the European Aviation Safety Agency for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Aviation Safety Agency for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Aviation Safety Agency for the financial year 2013, together with the Agency's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EC) No 216/2008 of the European Parliament and of the Council of 20 February 2008 on common rules in the field of civil aviation and establishing a European Aviation Safety Agency, and repealing Council Directive 91/670/EEC, Regulation (EC) No 1592/2002 and Directive 2004/36/EC ⁽⁵⁾, and in particular Article 60 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Transport and Tourism (A8-0074/2015),
1. Grants the Executive Director of the European Aviation Safety Agency discharge in respect of the implementation of the Agency's budget for the financial year 2013;

⁽¹⁾ OJ C 442, 10.12.2014, p. 93.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 79, 19.3.2008, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this Decision, and the resolution forming an integral part of it, to the Executive Director of the European Aviation Safety Agency, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Aviation Safety Agency for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the European Aviation Safety Agency for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Transport and Tourism (A8-0074/2015),
- A. whereas, according to its financial statements, the final budget of the European Aviation Safety Agency ('the Agency') for the financial year 2013 was EUR 167 023 535, representing an increase of 5,15 % compared to 2012,
- B. whereas according to its financial statements, the contribution of the Union to the Agency's budget for 2013 amounted to EUR 35 829 562, representing an increase of 0,2 % compared to 2012,
- C. whereas the Court of Auditors, in its report on the annual accounts of the European Aviation Safety Agency for the financial year 2013 ('the Court's report'), has stated that it has obtained reasonable assurances that the Agency's annual accounts are reliable and that the underlying transactions are legal and regular,

Follow-up of 2012 discharge

1. Notes from the Court's report that regarding one comment made in the Court's 2011 report and marked as 'Ongoing' in the Court's 2012 report, the corrective action was taken and the comment is now marked in the Court's 2013 report as 'Completed'; notes furthermore that regarding the four comments made in the Court's 2012 report, corrective actions were taken and two comments are now marked as 'Completed' while two are marked as 'Not Applicable';
2. Acknowledges from the Agency that:
 - information and statistics regarding the management of conflicts of interests were included in its 2013 annual activity report,
 - CVs, declarations of interests of the Executive Director, the Directors and the Heads of Department were fully published on the agency's website as of the 1 December 2014 as requested by the discharge authority in 2014,
 - information on the Agency activities' impact on Union citizens is provided on its website through the yearly publication of strategic documents, including the Annual General Report, the Annual Safety Review and the Work Programme;

Comments on the legality and regularity of transactions

3. Takes note that in 2013 the Agency spent some EUR 22 000 000 on procurement procedures to outsource part of its certification activities to National Aviation Authorities and Qualified Entities; acknowledges that the process of allocating specific certification tasks to the contracting parties, as well as the criteria to be used, were described in specific guidelines established by the Agency through a decision of its Management Board;

4. Calls on the Agency to improve the transparency of outsourcing through the improved documentation of the allocation processes, including assessments made on the basis of the criteria set in the guidelines; notes with concern that this is also the case for the allocation of the many other low-value contracts to bidders;

Commitments and carry-overs

5. Notes that the overall level of appropriations committed was 98 %, varying between 92 % for title III (Operational expenditure) and 98 % for title II (Administrative expenditure);
6. Takes note of a general reduction of the overall level of committed appropriations carried over from EUR 10 100 000 (11 %) in 2012 to EUR 7 200 000 (8 %) in 2013; is concerned that although the general level of carry-overs has reduced, it remained high for Title III, amounting to EUR 3 400 000 (42 %); points out that although the multiannual nature of the Agency's operations partly justifies the carry-overs, such high level is at odds with the budgetary principle of annuality;

Procurement and recruitment procedures

7. Notes that the Court of Auditors made no comments in its annual audit report for 2013 as regards the Authority's recruitment procedures;
8. Acknowledges from the Agency that the requirements which must be met by candidates in the recruitment process have been set in compliance with the Staff Regulations of Officials of the European Union and that the case identified in the Court's 2012 report is considered as closed;
9. Recalls Parliament's position in the budgetary procedure that staff financed by fees paid by the industry and consequently not financed by the Union budget should not be affected by the 2 % yearly cut applied by the Union; considers that the Commission should treat agencies financed primarily by the Union budget as a separate case and put forward a specific framework for agencies financed mainly by operators fees, which should be in proportion to the services provided by the agency concerned;

Prevention and management of conflicts of interests and transparency

10. Notes that during 2013, the Agency reviewed 213 declarations of interests in light of the 'Code of Conduct for the staff of EASA' adopted in 2012; welcomes the revision of the EASA Regulation and emphasises the need to revise the code of conduct in order to avoid any potential conflicts of interests; proposes that in this regard, there should be a regular screening of the implementation of the code of conduct and the cases themselves by the Court of Auditors; points out that two cases of revolving doors were identified in 2013; notes that the Agency has permitted the notified activities for both revolving door cases under the conditions not to contact and not to lobby the Agency's staff members and to abstain from direct contract negotiations with the Agency during a cooling-off period of 12 to 24 months;
11. Observes with concern that the issue of conflicts of interests is extremely relevant with regards to the members of the panel of experts who are called to test and authorise the products; expresses its deep concern about the two revolving door cases identified by the Agency in 2013 and recommends that the Agency further strengthen its independence policy, especially in publishing the CVs and declarations of interests of managers, members of the Advisory Board and the panel of experts by the end of September 2015; calls upon the Agency to adopt comprehensive policies for the management of situations where conflicts of interests arrive, such as the divestment of a public official's interests, the recusal of the public official from involvement in an affected decision-making process, the restriction of access by the affected public official to particular information and the rearrangement of the public official's duties or the resignation of the public official from their office;

Internal controls

12. Acknowledges from the Agency that *ex ante* and *ex post* verifications have been implemented following discussions with the Court and as recommended by the discharge authority; acknowledges the fact that, according to the Agency's Financial Regulation, *ex post* controls are not mandatory; notes that an *ex post* verifications annual plan, which is risk-based and includes public procurement procedures, was set up;

Internal audit

13. Takes note that the Commission's Internal Audit Service (IAS) released the report on one limited review regarding IT project management in 2013, which resulted in two 'Very Important' recommendations; notes furthermore that the IAS performed an additional audit on Building Blocks of Assurance which provided the opinion of reasonable assurance as well as two 'Very Important' recommendations; notes that 22 out of 23 of the 'Very Important' recommendations issued by the IAS in the previous years were confirmed as completed by the IAS;

Other comments

14. Takes note that since 2004, when the Agency became operational, it has been working on the basis of correspondence and exchanges with the host Member State; notes, however, that a comprehensive headquarters agreement has not yet been signed with the host Member State; notes that such an agreement would promote transparency in respect of the operational conditions of the Agency and its staff; calls on the Agency and the host Member State to address this issue as a matter of urgency and to inform the discharge authority on the progress of the negotiations;
15. Recalls that according to the Common Approach on EU decentralised agencies agreed between the Council, Parliament and the Commission, 'all agencies should have headquarters agreements, which should be concluded before the agency starts its operational phase'; notes in this regard that the European Insurance and Occupational Pensions Authority signed a headquarter agreement with the German Government in 2011; urges the host Member State to conclude an agreement with the Agency as quickly as possible with a view to clarifying relations between national judicial authorities and enabling the Agency to perform its legal task without hindrance; calls on the Commission to take the opportunity available this year to amend the act establishing the Agency with a view to securing a headquarters agreement, allowing the Agency to operate unimpeded; calls, therefore, to be notified of the final decision on the Agency's headquarters;
16. Highlights the Agency's vital role in ensuring the highest possible level of aviation safety throughout Europe; notes that the current review of the Single European Sky legislation could lead to greater powers being granted to the Agency; stresses that if this be the case, the Agency will need to be given the necessary financial, material and human resources to perform its tasks successfully;
17. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its Resolution of 29 April 2015 ⁽¹⁾ on the performance, financial management and control of the agencies.

⁽¹⁾ Texts adopted of that date, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU) 2015/1644 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on the closure of the accounts of the European Aviation Safety Agency for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Aviation Safety Agency for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Aviation Safety Agency for the financial year 2013, together with the Agency's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EC) No 216/2008 of the European Parliament and of the Council of 20 February 2008 on common rules in the field of civil aviation and establishing a European Aviation Safety Agency, and repealing Council Directive 91/670/EEC, Regulation (EC) No 1592/2002 and Directive 2004/36/EC ⁽⁵⁾, and in particular Article 60 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Transport and Tourism (A8-0074/2015),
1. Notes that the final annual accounts of the European Aviation Safety Agency are as annexed to the Court of Auditors' report;

⁽¹⁾ OJ C 442, 10.12.2014, p. 93.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 79, 19.3.2008, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Approves the closure of the accounts of the European Aviation Safety Agency for the financial year 2013;
3. Instructs its President to forward this decision to the Executive Director of the European Aviation Safety Agency, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1645 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the European Asylum Support Office for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Asylum Support Office for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Asylum Support Office for the financial year 2013, together with the Office's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Office in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EU) No 439/2010 of the European Parliament and of the Council of 19 May 2010 establishing a European Asylum Support Office ⁽⁵⁾, and in particular Article 35 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A8-0085/2015),
1. Grants the Executive Director of the European Asylum Support Office discharge in respect of the implementation of the Office's budget for the financial year 2013;

⁽¹⁾ OJ C 442, 10.12.2014, p. 102.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 132, 29.5.2010, p. 11.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this Decision, and the resolution forming an integral part of it, to the Executive Director of the European Asylum Support Office, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Asylum Support Office for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the European Asylum Support Office for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A8-0085/2015),
- A. whereas, according to its financial statements, the final budget of the European Asylum Support Office ('the Office') for the financial year 2013 was EUR 10 500 000; whereas the entire budget of the Office derives from the Union budget,
- B. whereas the Court of Auditors, in its report on the annual accounts of the European Asylum Support Office for the financial year 2013 ('the Court's report'), has stated that it has obtained reasonable assurances that the Office's annual accounts are reliable and that the underlying transactions are legal and regular,

Follow-up of 2012 discharge

1. Notes from the Court's report that regarding the 12 comments made by the Court in its 2012 report, two are now marked as 'Completed', one as 'Ongoing', eight as 'Not Applicable' and one as 'Outstanding';
2. Acknowledges from the Office that it has conducted a physical inventory which was finalised at the end of 2013;
3. Acknowledges from the Office that information on its activities' impact on Union citizens is available on its website through the yearly publication of documents, including press releases, monthly newsletters or direct responses to requests from Union citizens;

Comments on the reliability of the accounts

4. Notes with concern from the Court's report that the basis for an accrual amounting to EUR 40 000 relating to expenses and allowances for staff who entered into service in 2013 was not made available in the course of the audit; acknowledges from the Office that the accrual was an estimate while waiting for the confirmation of all entitlements to be received by the staff;

Comments on the legality and regularity of transactions

5. Notes from the Office that its accounting system was effectively validated by its accounting officer;

Budget and financial management

6. Notes that the budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 87,34 % and that the payment appropriations execution rate was 87,18 %; emphasises that the Office improved its payment appropriations execution rate remarkably compared to the previous year;

Commitments and carry-overs

7. Notes with concern from the Court's report that the budgetary needs were overestimated by 13 % and that committed appropriations carried over were at 24 % of the total committed appropriations, of which 13 % were not covered by a legal commitment;
8. Takes note that the carry-overs of committed appropriations mostly relate to Title II and Title III budgetary lines and are mostly intended for invoices not yet received or paid at year-end or where the services in question were not delivered;
9. Notes the measures taken by the Office in order to reduce and safeguard the level of commitment appropriations carried over, such as monthly reports on budget execution, annual mid-year budget review and the adoption of its new financial regulation;
10. Notes that a considerable room for improvement in budgetary planning still exists, although significant improvements were made in comparison with the financial year 2012, during which the Office gained its financial independence; calls on the Office to further improve its budget monitoring efforts in the future;

Procurement and recruitment procedures

11. Notes with concern that the recruitment procedures show a lack of transparency; agrees with the Court's comment that drafting the questions for interviews and written tests after examination of the applications increases the risk of the questions being influenced by individual applications; notes, moreover, that a discrepancy was observed in one recruitment procedure between an eligibility criterion indicated in the vacancy notice and corresponding selection criterion; calls on the Office to inform Parliament and the Council on the steps taken to prevent similar situations in the future;

Prevention and management of conflicts of interests and transparency

12. Acknowledges from the Office that it complied with the Court's comments and changed the conflicts of interests' statement for the Selection Committees in order to include a professional relationship as a potential conflict of interests;
13. Acknowledges from the Office that a policy on the prevention and management of conflicts of interests has been signed in 2013 and that its Management Board has endorsed it; notes, furthermore, that the members of the Management Board and the Executive Director have signed conflicts of interests forms in accordance with that policy; calls on the Office to make both its conflicts of interests policy and the conflicts of interests forms signed by the members of the Management Board and the Executive Director publically available;

Internal controls

14. Notes with concern that 18 % of the total number of payments were made after the time limits set in the Office's financial regulation; takes note from the Office that although the number of late payments decreased by mid-2013, they occurred again in the last quarter of 2013, due to a considerable increase in the year-end workload; welcomes the new procedures put in place by the Office in order to decrease the rate of late payments; calls on the Office to remedy this issue as a matter of urgency and to inform Parliament and the Council on the effects of the measures taken;
15. Acknowledges from the Office that in 2013 the Commission's Internal Audit Service (IAS) carried out a limited review of the implementation of 16 Internal Control Standards (ICS) adopted by the Management Board; notes that, based on the results of that review and given the current status of internal control regarding the Office's operational activities and administrative support functions, the IAS has issued 18 recommendations, six rated as 'Very Important' and 12 as 'Important';

16. Takes note that the Office carried out a self-assessment regarding the status of the implementation of the ICS in March 2013, demonstrating its determination in understanding and establishing a valid internal control environment;
 17. Establishes from the Court's report that six of the 16 ICS have not been fully implemented; acknowledges that their implementation is ongoing and calls on the Office to report to Parliament and the Council on its results;
 18. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its Resolution of 29 April 2015 ⁽¹⁾ on the performance, financial management and control of the agencies.
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⁽¹⁾ Texts adopted of that date, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU) 2015/1646 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on the closure of the accounts of the European Asylum Support Office for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Asylum Support Office for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Asylum Support Office for the financial year 2013, together with the Office's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Office in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EU) No 439/2010 of the European Parliament and of the Council of 19 May 2010 establishing a European Asylum Support Office ⁽⁵⁾, and in particular Article 35 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A8-0085/2015),
1. Notes that the final annual accounts of the European Asylum Support Office are as annexed to the Court of Auditors' report;

⁽¹⁾ OJ C 442, 10.12.2014, p. 102.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 132, 29.5.2010, p. 11.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Approves the closure of the accounts of the European Asylum Support Office for the financial year 2013;
3. Instructs its President to forward this Decision to the Executive Director of the European Asylum Support Office, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1647 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the European Banking Authority
for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Banking Authority for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Banking Authority for the financial year 2013, together with the Authority's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Authority in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EU) No 1093/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Banking Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/78/EC ⁽⁵⁾, and in particular Article 64 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Economic and Monetary Affairs (A8-0072/2015),
1. Grants the Executive Director of the European Banking Authority discharge in respect of the implementation of the Authority's budget for the financial year 2013;

⁽¹⁾ OJ C 442, 10.12.2014, p. 112.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 331, 15.12.2010, p. 12.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Executive Director of the European Banking Authority, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Banking Authority for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the European Banking Authority for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Economic and Monetary Affairs (A8-0072/2015),
- A. whereas according to its financial statements, the final budget of the European Banking Authority (the Authority) for the financial year 2013 was EUR 25 967 360, representing an increase of 25,16 % compared to 2012, due to the Authority's recently established nature,
- B. whereas according to its financial statements, the initial contribution of the Union to the Authority's budget for 2013 amounted to EUR 10 386 944, representing an increase of 25,16 % compared to 2012,
- C. whereas the Court of Auditors, in its report on the annual accounts of the European Banking Authority for the financial year 2013 (the Court's report), has stated that it has obtained reasonable assurances that the Authority's annual accounts are reliable and that the underlying transactions are legal and regular,
- D. whereas the Authority's task is to contribute to the establishment of high-quality common regulatory and supervisory standards and practices, and to the consistent application of legally binding Union acts, to stimulate and facilitate the delegation of tasks and responsibilities among competent authorities, to monitor and assess market developments in the area of its competence and to foster depositor and investor protection,

Follow-up of 2012 discharge

1. Notes from the Court's report that regarding seven comments made in the Court's 2012 report, corrective actions were taken and five are now marked as 'Completed', one as 'On-going' and one as 'Not Applicable';
2. Acknowledges from the Authority that:
 - the additional school top-up allowance has been included in the Authority's Multiannual Staff Policy Plan as part of the annual budgetary procedure in order to ensure equal treatment of its employees with regard to the high level of schooling fees in the Authority's seat, and that the Authority has signed direct agreements with schools in order to pay tuition fees directly and up to the threshold,
 - a communication strategy based on a survey among the Authority's most important stakeholders is being developed in order to simplify existing areas of its website, as well as to create new content to offer accessible information to less specialised audiences; notes, furthermore, that a consumer corner with easily accessible information on lodging complaints against financial institutions, as well as general advice for personal finance, was created on the website,
 - all IT systems were insourced to the Authority's data centre, except for a relatively small IT tool for the supervisory colleges, and that by finishing the insourcing procedure, the risks related to the limited control and supervision over the Agency's IT systems were fully mitigated;

Budget and financial management

3. Takes note from the Court's report that the overall level of committed appropriations of the Authority was 90 % (89 % in 2012); notes that those committed appropriations varied between 87 % for Title I (staff expenditure), 98 % for Title II (administrative expenditure) and 92 % for Title III (operational expenditure);
4. Points out that the decision of the Court of Justice of the European Union against the indexation of salaries for the period between 1 July 2011 and 30 June 2013 had a negative impact on the Authority's Title I commitment appropriations level, which amounted to EUR 1 800 000;

Commitments and carry-overs

5. Notes from the Court's report that the Authority managed to significantly reduce the overall level of committed appropriations carried over from EUR 6 547 808 in 2012 (36 %) to EUR 3 876 564 in 2013 (17 %);
6. Notes with concern that the levels of carry-overs for Title II (EUR 1 974 511 or 35 %) and Title III (EUR 1 651 203 or 36 %) were relatively high, mainly due to the planned procurement of IT infrastructure and IT services, for which the contracts were concluded as planned in December 2013 and the related services provided in 2014;

Transfers

7. Notes that according to the Authority's annual activity report, as well as the Court's report, the level and nature of transfers in 2013 have remained within the limits of the Authority's financial rules;

Procurement and recruitment procedures

8. Notes that no comments were made in the Court's report regarding the Authority's procurement procedures;
9. Acknowledges from the Authority that regarding the recommendations of the Court and the discharge authority, corrective measures were taken in all outstanding recruitment procedures in 2012, and that they were systematically implemented in all further recruitment procedures;

Prevention and management of conflicts of interests and transparency

10. Notes from the Authority that apart from the ethics guidelines which are in force and applicable to its entire staff, the Authority also commenced the development of further policies in relation to independence and decision-making processes regarding declarations of interests;
11. Acknowledges from the Authority that its conflicts of interests policy for staff and other contractual parties, as well as for non-staff, was adopted and implemented; takes note from the Authority that the CVs and declarations of interests of the members of the Management Board and the Board of Supervisors, as well as the declarations of interests of the Chairperson, the Executive Director and all members of senior management were published on the Authority's website; notes that the declarations of interests are public on the website of the Authority;
12. Welcomes the adoption of the Policy on Independence and Decision Making Processes by the Authority's Board of Supervisors on 3 February 2015 and calls for a solid track record following the timely implementation of that Policy;

Internal controls

13. Acknowledges that the Authority's Management Board is composed of six members elected from its Board of Supervisors by and from its members; notes, furthermore, that the members of the Management Board were elected at the Board of Supervisors' meeting of 1 July 2013, pursuant to the revised Board of Supervisors' rules of procedure;

Internal audit

14. Acknowledges that in early 2013, the Commission's Internal Audit Service (IAS) conducted a limited review of the implementation of internal control standards; notes with concern that in the course of the risk analysis, the IAS identified certain processes of high inherent risk which could not be considered as auditable within the audit plan, as the controls were assessed as being absent or insufficient;
15. Points out that the IAS report made 14 recommendations, of which two were rated as 'Very Important'; notes that the Authority has put in place an action plan to address the areas where the IAS made recommendations for improvement; notes, furthermore, that the Authority's corrective actions to address those high risk areas will be followed up by the IAS during the next in-depth risk assessment;
16. Notes that in 2013, the IAS performed a follow-up desk review of the implementation of its earlier recommendations; notes that the IAS considered that no critical recommendations were open as of 31 December 2013; takes note that, from the two recommendations rated as 'Very Important' by the IAS, one was reported as implemented and is awaiting follow-up, and the other was delayed with respect to the original action plan;
17. Notes that in 2014 the IAS performed a second limited review of the Authority's IT project management, and made two recommendations rated as 'Very Important', and two rated as 'Important'; acknowledges from the Authority that it prepared a detailed action plan with milestones to address those recommendations, the viability of which was accepted and confirmed by the IAS;

Performance

18. Takes note that the Authority closely cooperates with the European Insurance and Occupational Pensions Authority and the European Securities and Markets Authority across all support functions in order to reduce administrative costs where possible, to leverage synergies and to share best practices; looks forward to further efforts from the Authority to enhance cooperation with other decentralised agencies;

Other comments

19. Recalls that Parliament was a key driver in the efforts to set up a new and comprehensive European System of Financial Supervision (ESFS) in the aftermath of the financial crisis, and in creating, as part of it, the Authority in 2011;
20. Takes note of the observation made by the Commission, in its recent report on the operation of the European Supervisory Authorities (ESAs) and the ESFS, that in spite of difficult circumstances, the ESAs have quickly established well-functioning organisations which, overall, have performed well against their broad range of tasks, while facing increasing demands with limited human resources;
21. Underlines that the Authority's role in promoting a common supervisory regime across the single market is essential to ensure a better integrated, more efficient and safer banking sector in the Union, thus contributing to economic recovery and the creation of jobs and growth in Europe, and the prevention of future crises in the financial sector; calls for coordination of the Authority with the European Central Bank, in its banking supervisory function, in order to avoid overlap and the build-up of excessive capacity;

22. Takes note of the Court's special report No 5/2014 and of the shortcomings outlined in it regarding the functioning of the new arrangements in respect of cross-border banking supervision, the assessment of the resilience of European banks and the promotion of consumer protection; urges the Authority, with respect to those parts of the Court's recommendations that are not exclusively addressed to the Commission or to Parliament and the Council, to take appropriate measures aimed at tackling those shortcomings;
23. Takes note of the Court's conclusion in its special report No 5/2014 that overall, the Authority's resources during its start-up phase were insufficient to allow it to fulfil its mandate; acknowledges that the ESFS is still in a setting-up phase and stresses that the tasks already entrusted to the Authority, as well as future tasks envisaged in on-going legislative work, require an adequate level of staff and budget to allow for high-quality supervision; emphasises that the need to combine additional tasks with additional resources should always be carefully considered; stresses, however, that any potential increases in its means should be preceded and/or complemented by adequate rationalisation efforts, wherever possible; highlights the Authority's coordinating role and the need to closely cooperate with national supervisory authorities to fulfil its mandate;
24. Stresses that given its limited resources, the Authority must stick to the tasks assigned to it by Parliament and the Council; underlines the fact that the Authority should carry out those assignments in full but that it must not seek to go beyond its mandate, and that it must remain independent; highlights the fact that the Authority should check the necessity of drafting guidelines and recommendations;
25. Highlights the fact that the Authority should make full use of the powers in the area of consumer protection that are granted to it by its mandate; underlines that in this area, the Authority should coordinate its action more closely with the other ESAs through the Joint Committee;
26. Concludes that the Authority's mixed financing arrangement is inflexible, burdensome and a potential threat to its independence; calls therefore on the Commission, if it considers it appropriate according to its assessment, to propose by 2017 a financing system for the Authority solely based on the introduction of fees by market participants, or based on combining fees by market participants with basic funding from a separate budget line of the general budget of the Union;
27. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 29 April 2015 ⁽¹⁾ on the performance, financial management and control of the agencies.

⁽¹⁾ Texts adopted of that date, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU) 2015/1648 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on the closure of the accounts of the European Banking Authority for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Banking Authority for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Banking Authority for the financial year 2013, together with the Authority's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Authority in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EU) No 1093/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Banking Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/78/EC ⁽⁵⁾, and in particular Article 64 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Economic and Monetary Affairs (A8-0072/2015),
1. Notes that the final annual accounts of the European Banking Authority are as annexed to the Court of Auditors' report;

⁽¹⁾ OJ C 442, 10.12.2014, p. 112.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 331, 15.12.2010, p. 12.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Approves the closure of the accounts of the European Banking Authority for the financial year 2013;
3. Instructs its President to forward this Decision to the Executive Director of the European Banking Authority, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1649 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the European Centre for Disease Prevention and Control for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Centre for Disease Prevention and Control for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Centre for Disease Prevention and Control for the financial year 2013, together with the Centre's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Centre in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EC) No 851/2004 of the European Parliament and of the Council of 21 April 2004 establishing a European centre for disease prevention and control ⁽⁵⁾, and in particular Article 23 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on the Environment, Public Health and Food Safety (A8-0069/2015),
1. Grants the Director of the European Centre for Disease Prevention and Control discharge in respect of the implementation of the Centre's budget for the financial year 2013;

⁽¹⁾ OJ C 442, 10.12.2014, p. 123.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 142, 30.4.2004, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Director of the European Centre for Disease Prevention and Control, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Centre for Disease Prevention and Control for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the European Centre for Disease Prevention and Control for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on the Environment, Public Health and Food Safety (A8-0069/2015),
- A. whereas, according to its financial statements, the final budget of the European Centre for Disease Prevention and Control ('the Centre') for the financial year 2013 was EUR 58 315 000, representing an increase of 0,2 % compared to 2012;
- B. whereas the overall contribution of the Union to the Centre's budget for 2013 amounted to EUR 56 727 000, without change compared to 2012 which represents 0,039 % of the overall Union budget;
- C. whereas the Court of Auditors ('the Court'), in its report on the annual accounts of the European Centre for Disease Prevention and Control for the financial year 2013 ('the Court's report') has stated that it has obtained reasonable assurances that the Centre's annual accounts are reliable and that the underlying transactions are legal and regular;

Follow-up of 2012 discharge

1. Notes from the Court's report that regarding the three comments made in the 2012 discharge report, the Court marked two of them as 'Not Applicable' and one as 'Ongoing'; notes that the ongoing issue concerns *ex ante* verifications that have not been supported by a sufficient documentation on the eligibility and accuracy of costs claimed; notes with concern that the Centre has adopted *ex post* verification strategy with a delay of 10 months; expects the Centre to inform the discharge authority as soon as the ongoing issue is completed;
2. Acknowledges from the Centre that:
 - (a) the revised version of the Centre's comprehensive independence policy, which was to be adopted by the Centre's Management Board in 2014, has been split into a policy applying to external experts and a policy applying to members of staff; notes that these policies will be ready for adoption by the Centre's Management Board in 2015; calls on the Centre to inform the discharge authority about the adoption of the abovementioned policies;
 - (b) the curricula vitae and declarations of interests of the members of its Management Board, Advisory Forum and Senior Management have been made publicly available on the Centre's website;
 - (c) the information on its activities' impact on Union citizens is provided on the Centre's website, through the publication of several types of documents, including press releases, newsletters, results of scientific research and specific reports;

Comments on the legality and regularity of transactions

3. Notes with concern from the Court's report that although the Centre has improved its management of procurement procedures, for one procedure launched in 2013, there was conflicting information between the contract notice and the tender specifications which may have affected the competitive process and the outcome of the procedure; acknowledges that following the Court's audit, the Centre took immediate corrective action and the framework contract was cancelled;

Budget and financial management

4. Notes that budget monitoring efforts during the financial year 2013 resulted in a relatively low budget implementation rate of 92,96 % and that the payment appropriations execution rate was 74,14 %; notes with concern that the cancellations of appropriations appeared in all budget titles and points out that the payment appropriations execution rate decreased by 2,12 % in comparison to the previous year;
5. Ascertains from the Centre that it had reserved funds from the 2013 budget for the retroactive staff salary adjustments; acknowledges that the Court of Justice of the European Union ruled in the final quarter of the year that the Centre was unable to use these funds for other purposes;
6. Notes that in 2013, the Centre had a positive budget outturn which, when added to the negative outturn from previous years, resulted in an overall positive balance of the outturn; notes that as a result, EUR 2 012 975 has to be paid back to the Commission in 2014 regarding the 2013 budget;

Commitments and carry-overs

7. Notes with concern that the levels of committed appropriations carried over to 2014 were relatively high, with EUR 1 714 484 (26 %) for Title II (administrative expenditure) and EUR 7 907 139 (44 %) for Title III (operational expenditure); acknowledges that for Title II, the carry-overs mainly related to the procurement of IT hardware and software, and the ongoing external evaluation of the Centre; takes note that for Title III, carry-overs mainly concerned multiannual projects and IT items for which activities were implemented and payments were made according to operational needs;
8. Regrets that the Court identified weaknesses in respect of the budgetary planning and execution for operational meetings, mainly due to overestimated attendance levels and hotel and flight costs; is concerned that for the respective budget line, 29 % of 2013 appropriations and 59 % of carry-overs from 2012 were cancelled, in addition to 38 % of committed 2013 appropriations for operational meetings being carried over to 2014; calls on the Centre to respect the budgetary principle of annuality and improve its financial management in this regard;

Procurement and recruitment procedures

9. Notes that for the year 2013, neither sampled transactions nor other audit findings have led to any comments on the Centre's procurement procedures in the Court's report;
10. Takes note of the Centre's initiative to strengthen the area of procurement by establishing the Procurement Section and the Legal Services Section and by restructuring its procurement and finance activities;
11. Notes that the Court's report contained no comments as regards the Centre's recruitment procedures;
12. Takes note that 190 posts out of 198, as provided for in the establishment plan, had been filled by the end of 2013; acknowledges the improved occupation rate compared to 2012;

Internal controls

13. Takes note from the Centre that the *ex post* grant verification plan for 2012 experienced delays and was merged with the grant verification plan for 2013; acknowledges that the grant verification plan for 2013 is being implemented with the help of an external audit firm, contracted under the Commission's framework contract for the supply of technical assistance services in the field of audits and controls; calls on the Centre to inform the discharge authority about the results of the selected audits which are being performed under the 2013 plan;

Internal audit

14. Notes that in 2013, the Commission's Internal Audit Service (IAS) carried out a full risk assessment resulting in its Strategic Internal Audit Plan for the Centre and listing the proposed audit topics for 2014-2016; acknowledges that no further audit assignment was performed by the IAS;

15. Notes that the IAS followed up the implementation of its earlier recommendations through a desk review; acknowledges from the Centre that neither very important nor critical recommendations were open as of 31 December 2013;
 16. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 29 April 2015 ⁽¹⁾ on the performance, financial management and control of the agencies.
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⁽¹⁾ Texts adopted of that date, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU) 2015/1650 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on the closure of the accounts of the European Centre for Disease Prevention and Control for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Centre for Disease Prevention and Control for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Centre for Disease Prevention and Control for the financial year 2013, together with the Centre's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Centre in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EC) No 851/2004 of the European Parliament and of the Council of 21 April 2004 establishing a European centre for disease prevention and control ⁽⁵⁾, and in particular Article 23 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on the Environment, Public Health and Food Safety (A8-0069/2015),
1. Notes that the final annual accounts of the European Centre for Disease Prevention and Control are as annexed to the Court of Auditors' report;

⁽¹⁾ OJ C 442, 10.12.2014, p. 123.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 142, 30.4.2004, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Approves the closure of the accounts of the European Centre for Disease Prevention and Control for the financial year 2013;
3. Instructs its President to forward this decision to the Director of the European Centre for Disease Prevention and Control, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1651 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the European Chemicals Agency
for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Chemicals Agency for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Chemicals Agency for the financial year 2013, together with the Agency's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), establishing a European Chemicals Agency, amending Directive 1999/45/EC and repealing Council Regulation (EEC) No 793/93 and Commission Regulation (EC) No 1488/94 as well as Council Directive 76/769/EEC and Commission Directives 91/155/EEC, 93/67/EEC, 93/105/EC and 2000/21/EC ⁽⁵⁾, and in particular Article 97 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on the Environment, Public Health and Food Safety (A8-0073/2015),
1. Grants the Executive Director of the European Chemicals Agency discharge in respect of the implementation of the Agency's budget for the financial year 2013;

⁽¹⁾ OJ C 442, 10.12.2014, p. 132.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 396, 30.12.2006, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Executive Director of the European Chemicals Agency, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Chemicals Agency for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the European Chemicals Agency for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on the Environment, Public Health and Food Safety (A8-0073/2015),
- A. whereas, according to its financial statements, the final budget of the European Chemicals Agency ('the Agency') for the financial year 2013 was EUR 107 270 800,
- B. whereas the Agency received Union subsidies of EUR 7 632 000 from the Commission and the Instrument for Pre-Accession Assistance pre-financing amounting to EUR 103 524, as well as other contributions and funding from the Commission amounting to EUR 920 900,
- C. whereas the Court of Auditors ('the Court'), in its report on the annual accounts of the European Chemicals Agency for the financial year 2013 ('the Court's report'), has stated that it has obtained reasonable assurances that the Agency's annual accounts are reliable and that the underlying transactions are legal and regular,
1. Notes that as of 2012, the Agency was given the task of managing and carrying out the technical, scientific, and administrative aspects of Regulation (EU) No 528/2012 of the European Parliament and of the Council (BPR Regulation) ⁽¹⁾ as well as similar tasks related to the export and import of dangerous chemicals under Regulation (EU) No 649/2012 of the European Parliament and of the Council (PIC Regulation) ⁽²⁾;

Follow-up of 2012 discharge

2. Notes from the Court's report that regarding two comments made in its 2011 report and marked as 'Ongoing' in its 2012 report, one corrective action has been taken and is now marked in the Court's report as 'Completed' whereas one is marked as 'Not applicable'; notes furthermore that for the two comments made in the Court's 2012 report, one corrective action has been taken in response and the comment is marked as 'Completed' whereas one is marked as 'Not Applicable';
3. Acknowledges from the Agency that:
- (a) a formal policy on fixed assets management has been established and implemented in 2013; notes that the Court considered the related recommendation in its report as completed;
 - (b) the Agency has published the CVs and the declarations of interests for all members of the Management Board on its website;
 - (c) the information on the impact of its activities on Union citizens is provided on the Agency's website through multiple tools and through the publication of the strategic documents such as general reports or reports on evaluation;

⁽¹⁾ Regulation (EU) No 528/2012 of the European Parliament and of the Council of 22 May 2012 concerning the making available on the market and use of biocidal products (OJ L 167, 27.6.2012, p. 1).

⁽²⁾ Regulation (EU) No 649/2012 of the European Parliament and of the Council of 4 July 2012 concerning the export and import of hazardous chemicals (OJ L 201, 27.7.2012, p. 60).

Budget and financial management

4. Notes that in respect of the BPR Regulation, the Agency's biocidal products expenditures are financed partially through fees paid by industry and partially through a Union subsidy, as referred to in Article 185 of Regulation (EC, Euratom) No 1605/2002; notes that in 2013, the majority of the Agency's expenditure budget was financed by a Union subsidy because it commenced the invoicing of registrants under the BPR Regulation from 1 September 2013;
5. Notes, in addition, that the Agency was supported by an amount of EUR 920 900 from the Commission as compensation for non-materialised income and that an exceptional, one-time voluntary contribution of EUR 177 057 was received from Norway on 30 December 2013 (to be used towards the development of biocidal services at the Agency);
6. Notes that in accordance with Regulation (EC) No 1907/2006 ('REACH Regulation'), the Agency is financed through fees paid by the industry for registrations of chemical substances and by a possible Union-balancing subsidy, as referred to in Article 185 of Regulation (EC, Euratom) No 1605/2002; notes, moreover, that in 2013, for the third consecutive year, the Agency was fully financed through fee incomes for the registration, evaluation, authorisation and restriction of chemicals as well as for the classification, labelling and packaging operations;
7. Notes that in accordance with the PIC Regulation, the Agency's expenditure in 2013 was financed by a subsidy from the general budget of the Union;
8. Draws attention to the fact that the budgetary revenue from fees and charges in terms of cash received amounted to EUR 86 113 139; stresses that for the implementation of the activities under the BPR Regulation and the PIC Regulation, an amount of EUR 7 632 000 was provided by the general budget of the Union; points out that the latter amount represents 0,005 % of the overall Union budget;
9. Notes that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 98,64 % and that the payment appropriations execution rate was 86,18 %; notes that the payment appropriations execution rate increased by 3,28 % in comparison to the previous year; notes furthermore from the Court's report that it considers the budget implementation rates for Title I and II satisfactory;

Commitments and carry-overs

10. Notes with concern that the level of committed appropriations carried over to 2014 remained high at 46 % for Titles III, IV and V (operational expenses); acknowledges however from the Court's report that these carry-overs were mainly as a result of the multiannual nature of planned IT development projects, costs for translations ordered but not received by year-end and substance evaluations for which the regulatory deadline was February 2014; calls on the Agency to continue to be attentive to the level of carry-overs in operational titles;

Procurement and recruitment procedures

11. Notes that for the year 2013, neither sampled transactions nor other audit findings have led to any comments on the Agency's procurement procedures in the Court's report; notes furthermore that the Court in its report made no comments as regards the Agency's recruitment procedures;
12. Points out that staff-related expenses have increased by 11 % between 2012 and 2013; points out furthermore that 468 of 503 available posts had been occupied and 95 contract agents and seconded national experts were employed by the end of 2013;

Prevention and management of conflicts of interests and transparency

13. Notes that the Agency followed the recommendations in the Special Report of the Court No 15/2012 on the management of conflicts of interests in selected EU Agencies and expects the Agency to strictly apply them;

14. Notes with concern that the Agency grants registration numbers — the pre-condition for being allowed to continue the manufacture or the placing on the market of a chemical substance — after a simple automated completeness check; notes, however, that it does not withdraw registration numbers, even when the clear and persistent non-compliance of registration dossiers has been found;
15. Notes with concern the high level of non-compliant registration dossiers and that the Agency refrains from naming and shaming non-compliant companies;
16. Acknowledges the fact that the Agency has transparent declarations of interests and invites the Agency to continuously review its internal processes and further improve its policies in order to ensure the independence and transparency in all of the Agency's work areas covering both external and interim staff;
17. Notes the Agency's discussion platform with non-governmental organisations as a useful forum to discuss topical issues of interest for civil society;

Implementation of REACH

18. Notes the appointment of a small and medium-sized enterprises (SMEs) ambassador who advocates the interest of smaller enterprises externally and internally within the Agency; notes furthermore that the Agency's priority is to provide intensive support so that SMEs will be able to comply with the requirements, without this posing a disproportionate burden for them;
19. Notes the actions taken in order to improve communication between the Agency and its beneficiaries; observes in this regard the development of IT tools such as Frequently Asked Questions or technical guidance and the publication of a roadmap in the run-up to the registration deadline, as well as support for national help-desks; considers that the Agency should reach out more to downstream users;
20. Notes with concern the way the Agency applies the authorisation process as part of the REACH Regulation, with a focus, above all, on providing help to companies to obtain an authorisation for the use of substances of very high concern rather than help companies to the same extent in order to encourage the substitution of the most hazardous chemicals and innovation by swapping them for safer alternatives;
21. Notes with concern that the Agency does not properly assess confidentiality claims in the context of authorisation applications;

Internal audit

22. Notes from the Agency's General Report that in 2013, the Commission's Internal Audit Service (IAS) carried out an audit on 'Committees Management in the European Chemicals Agency', resulting in seven recommendations, including one marked as 'Very Important';
23. Notes that the very important recommendation concerns a review of the Agency's interpretation of the timeframe for the completion of risk assessment committee opinions on substances proposed for harmonised classification, labelling and packaging under the Regulation (EC) No 1272/2008 of the European Parliament and of the Council ⁽¹⁾;
24. Takes note that the Agency's Internal Audit Capability (IAC) carried out assurance audits on the implementation of video-surveillance at the Agency's premises, on the forum secretariat and on document and record management; ascertains that the action plans have been developed in response to the IAS' and IAC' recommendations;
25. Welcomes the fact that the Agency carried out an audit to increase efficiency in its procurement contract management processes that resulted in actions to be implemented in 2014;

⁽¹⁾ Regulation (EC) No 1272/2008 of the European Parliament and of the Council of 16 December 2008 on classification, labelling and packaging of substances and mixtures, amending and repealing Directives 67/548/EEC and 1999/45/EC, and amending Regulation (EC) No 1907/2006 (OJ L 353, 31.12.2008, p. 1).

Other comments

26. Notes with concern that the Agency's Executive Director made a reservation regarding his declaration of assurance for the year 2013, since the Agency's mandate does not include controls or inspections at national level and therefore, no confirmation could be given that only registered or authorised substances and products, for which a fee was paid to the Agency, were circulating on the Union market;
27. Welcomes the exemplary measures taken by the Agency with regard to cost-effective and environment-friendly solutions; encourages the Agency to continue the good practice;
28. Asks again that the Agency make clear in its internal and external communication that it receives funds from the general budget of the Union ('Union subsidy') instead of a 'Commission' or 'Community' subsidy;
29. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 29 April 2015 ⁽¹⁾ on the performance, financial management and control of the agencies.

⁽¹⁾ Texts adopted, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU) 2015/1652 OF THE EUROPEAN PARLIAMENT
of 29 April 2015
on the closure of the accounts of the European Chemicals Agency for the financial year 2013

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Chemicals Agency for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Chemicals Agency for the financial year 2013, together with the Agency's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), establishing a European Chemicals Agency, amending Directive 1999/45/EC and repealing Council Regulation (EEC) No 793/93 and Commission Regulation (EC) No 1488/94 as well as Council Directive 76/769/EEC and Commission Directives 91/155/EEC, 93/67/EEC, 93/105/EC and 2000/21/EC ⁽⁵⁾, and in particular Article 97 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on the Environment, Public Health and Food Safety (A8-0073/2015),
1. Notes that the final annual accounts of the European Chemicals Agency are as annexed to the Court of Auditors' report;

⁽¹⁾ OJ C 442, 10.12.2014, p. 132.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 396, 30.12.2006, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Approves the closure of the accounts of the European Chemicals Agency for the financial year 2013;
3. Instructs its President to forward this Decision to the Executive Director of the European Chemicals Agency, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1653 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the European Environment Agency
for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Environment Agency for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Environment Agency for the financial year 2013, together with the Agency's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EC) No 401/2009 of the European Parliament and of the Council of 23 April 2009 on the European Environment Agency and the European Environment Information and Observation Network ⁽⁵⁾, and in particular Article 13 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on the Environment, Public Health and Food Safety (A8-0083/2015),
1. Grants the Executive Director of the European Environment Agency discharge in respect of the implementation of the Agency's budget for the financial year 2013;

⁽¹⁾ OJ C 442, 10.12.2014, p. 144.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 126, 21.5.2009, p. 13.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this Decision, and the resolution forming an integral part of it, to the Executive Director of the European Environment Agency, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Environment Agency for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the European Environment Agency for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on the Environment, Public Health and Food Safety (A8-0083/2015),
- A. whereas, according to its financial statements, the final budget of the European Environment Agency ('the Agency') for the financial year 2013 was EUR 49 270 722, representing an increase of 18,16 % compared to 2012; whereas the increase is mostly related to operating expenditure for strategic actions,
- B. whereas according to its financial statements, the contribution of the Union to the Agency's budget for 2013 amounted to EUR 34 886 367, representing a decrease of 1,35 % compared to 2012,
- C. whereas the Court of Auditors, in its report on the annual accounts of the European Environment Agency for the financial year 2013 ('the Court's report'), has stated that it has obtained reasonable assurances that the Agency's annual accounts are reliable and that the underlying transactions are legal and regular,

Follow-up of 2012 discharge

1. Notes from the Court's report that the status of the two comments from the Court's 2012 report are marked as 'Ongoing';
2. Acknowledges from the Agency that:
 - the high level of mission expenses incurred by its Executive Director in 2012 was due to the participation in the 'Rio+20' conference in Brazil, as well as related Brussels-based missions, and that the number of the Executive Director's missions has significantly decreased since 2012,
 - one of the means of communicating its work results and direct impact on Union citizens is through multimedia material available on its website;

Budget and financial management

3. Notes that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 98,66 % and that the payment appropriations execution rate was 88,92 %;

Commitments and carry-overs

4. Acknowledges that the Court's annual audit has found no notable issues as regards the level of carry-overs in 2013; takes note of the Agency's compliance with the principle of annuality and the timely execution of its budget;

Procurement and recruitment procedures

5. Acknowledges from the Agency that it produced a multiannual staff policy plan for 2013-2015, in line with the Commission's guidelines, which was approved by its Management Board; observes that the Agency had 209 staff in 2013, consisting of officials, temporary agents, contractual agents and seconded national experts, representing a decrease of eight posts in comparison with 2012;
6. Welcomes the fact that the Agency is committed to reviewing its staffing and organisational structure on a continual basis in order to ensure that the Agency carries out its work and addresses its challenges as effectively as possible; welcomes, in this respect, the fact that in 2013, two AD posts were added to the establishment table to cover new tasks related to two important topics: climate change mitigation and quality air reporting;
7. Notes that the Agency dedicates 71 % of its human resources to operational tasks and that this represents a slight increase compared to the situation in 2012; encourages the Agency to make further progress in this direction;

Prevention and management of conflicts of interests and transparency

8. Acknowledges from the Agency that following the assessment of its exposure to conflicts of interests and the mapping of the existing rules and practices in the Agency, as well as the assessment of the implementation of those rules, it finalised a policy on management and prevention of conflicts of interests which was adopted by its Management Board at its meeting held in June 2014;
9. Notes that that policy specifies that staff members and the members of the Scientific Committee must sign declarations of interests; acknowledges that the declarations of interests of the members of the Scientific Committee are made publically available; deeply regrets that the declarations of interests of the members of the Management Board, the Executive Director and senior management are not publicly available; does not agree with the decision of the Management Board that the CVs and declarations of interests of its members must not be published on the Agency's website; calls once again on the Agency to remedy this issue as a matter of urgency;

Internal controls

10. Takes note from the Court's report that the Agency has awarded grants under five grant programmes to consortia consisting of environmental institutions and bodies in Europe, United Nations organisations and national environment organisations; observes that the total grant expenditure in 2013 was EUR 13 900 000, representing 31 % of the total operating expenditure; acknowledges that following the Court's comment of 2014, the Agency intensified its checks on the eligibility and accuracy of staff costs claimed under the grant programmes, as these represent the major part of total costs;
11. Observes that the Agency's *ex ante* verifications consist of a desk analysis of cost claims, while on the spot verifications at beneficiary level are rare; notes with concern that existing controls provide only limited assurances as to the eligibility and accuracy of the costs claimed by beneficiaries; acknowledges however that for the transactions audited by the Court, supporting documentation was obtained which provided reasonable assurances as to their legality and regularity;
12. Acknowledges from the Agency that in 2014, it offered detailed explanations and training to the beneficiaries regarding the criteria for eligibility of costs, and in particular, the acceptable methodologies for calculating staff costs, all described in a written manual; notes furthermore that the Agency conducted four on-the-spot verifications with the objective of verifying the calculation of the claimed costs based on relevant documentation and analysing the reliability of the internal control systems put in place; takes note that the verifications included checking the payments made in 2013, which covered 20,45 % of beneficiaries' total staff costs, and notes furthermore that 0,12 % of the controlled costs were considered as ineligible; calls on the Agency however to further improve the level of its *ex ante* verifications to ensure the eligibility of beneficiaries and to inform the discharge authority on further progress in this regard;

Internal audit

13. Notes from the Agency's annual activity report that its Internal Audit Capability (IAC) finalised the audit report on the management of earmarked funds, with the objective of assessing the overall impact on the Agency of the projects financed with external assigned revenue; acknowledges furthermore that the IAC actively supported the team of external auditors commissioned by the Commission to look at the financial cost statements for 2010-2011;
14. Takes note from the Agency that the Commission's Internal Audit Service (IAS) followed up on the implementation of its earlier recommendations through a desk review, and that all open recommendations were closed on 31 December 2013;

Other comments

15. Calls on the Agency to make clear in its future internal and external communications that it receives funds made available from the Union budget (Union subsidy) instead of a Commission or Community subsidy;
16. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 29 April 2015 ⁽¹⁾ on the performance, financial management and control of the agencies.

⁽¹⁾ Texts adopted of that date, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU) 2015/1654 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on the closure of the accounts of the European Environment Agency for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Environment Agency for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Environment Agency for the financial year 2013, together with the Agency's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EC) No 401/2009 of the European Parliament and of the Council of 23 April 2009 on the European Environment Agency and the European Environment Information and Observation Network ⁽⁵⁾, and in particular Article 13 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on the Environment, Public Health and Food Safety (A8-0083/2015),
1. Notes that the final annual accounts of the European Environment Agency are as annexed to the Court of Auditors' report;

⁽¹⁾ OJ C 442, 10.12.2014, p. 144.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 126, 21.5.2009, p. 13.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Approves the closure of the accounts of the European Environment Agency for the financial year 2013;
3. Instructs its President to forward this Decision to the Executive Director of the European Environment Agency, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1655 OF THE EUROPEAN PARLIAMENT
of 29 April 2015
on discharge in respect of the implementation of the budget of the European Fisheries Control Agency for the financial year 2013

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Fisheries Control Agency for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Fisheries Control Agency for the financial year 2013, together with the Agency's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Council Regulation (EC) No 768/2005 of 26 April 2005 establishing a Community Fisheries Control Agency and amending Regulation (EEC) No 2847/93 establishing a control system applicable to the common fisheries policy ⁽⁵⁾, and in particular Article 36 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Fisheries (A8-0100/2015),
1. Grants the Executive Director of the European Fisheries Control Agency discharge in respect of the implementation of the Agency's budget for the financial year 2013;

⁽¹⁾ OJ C 442, 10.12.2014, p. 152.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 128, 21.5.2005, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this Decision, and the resolution forming an integral part of it, to the Executive Director of the European Fisheries Control Agency, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Fisheries Control Agency for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the European Fisheries Control Agency for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Fisheries (A8-0100/2015),
- A. whereas, according to its financial statements, the final budget of the European Fisheries Control Agency ('the Agency') for the financial year 2013 was EUR 9 216 900; whereas the entire budget of the Agency derives from the Union budget;
- B. whereas the Court of Auditors, in its report on the annual accounts of the European Fisheries Control Agency for the financial year 2013 ('the Court's report'), has stated that it has obtained reasonable assurances that the Agency's annual accounts are reliable and that the underlying transactions are legal and regular;

Follow-up of 2012 discharge

1. Notes from the Court's report that regarding one comment made in the Court's 2011 report and marked as 'Ongoing' in the Court's 2012 report, corrective actions were taken and that comment is now marked in the Court's 2013 report as 'Completed'; notes furthermore that for the two comments made in the Court's 2012 report, corrective actions were also taken and one comment is now marked as 'Completed' and the other one as 'Not Applicable';
2. Acknowledges from the Agency that it has put in place a carry forward forecast procedure with the aim of reducing the level of carry-overs; calls on the Agency to continue to look for ways to reduce the level of carry-overs and to avoid any unplanned ones;
3. Acknowledges from the Agency that information on the impact of its activities on Union citizens is provided on its website, mainly through the yearly publication of strategic documents such as its annual activity report or the results of controls and inspection campaigns; notes that the Agency is currently developing a new website in order to increase visibility and transparency;
4. Acknowledges from the Agency that it continuously assesses new possibilities to develop synergies with other agencies such as the service level agreement for sharing the internal audit capability, coordination of training courses and *ex post* controls with other agencies located in Spain and Portugal; notes furthermore that the Agency is currently assisting the European Maritime Safety Agency (EMSA) with an extra connection to 'S-TESTA' and is looking to have its external website hosted on EMSA's secondary IT site; takes note of the collaboration between the Agency and EMSA on the joint project of the anti-piracy monitoring service (MARSURV-1);

Budget and financial management

5. Notes that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 98,64 % and that the payment appropriations execution rate was 83,85 %; acknowledges from the Court's report that the high overall level of committed appropriations indicates that commitments are being made in a timely manner;

Commitments and carry-overs

6. Notes with concern that the level of committed appropriations carried over to 2014 was high at 38 % for Title II (administrative expenditure) and 43 % for Title III (operating expenditure); notes from the Agency's reply that Title II carry-overs were in part due to amount and timing of possible payments for retroactive salary adjustments for 2011 and 2013, which was clarified in November 2013; acknowledges from the Court's report that Title III carry-overs resulted mainly from the large number of IT projects that were either launched or ongoing during 2013;

Procurement and recruitment procedures

7. Acknowledges from the Agency that its Administrative Board adopted a Multiannual Staff Policy Plan 2015-2017 in March 2014, in line with the Commission's guidelines; observes that as of 31 December 2013, the Agency had 68 authorised posts in its establishment plan, consisting of temporary agents, contractual agents and seconded national experts, of which 65 posts were filled;

Prevention and management of conflicts of interests and transparency

8. Acknowledges from the Agency that its comprehensive policy on the prevention and management of conflicts of interests was adopted by its Administrative Board in October 2014 and is publicly available on its website; calls on the Agency to inform the discharge authority about the concrete outcome of that policy and to provide a track record of cases by the end of June 2015;
9. Observes that that policy imposes the obligation to publish only the declarations of interests of the members of the Administrative Board, the Executive Director and the Heads of Unit but not their CVs, whose publication is made on a voluntary basis; notes from the Agency that that obligation does not apply to the members of its Advisory Board, whose independence should also be ensured; calls on the Agency to revise that policy and publish the CVs of the Executive Director, Heads of Units and members of the Administrative Board on a mandatory basis; calls on the Agency to publish also the CVs and declarations of interests of the members of the Advisory Board in order to contribute to bigger transparency;

Internal audit

10. Notes that the Commission's Internal Audit Service (IAS) carried out an audit with the objective to assess the adequacy of design and effective application of the internal control system (ICS) with regard to the Strategic Planning of Joint Deployments as implemented by the Agency; acknowledges that the IAS found the ICS in place as providing reasonable assurance regarding the achievement of the business objectives for the Strategic Planning of Joint Deployments;
11. Acknowledges that the IAS followed up the implementation of its earlier recommendations to the Agency through a desk review and that it found no critical or very important recommendations open as of 31 December 2013;

Other comments

12. Acknowledges the quality and importance of the tasks carried out by the Agency and welcomes its effectiveness, its consistency and the excellent results achieved since it was set up;
13. Emphasises the importance of the Agency's role in the implementation of the common fisheries policy and in achieving the objectives thereof, particularly in light of the landing obligation and demands in terms of the monitoring, control and surveillance of fisheries activities;

14. Calls on the Agency to ensure that control activities are suitably coordinated and structured in all Member States;
 15. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 29 April 2015 ⁽¹⁾ on the performance, financial management and control of the agencies.
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⁽¹⁾ Texts adopted of that date, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU) 2015/1656 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on the closure of the accounts of the European Fisheries Control Agency for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Fisheries Control Agency for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Fisheries Control Agency for the financial year 2013, together with the Agency's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Council Regulation (EC) No 768/2005 of 26 April 2005 establishing a Community Fisheries Control Agency and amending Regulation (EEC) No 2847/93 establishing a control system applicable to the common fisheries policy ⁽⁵⁾, and in particular Article 36 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Fisheries (A8-0100/2015),
1. Notes that the final annual accounts of the European Fisheries Control Agency are as annexed to the Court of Auditors' report;

⁽¹⁾ OJ C 442, 10.12.2014, p. 152.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 128, 21.5.2005, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Approves the closure of the accounts of the European Fisheries Control Agency for the financial year 2013;
3. Instructs its President to forward this Decision to the Executive Director of the European Fisheries Control Agency, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1657 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the European Food Safety Authority for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Food Safety Authority for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Food Safety Authority for the financial year 2013, together with the Authority's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Authority in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EC) No 178/2002 of the European Parliament and of the Council of 28 January 2002 laying down the general principles and requirements of food law, establishing a European Food Safety Authority and laying down procedures in matters of food safety ⁽⁵⁾, and in particular Article 44 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on the Environment, Public Health and Food Safety (A8-0097/2015),
1. Grants the Executive Director of the European Food Safety Authority discharge in respect of the implementation of the Authority's budget for the financial year 2013;

⁽¹⁾ OJ C 442, 10.12.2014, p. 160.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 31, 1.2.2002, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this Decision, and the resolution forming an integral part of it, to the Executive Director of the European Food Safety Authority, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Food Safety Authority for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the European Food Safety Authority for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on the Environment, Public Health and Food Safety (A8-0097/2015),
- A. whereas, according to its financial statements, the final budget of the European Food Safety Authority ('the Authority') for the financial year 2013 was EUR 78 051 000, representing a decrease of 0,31 % compared to 2012,
- B. whereas the entire budget of the Authority derives from the Union budget,
- C. whereas the Court of Auditors ('Court'), in its report on the annual accounts of the European Food Safety Authority for the financial year 2013 ('the Court's report'), has stated that it has obtained reasonable assurances that the Authority's annual accounts are reliable and that the underlying transactions are legal and regular,

Follow-up of 2012 discharge

1. Notes from the Court's report that regarding three comments made in the Court's 2011 report and marked as 'Ongoing' in the Court's 2012 report, corrective actions were taken and two are now marked in the Court's report as 'Completed' and one as 'Not Applicable'; notes, furthermore, that for the three comments made in the Court's 2012 report, corrective actions were taken and one comment is now marked as 'Completed', one as 'Not Applicable' and one as 'Ongoing';
2. Acknowledges from the Authority that:
 - the local systems validation has been incorporated, where applicable, in the validation of the accounting systems of the Accounting Officer, along with the central ABAC and SAP Systems,
 - the monitoring of the budget execution level and of the overall level of carry-overs continues to be improved in order to keep the carry-overs in line with the budget execution objectives set for the operational activities,
 - the election of the Chair and the Vice-Chair of the Management Board is to be conducted in the audio streamed Open Session by secret ballot, as provided for in its Rules of Procedure, adopted in June 2013,
 - periodical dialogue with the Authority's stakeholders is a regular practice; notes the actions taken towards transparency, such as public consultation on the transformation to an 'Open EFSA' initiative or the EFSA specialist groups,
 - in the areas of data management, business continuity and IT security, the recommendations of the external consultant are being implemented; calls on the Authority to inform the discharge authority of the further results regarding corrective actions implementation,
 - the Authority has optimised its webpage in order to make it more user friendly and to facilitate consultation about important aspects of scientific work, such as scientific expertise, data collection, risk assessment methodologies, risk assessment opinions and how they may impact on Union citizens through quick access to scientific advice, journal outputs or latest news;

Budget and financial management

3. Notes that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 98,80 %, which represents a minor decrease in comparison to the previous year (99,30 %), and that the payment appropriations execution rate was high at 90,80 %; takes note from the Authority's 2013 Annual Report (AAR) that under Title I (Staff) and Title II (Infrastructure) the budget was fully executed, while under Title III (Operations) the execution rate reached 96,99 %;
4. Ascertains from the AAR that the level of budget implementation stands at 1 % below the initial target and that as the global payment level stands 2 % below the initial target; acknowledges, however, that budget monitoring efforts during the financial year 2013 continue to contribute to the consistently high budget implementation rate;

Commitments and carry-overs

5. Acknowledges from the AAR that the committed appropriations carried forward to 2014 amount to EUR 6 431 431, showing a decrease compared to the previous year; notes that the reduction is mostly related to the centralisation of expert payments leading to higher efficiency in payment processing, as well as the IT operational budget not having been increased by transfers from other areas at the end of 2013;
6. Notes that although the overall carry-overs have regularly decreased since 2008 from 23 % to 11 % and that the payment rate increased from 73 % to 91 %, further improvements in the monitoring of the budget execution are needed in order to keep the level of carry-overs in line with the budget execution objectives set for the operational activities;

Transfers

7. Notes that the level of transfers remained within the limits of the financial rules, as the transfer made from Title I (Staff) to Title II (Infrastructure) amounted to EUR 418 965, representing 4,7 % of Title II; acknowledges that this transfer mainly resulted from the rejection by the Court of Justice of the European Union of the Commission proposal related to the 2011 salary indexation, which enabled the Authority to anticipate payments related to the building acquisition and to reduce interest payments;

Procurement and recruitment procedures

8. Notes from the Authority's annual accounts that 93,45 % of planned posts were occupied at the end of 2013; acknowledges a decrease in the occupation rate compared to 2012;

Prevention and management of conflicts of interests and transparency

9. Notes from the Authority that following consultation with key partners in 2014, it has clarified and partially reviewed its implementing rules regarding the Policy on Independence concerning declarations of interests; regrets however, that the revised procedure for the screening of annual, special and oral declarations of interests of the members of the Authority's Scientific Committee, Scientific Panels and Working Groups is still under the authority of the Heads of Unit; notes, nevertheless, that that procedure introduced the criteria upon which the screening is based, as well as the role of the screening officer, who has to immediately report any possible conflict of interests to the respective reporting officer;
10. Strongly regrets that the main loopholes in the Authority's implementing rules have not been closed, despite that review; notes in particular the fact that the assessment of scientists' interests is performed in reference to the mandate of the panel at stake instead of the Authority's remit, whereas the latter is used as the scope for the declaration of those interests;
11. Urges the Authority to make concrete efforts to eliminate this possible arbitrary practice from its internal procedures in order to guarantee the Authority's impartiality with regard to the prevention and management of conflicts of interests and to eliminate any risks; expresses its deep disappointment about the common practice of the Authority to apply a double standards conflict of interest's policy towards experts from food safety organisations contrary to the policy applied to the other staff; in addition calls upon the Authority to adopt a revolving door policy until the end of September 2015;

12. Believes that financial interests in particular should be dealt with the utmost care and that experts should be asked to declare whether their activities were remunerated or not; believes that if this is the case, the amount should be specified; is of the opinion that the current practice of experts anonymising their interests, for instance by using the expression 'private company', should not be accepted by the Authority;
13. Notes with concern the recent European Ombudsman's ruling concluding that the Authority 'should revise its conflict of interest rules, and the related instructions and forms it uses for declarations of interests' to 'ensure that those experts who work in academia declare all relevant information to' it; calls on the Authority to have scientists on its panels and working groups disclose the financial arrangements between the departments of the universities they work for and commercial companies when they are in the Authority's remit;
14. Acknowledges the clarification of the scope of conflicts of interests with new definitions regarding, inter alia, the obligation to declare even the smallest economic interest or the practice of allowing experts' interests to be anonymised only on an exceptional basis solely to ensure compliance with rules on data protection; regrets, however, that the definition of 'interest' (as laid down in point (a) of Article 2, paragraph 2, of the Decision of the Executive Director of the Authority on Declarations of Interests) does not also include 'any relevant personal interest, be it of a financial or non-financial nature, a personal or family relationship, etc.', as laid down in the 2013 Commission guidelines on the prevention and management of conflicts of interest in EU decentralised agencies;
15. Notes with concern that the Authority's reviewed rules concerning declarations of interests explicitly exclude experts from food safety organisations designated by Member States which receive more than 50 % of their funding from private sources;
16. Notes from the Authority that a 2-year cooling-off period is applied, following employment by the Authority, on a risk-based approach for experts being employed by the food industry but not for all other forms of collaboration with companies in the Authority's remit; reiterates its call that the Authority should apply a 2-year cooling-off period to all material interests related to the commercial agri-food sector, including research funding, consultancy contracts and decision-making positions in industry-captured organisations; calls on the Authority to inform the discharge authority of the results of the ongoing impact assessment on the introduction of further cooling-off periods which will take place in the framework of the forthcoming policy review, as well as to include in its annual reports the measures taken to enforce the implemented cooling-off period; demands that this impact assessment uses as first indicator the Authority's independence from the economic sectors it regulates;
17. Deeply regrets that paragraph 2 of Article 1 of the Rules of Procedure of the Management Board has provided for a non-transparent election procedure when the Management Board elects its Chair and Vice-Chairs by close ballot, despite the recommendation made by the discharge authority in 2014; urges the Authority to change this rule, to make each vote transparent and accountable until the end of September 2015 and to refrain from any appointment under the secret procedure;
18. Believes that the Authority should pay further attention to public opinion and to commit itself as much as possible to an open and transparent dialogue;
19. Congratulates the Authority for adopting the reproducibility of its scientific opinions as a policy objective within its Transparency Initiative; encourages it to deliver on these very important commitments, in particular providing full and proactive access to the dataset used for these scientific opinions;

Internal controls

20. Acknowledges from the Court's report that most of the Internal Control Standards (ICS) were met according to the Authority's self-assessment carried out in 2012 and 2013; notes with concern that ICS 4 ('Staff appraisal and development') and ICS 11 ('Document management') were not met at the time of the audit by the Court, and calls on the Authority to inform the discharge authority of the implementation of ICS 4 and ICS 11;
21. Notes with concern that the Authority's annual work programme does not contain sufficient details on planned procurements and grants to support financing decision in the sense of Article 64 of its Financial Regulation's Implementing Rules; calls on the Authority to remedy this deficiency, as including such details would allow a more effective monitoring of procurements and grants;

Internal audit

22. Notes that the Commission's Internal Audit Service (IAS) carried out a full risk assessment in 2013, which resulted in the Strategic Internal Audit plan of the Authority, which lists the proposed audit topics for 2014-2016, and followed up the implementation of its earlier recommendations;
23. Regrets that in the course of that risk assessment, certain processes of high inherent risks were identified by the IAS, with assessed controls qualified as absent or insufficient; acknowledges that the Authority prepared an action plan aimed at addressing those deficiencies which will be followed up by the IAS during the next in-depth risk assessment; calls on the Authority to inform the discharge authority about the implementation of any corrective actions taken;
24. Regrets that the implementation of five earlier IAS recommendations marked as 'Very Important' was delayed with respect to the deadlines defined by the Authority in its original action plans; finds it particularly unacceptable that the implementation of recommendations on information security management is delayed for over 36 months, resulting in the possibility of accessing confidential information in an unauthorised manner or releasing information without prior approval; calls on the Authority to inform the discharge authority of the reasons behind the delay and to implement corrective actions as a matter of urgency;

Other comments

25. Notes with concern that the Authority uses a group of transport services for travel to and from the airport, which cost EUR 918 668 in 2013; urges the Authority to find a less costly alternative for this purpose;
26. Welcomes the exemplary measures taken by the Authority with regard to cost-effective and environment-friendly solutions for its premises; encourages the Authority to continue this good practice;
27. Calls on the Authority to make clear in its future internal and external communication that it receives funds made available from the Union budget (Union subsidy) instead of a Commission subsidy;
28. Is especially aware of the public interest in the decision-making process within the Authority, which is required to act in accordance with its legal role and responsibilities; notes that in 2013 the Authority dedicated 74 % of its human resources to scientific activities, evaluation and data collection, and that this represents a slight increase compared to the situation in 2012; encourages the Authority to make further progress in this direction;
29. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 29 April 2015 ⁽¹⁾ on the performance, financial management and control of the agencies.

⁽¹⁾ Texts adopted of that date, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU) 2015/1658 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on the closure of the accounts of the European Food Safety Authority for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Food Safety Authority for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Food Safety Authority for the financial year 2013, together with the Authority's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Authority in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EC) No 178/2002 of the European Parliament and of the Council of 28 January 2002 laying down the general principles and requirements of food law, establishing a European Food Safety Authority and laying down procedures in matters of food safety ⁽⁵⁾ and in particular Article 44 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on the Environment, Public Health and Food Safety (A8-0097/2015),
1. Notes that the final annual accounts of the European Food Safety Authority are as annexed to the Court of Auditors' report;

⁽¹⁾ OJ C 442, 10.12.2014, p. 160.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 31, 1.2.2002, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Approves the closure of the accounts of the European Food Safety Authority for the financial year 2013;
3. Instructs its President to forward this decision to the Executive Director of the European Food Safety Authority, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1659 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the European Institute for Gender Equality for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Institute for Gender Equality for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Institute for Gender Equality for the financial year 2013, together with the Institute's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Institute in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EC) No 1922/2006 of the European Parliament and of the Council of 20 December 2006 on establishing a European Institute for Gender Equality ⁽⁵⁾, and in particular Article 15 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Women's Rights and Gender Equality (A8-0098/2015),
1. Grants the Director of the European Institute for Gender Equality discharge in respect of the implementation of the Institute's budget for the financial year 2013;

⁽¹⁾ OJ C 442, 10.12.2014, p. 167.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 403, 30.12.2006, p. 9.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this Decision, and the resolution forming an integral part of it, to the Director of the European Institute for Gender Equality, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Institute for Gender Equality for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the European Institute for Gender Equality for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Women's Rights and Gender Equality (A8-0098/2015),
- A. whereas, according to its financial statements, the final budget of the European Institute for Gender Equality ('the Institute') for the financial year 2013 was EUR 10 024 535, representing an increase of 29,49 % compared to 2012,
- B. whereas the Court of Auditors, in its report on the annual accounts of the European Institute for Gender Equality for the financial year 2013 ('the Court's report'), has stated that it has obtained reasonable assurances that the Institute's annual accounts are reliable and that the underlying transactions are legal and regular,

Follow-up of 2012 discharge

1. Notes from the Court's report that regarding the two comments made in the Court's 2011 report and marked as 'Ongoing' in the Court's 2012 report, corrective actions were taken and one comment is marked in the Court's 2013 report as completed while the other one is marked as 'Ongoing'; notes, furthermore, that for the two comments made in the Court's 2012 report, corrective actions were also taken and one comment is now marked as 'Completed' and the other one as 'Ongoing';
2. Acknowledges from the Institute that information on its activities' impact on Union citizens is available on its website — which has been updated — and has been made more accessible through the use of social media;
3. Notes that in order to improve procurement, planning and monitoring, the Institute has put in place a monitoring tool which follows the expected dates of each step of the annual procurement proceedings;

Budget and financial management

4. Notes that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 98,01 % and that the payment appropriations execution rate was 76,93 %;
5. Notes from the Institute that according to its plans to ensure adequate monitoring and reporting of the budget implementation, a procedure for central budget monitoring has been adopted in 2013; calls on the Institute to inform the discharge authority on the results obtained through that procedure;

Commitments and carry-overs

6. Notes from the Court's report that the overall level of committed appropriations in 2013 was 99 %, indicating that commitments were made in a timely manner; welcomes the further reduction of the overall level of carry-overs from EUR 2 500 000 (32 %) in 2012 to EUR 2 200 000 (29 %) in 2013; points out that those carry-overs mainly relate to title III (operational expenditure) with EUR 2 000 000 representing 56 % of the corresponding committed appropriations; acknowledges that those carry-overs mainly concern procurement procedures that were concluded late in 2013 due to reasons mostly beyond the Institute's control, such as a delayed decision by the Presidency of the Council of the Union regarding a subject of study;

7. Notes that according to the Court's report, the level of carry-overs is in line with the budgetary principle of annuality;

Procurement and recruitment procedures

8. Ascertains from the Institute that its recruitment and selection procedure has been updated according to the discharge authority's recommendations and now incorporates written tests as well as their respective weightings, which are finalised before the review of any candidate application;
9. Acknowledges from the Institute that from 2013, its annual work programme (AWP) incorporates a financing decision indicating new procurement details, including the total annual budgeted reserved for operational procurement as well as the indicative timeframe for launching procurement procedures;
10. Notes from the Institute that a centralised procurement monitoring tool, which covers all procurement procedures and indicates planned and actual dates of the main procedural steps in each procurement procedure, has been developed;

Prevention and management of conflicts of interests and transparency

11. Takes note that the Institute's Management Board adopted its policy on management of conflicts of interests after the policy proposal had been reviewed and approved by the Commission; acknowledges from the Institute that the publication of CVs and declarations of interest of the members of the Management Board, the Director and senior management is provided for in that policy and accomplished on the Institute's website;

Internal audit

12. Notes from the Institute that in 2013, the Commission's Internal Audit Service (IAS) carried out an audit work in accordance with the Institute's strategic audit plan; notes that this audit work included an audit on human resources management which identified good practices as well as reasonable assurance regarding the human resources management set-up;
13. Notes with concern that in the course of the risk analysis, the IAS identified certain processes of high inherent risk which could not be audited within the Institute's strategic audit plan as the controls were assessed as absent or insufficient; welcomes the submission of an action plan aimed at addressing those high risk areas; looks forward to the next in-depth risk assessment which will follow-up on this action plan and calls on the Institute to inform the discharge authority on its results;
14. Takes note from the Institute that no critical or very important recommendations from the IAS were open as of 31 December 2013;

Other comments

15. Recalls that the Institute' has been established in order to promote gender equality, including gender mainstreaming in all Union policies and the resulting national policies, to fight against discrimination based on sex and to raise Union citizens' awareness of gender equality; recalls that according to the Institute's AWP, its mission is to become the European knowledge centre on gender equality issues;
16. Recalls that the Institute has a fundamental role due to the fact that real and effective equality between women and men should be promoted and granted in all spheres of public and private life;
17. Calls on the Institute to include the joint annual meetings between Parliament's Committee on Women's Rights and Gender Equality and the Institute in its AWP; calls on the Institute to regularly present the results and findings of its research before the relevant Parliament's committees; notes that the Institute should facilitate access in a more proactive way to gender-related information, focused on the work carried out by its members, to Parliament's Committee on Women's Rights and Gender Equality; considers that this would provide MEPs with important and more effective information tools;

18. Calls for better interaction between legislative and non-legislative priorities of Parliament's Committee on Women's Rights and Gender Equality and the Institute's research; acknowledges the importance of the Institute's role in collecting reliable comparative data disaggregated by sex and fundamental to the development of national and Union policies, especially those on gender based violence; calls on the Institute to work closely with Eurostat and the European Union Agency for Fundamental Rights in order to produce regular surveys on those issues that the Committee on Women's Rights and Gender Equality considers to be the most important, notably violence against women and typical features of female employment;
 19. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 29 April 2015 ⁽¹⁾ on the performance, financial management and control of the agencies.
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⁽¹⁾ Texts adopted of that date, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU) 2015/1660 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on the closure of the accounts of the European Institute for Gender Equality for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Institute for Gender Equality for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Institute for Gender Equality for the financial year 2013, together with the Institute's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Institute in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EC) No 1922/2006 of the European Parliament and of the Council of 20 December 2006 on establishing a European Institute for Gender Equality ⁽⁵⁾, and in particular Article 15 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Women's Rights and Gender Equality (A8-0098/2015),
1. Notes that the final annual accounts of the European Institute for Gender Equality are as annexed to the Court of Auditors' report;

⁽¹⁾ OJ C 442, 10.12.2014, p. 167.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 403, 30.12.2006, p. 9.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Approves the closure of the accounts of the European Institute for Gender Equality for the financial year 2013;
3. Instructs its President to forward this decision to the Director of the European Institute for Gender Equality, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1661 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the European Insurance and Occupational Pensions Authority for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Insurance and Occupational Pensions Authority for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Insurance and Occupational Pensions Authority for the financial year 2013, together with the Authority's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Authority in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EU) No 1094/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Insurance and Occupational Pensions Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/79/EC ⁽⁵⁾, and in particular Article 64 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Economic and Monetary Affairs (A8-0096/2015),
1. Grants the Executive Director of the European Insurance and Occupational Pensions Authority discharge in respect of the implementation of the Authority's budget for the financial year 2013;

⁽¹⁾ OJ C 442, 10.12.2014, p. 174.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 331, 15.12.2010, p. 48.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this Decision, and the resolution forming an integral part of it, to the Executive Director of the European Insurance and Occupational Pensions Authority, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Insurance and Occupational Pensions Authority for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the European Insurance and Occupational Pensions Authority for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Economic and Monetary Affairs (A8-0096/2015),
- A. whereas, according to its financial statements, the final budget of the European Insurance and Occupational Pensions Authority ('the Authority') for the financial year 2013 was EUR 18 767 470, representing an increase of 19,88 % compared to 2012, due to the Authority's recently established nature,
- B. whereas the Court of Auditors, in its report on the annual accounts of the European Insurance and Occupational Pensions Authority for the financial year 2013 ('the Court's report'), has stated that it has obtained reasonable assurances that the Authority's annual accounts are reliable and that the underlying transactions are legal and regular,

Follow-up of 2012 discharge

1. Notes from the Court's report that regarding three comments made in the Court's 2011 report and marked as 'Ongoing' in the Court's 2012 report, corrective actions were taken and they are now marked in the Court's report as 'Completed'; notes, furthermore, for the three comments made in the Court's 2012 report, corrective actions were taken and one comment is now marked as 'Completed', one as 'Not Applicable' and one as 'Outstanding';
2. Acknowledges from the Authority that:
 - it has strengthened its procurement support capacity at corporate level, with clear definition of roles and responsibilities both for procurement officials and for operational staff, as well as with varied procurement training for all relevant staff categories,
 - it has adopted rules on management of conflicts of interests which have been revised according to the Commission guidelines on the prevention and management of conflicts of interest in EU decentralised agencies,
 - it has renewed its website with the purpose of improving the transparency and accessibility of the information provided,
 - the CVs of the members of the Management Board and the declaration of interests of the Chair and of the Executive Director have been published.

Calls on the Authority to also publish the declarations of interests of the members of the Management Board and of the Supervisors Board,

Budget and financial management

3. Notes with concern that the level of committed appropriations carried over was high at 28 %, particularly for Title II at 30 % and Title III at 85 %, showing an increase in comparison to the previous years;

Commitments and carry-overs

4. Acknowledges that the carry-overs resulted from the multiannual IT strategy and implementation plan and from specific contracts with services to be provided in 2014; acknowledges, furthermore, that the related commitments are legal, regular and soundly estimated according to low cancellation rates for carry-overs from 2012;
5. Strongly agrees with the Court's observation that the extent to which 2013 appropriations were used to cover 2014 activities is at odds with the budgetary principle of annuality; calls on the Authority to inform the discharge authority on the actions it will take in order to reduce the amount of carry-overs;

Procurement and recruitment procedures

6. Notes that no comments were made in the Court's report as regards the Authority's recruitment procedures;

Internal controls

7. Takes note from the Court's report that the Management Board has adopted the sixteen Internal Control Standards (ICS) during 2013; ascertains that the ICS implementation is marked as ongoing on the basis of an action plan agreed with the Commission's Internal Audit Service (IAS);
8. Regrets that the Authority's legal commitments were not always authorised by officers with a proper delegation and were not consistently preceded by a properly authorised budgetary commitment; reminds the Authority that compliance with the financial circuits as defined in the Financial Regulation is fundamental; acknowledges that corrective measures were taken in order to address those deficiencies and calls on the Authority to inform the discharge authority in detail of the results of those actions regarding the management of the financial circuits;

Internal audit

9. Acknowledges from the Authority that in 2013 the IAS conducted a limited review of the implementation of the ICS, resulting from the Strategic Audit Plan as well as the previous IAS risk assessment;
10. Notes that following that review, the Authority prepared an action plan to tackle the twenty recommendations identified by the IAS, three of which were rated as 'Very Important'; acknowledges that the IAS considers that the action plan will adequately address the identified risks and will mitigate them if implemented as planned;
11. Takes note from the Authority that the IAS followed up the implementation of its earlier recommendations and that neither critical nor very important recommendations were open as at 31 December 2013;

Other comments

12. Recalls that Parliament was a key driver in the efforts to set up a new and comprehensive European System of Financial Supervision (ESFS) in the aftermath of the financial crisis, and in creating, as part of it, the Authority in 2011;
13. Takes note of the observation made by the Commission, in its recent report on the operation of the European Supervisory Authorities (ESAs) and the ESFS, that in spite of difficult circumstances, the ESAs have quickly established well-functioning organisations which, overall, have performed well against their broad range of tasks, while facing increasing demands with limited human resources;
14. Underlines that the Authority's role in promoting a common supervisory regime across the single market is essential to ensure a better integrated, more efficient and safer insurance and pension sector in the Union, thus contributing to economic recovery and the creation of jobs and growth in Europe, and the prevention of future crises in the financial sector;

15. Acknowledges that the ESFS is still in a setting-up phase and stresses that the tasks already entrusted to the Authority, as well as future tasks envisaged in on-going legislative work, require an adequate level of staff and budget to allow for high-quality supervision; emphasises that the need to combine additional tasks with additional resources should always be carefully considered; stresses, however, that any potential increases in its means should be preceded and/or complemented by adequate rationalisation efforts, wherever possible; highlights the Authority's coordinating role and the need to closely cooperate with national supervisory authorities to fulfil its mandate;
16. Stresses that, given its limited resources, the Authority must stick to the tasks assigned to it by Parliament and the Council; underlines the fact that the Authority should carry out those assignments in full, but that it must not seek to go beyond its mandate, and that it must remain independent; highlights the fact that the Authority should check the necessity of drafting guidelines and recommendations;
17. Emphasises that the Authority should make full use of the powers in the area of consumer protection that are granted to it by its mandate; underlines that in this area the Authority should coordinate its action more closely with the other ESAs through the Joint Committee;
18. Concludes that the Authority's mixed financing arrangement is inflexible, burdensome and a potential threat to its independence; calls therefore on the Commission, if proven by the Commission's assessment, to propose by 2017 a financing system for the Authority solely based on the introduction of fees by market participants, or based on combining fees by market participants with basic funding from a separate budget line of the general budget of the Union;
19. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 29 April 2015 ⁽¹⁾ on the performance, financial management and control of the agencies.

⁽¹⁾ Texts adopted of that date, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU) 2015/1662 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on the closure of the accounts of the European Insurance and Occupational Pensions Authority for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Insurance and Occupational Pensions Authority for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Insurance and Occupational Pensions Authority for the financial year 2013, together with the Authority's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Authority in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EU) No 1094/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Insurance and Occupational Pensions Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/79/EC ⁽⁵⁾, and in particular Article 64 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Economic and Monetary Affairs (A8-0096/2015),
1. Notes that the final annual accounts of the European Insurance and Occupational Pensions Authority are as annexed to the Court of Auditors' report;

⁽¹⁾ OJ C 442, 10.12.2014, p. 174.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 331, 15.12.2010, p. 48.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Approves the closure of the accounts of the European Insurance and Occupational Pensions Authority for the financial year 2013;
3. Instructs its President to forward this decision to the Executive Director of the European Insurance and Occupational Pensions Authority, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1663 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the European Medicines Agency
for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Medicines Agency for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Medicines Agency for the financial year 2013, together with the Agency's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EC) No 726/2004 of the European Parliament and of the Council of 31 March 2004 laying down Community procedures for the authorisation and supervision of medicinal products for human and veterinary use and establishing a European Medicines Agency ⁽⁵⁾, and in particular Article 68 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on the Environment, Public Health and Food Safety (A8-0075/2015),
1. Grants the Executive Director of the European Medicines Agency discharge in respect of the implementation of the Agency's budget for the financial year 2013;

⁽¹⁾ OJ C 442, 10.12.2014, p. 193.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 136, 30.4.2004, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Executive Director of the European Medicines Agency, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Medicines Agency for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the European Medicines Agency for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on the Environment, Public Health and Food Safety (A8-0075/2015),
- A. whereas, according to its financial statements, the final budget of the European Medicines Agency ('the Agency') for the financial year 2013 was EUR 251 560 000, representing an increase of 13,07 % compared to 2012;
- B. whereas according to its financial statements, the overall contribution of the Union to the Agency's budget for 2013 amounted to EUR 40 937 951 (17,03 %), representing a decrease of 3,54 % compared to 2012;
- C. whereas the Court of Auditors, in its report on the annual accounts the European Medicines Agency for the financial year 2013 ('the Court's report'), has stated that it has obtained reasonable assurances that the Agency's annual accounts are reliable and that the underlying transactions are legal and regular;
- D. whereas the Agency operates through a network and coordinates the scientific resources made available by the national authorities in order to ensure the evaluation and supervision of medicinal products for human or veterinary use;
1. Reiterates the Agency's important role in protecting and promoting public and animal health by assessing and supervising medicines for human or veterinary use;

Follow-up of 2012 discharge

2. Notes from the Court's report that regarding three comments made in the Court's 2011 report and marked as 'Ongoing' or 'Outstanding' in the Court's 2012 report, corrective actions were taken and those comments are now marked in the Court's 2013 report as 'Completed'; notes furthermore that regarding the six comments made in the Court's 2012 report, two corrective actions were taken and two comments are now marked as 'Completed', three as 'Not Applicable' and one as 'Ongoing';
3. Acknowledges from the Agency that:
- its accounting system in the area of intangible fixed assets, which is a fully integrated part of the Agency's global enterprise and resource planning financial and accounting system, was validated during 2013;
 - the involvement of individual patient, consumer and healthcare professionals in the evaluation of specific products is conditioned by the submission of a declaration of interests according to the Agency's policy on conflicts of interests;
 - in order to improve its communication with Union citizens, the Agency has recently implemented several initiatives such as the publication of strategic documents including summaries for the public, meeting highlights, newsletters or annual reports; notes furthermore in this regard the development of IT communication tools such as 'Public health communication' which provides the public with key information on medicines, mainly on their safety; in this regard encourages the Agency to set the pharmacovigilance public hearings;

Budget and financial management

4. Notes that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 96,76 %, and in a payment appropriations execution rate of 83,49 %;
5. Notes that 83 % of the Agency's budget comes from industry fees, representing a gradual increase; emphasises the importance of complete transparency about this aspect of the budget in order to avoid any risks for consumers' rights or the Agency's reputation;

Commitments and carry-overs

6. Acknowledges that the Court of Auditors' annual audit has found no notable issues as regards the level of carry-overs in 2013; takes note of the Agency's compliance with the principle of annuality and the timely execution of its budget;

Transfers

7. Notes with satisfaction that according to the Agency's annual activity report, as well as the Court of Auditors' audit findings, the level and nature of transfers in 2012 have remained within the limits of the financial rules;

Procurement and recruitment procedures

8. Acknowledges from the Agency that during 2013, a total of 30 new procurement contracts, each exceeding EUR 25 000, were concluded following procurement procedures as compared to 43 in 2012 and 28 in 2011; notes that the total value of these new contracts was EUR 36 789 410;
9. Welcomes the fact that 583 of 611 available posts had been filled by the end of 2013 and that 144 contract agents, seconded national experts and employment agency staff were employed by the Agency; notes that the occupation rate has decreased compared to 2012 and that the proportion of contract staff, seconded national experts and employment agency staff has decreased compared to 2012; notes that the Agency is dedicating 81 % of its human resources to operational tasks and that this represents a slight increase compared to the situation in 2012; encourages the Agency to make further progress on this path;
10. Notes that the Agency faced some controversy regarding several cases concerning recruitment procedures in the past; calls on the Agency to always ensure complete transparency and clarification with regard to the recruitment procedure;

Prevention and management of conflicts of interests and transparency

11. Acknowledges from the Agency that the transparency criteria for partner, patient, healthcare and consumer organisations has been revised during 2014 in order to increase the transparency of funding; notes the adoption of the document with detailed criteria regarding the evaluation of financial information from patients, consumers and healthcare professionals organisations; notes furthermore that this document is used to assess the organisations' eligibility to participate in the dialogue with the Agency; recalls that the document also states that the organisations have to declare any conflicts of interests at the start of the meetings through which the dialogue is commenced; notes with regret the reduction of the cooling-off period from five years to three years; notes with regret that the arbitrary distinction between direct and indirect conflicts of interests has been kept; calls on the Agency to furthermore introduce a list of the patients' organisations it is working with and to place it on its website, linking it to the funding sources of these organizations in order to enhance transparency;
12. Acknowledges that the Agency complied with the recommendation made by the discharge authority that a specific part of its annual activity report be devoted to the prevention and management of conflicts of interests;

13. Notes that the Agency's Management Board has endorsed a revised policy on the handling of declarations of interests of members of scientific committees and experts; notes with satisfaction that this policy entered into force on 30 January 2015; regrets that the main loopholes, such as the distinction between direct and indirect conflicts of interests prevail, while the Agency mainly takes into account direct conflicts of interests; encourages the Agency to actively address this issue; notes that the electronic declaration of interests form and the procedural guidelines were to be finalised during 2014; calls on the Agency to inform the discharge authority on the outcomes of this issue as soon as they are available;
14. Welcomes the fact that the revised policy includes an improved distinction of the declared interest: a person with an executive or leading role in the development of a medicine during a previous employment has a lifetime bar of non-involvement with the concerned company or product and for the majority of declared interests, a three-year cooling-off period is foreseen;
15. Regrets that the policies on proactive publication of clinical trial data recently adopted by the Agency go against the transparency provisions of Regulation (EU) No 536/2014 of the European Parliament and the Council ⁽¹⁾ (the Clinical Trials Regulation) by allowing companies to redact data based on potential jeopardy of commercial interests; calls on the Agency to report to the discharge authority on this issue;
16. Notes with regret the Agency's understanding of what constitutes commercial confidential information (CCI) is far too broad and includes companies to redact key data about the trial design, methods, and calls on the Agency to properly implement the provisions of the Clinical Trials Regulation especially with regard to clinical trial data not to be considered CCI;
17. Calls on the Agency to publish on its website detailed reports of the scientific advice provided by the Agency to pharmaceutical companies during the drug development and pre-registration process at the time of trial authorisation and in any case not later than 12 months after the end of the trial; notes that advice provided by regulators to companies on drug development and pre-registration plans cannot be considered CCI since there is an overriding public interest in disclosure;

Internal audit

18. Acknowledges that in 2013, the Commission's Internal Audit Service (IAS) carried out a consultancy engagement and a follow-up engagement according to its Strategic Audit Plan for the Agency for 2012-14 on Stakeholders Management & Communication;
19. Takes note that in the course of the risk analysis, the IAS identified certain processes of a high inherent risk which could not be considered as auditable within the audit plan as the controls were assessed as absent or insufficient; notes furthermore that in response to these weaknesses, the Agency's management submitted an action plan; acknowledges that the actions will be followed-up by the IAS during its next in-depth risk analysis;
20. Notes from the IAS report that its follow-up was done through an audit on its earlier recommendations marked as 'Very Important' or 'Important' and through a desk review on the status of earlier recommendations marked as 'Important' or 'Desirable'; notes furthermore that the follow-up engagement revealed that neither 'Critical' nor 'Very Important' recommendations were open as of 31 December 2013;
21. Takes note that the Agency has adopted a set of internal-control standards (ICS) which are intended to guarantee a consistent level of internal control of all business activities throughout the Agency, and define the management rules that all services must follow in their management of resources;

Internal controls

22. Acknowledges that since 2012, the Agency's 'Verifying Office' performs *ex ante* checks focused on valuable commitments, sensitive contracts and complex procurement procedures where higher risks have been identified; notes that during 2013, no delays have been reported by the 'Verifying Office' and that all transactions were checked using checklists in line with the financial regulations and the charter of the verifying officer;

⁽¹⁾ Regulation (EU) No 536/2014 of the European Parliament and of the Council of 16 April 2014 on clinical trials on medicinal products for human use, and repealing Directive 2001/20/EC (OJ L 158, 27.5.2014, p. 1).

23. Takes note that the Agency, after completing a series of *ex post* controls during 2013, found no significant weaknesses in its internal controls;
 24. Acknowledges that in 2013, the Agency's internal audit function carried out audits in several areas; notes that the recommendations produced by the internal audit function have been already partially addressed while others are being implemented;
 25. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 29 April 2015 ⁽¹⁾ on the performance, financial management and control of the agencies.
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⁽¹⁾ Texts adopted of that date, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU) 2015/1664 OF THE EUROPEAN PARLIAMENT
of 29 April 2015
on the closure of the accounts of the European Medicines Agency for the financial year 2013

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Medicines Agency for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Medicines Agency for the financial year 2013, together with the Agency's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EC) No 726/2004 of the European Parliament and of the Council of 31 March 2004 laying down Community procedures for the authorisation and supervision of medicinal products for human and veterinary use and establishing a European Medicines Agency ⁽⁵⁾, and in particular Article 68 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on the Environment, Public Health and Food Safety (A8-0075/2015),
1. Notes that the final annual accounts of the European Medicines Agency are as annexed to the Court of Auditors' report;

⁽¹⁾ OJ C 442, 10.12.2014, p. 193.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 136, 30.4.2004, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Approves the closure of the accounts of the European Medicines Agency for the financial year 2013;
3. Instructs its President to forward this Decision to the Executive Director of the European Medicines Agency, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1665 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2013, together with the Centre's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Centre in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EC) No 1920/2006 of the European Parliament and of the Council of 12 December 2006 on the European Monitoring Centre for Drugs and Drug Addiction ⁽⁵⁾, and in particular Article 15 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A8-0068/2015),
1. Grants the Director of the European Monitoring Centre for Drugs and Drug Addiction discharge in respect of the implementation of the Centre's budget for the financial year 2013;

⁽¹⁾ OJ C 442, 10.12.2014, p. 201.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 376, 27.12.2006, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Director of the European Monitoring Centre for Drugs and Drug Addiction, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A8-0068/2015),
- A. whereas, according to its financial statements, the final budget of the European Monitoring Centre for Drugs and Drug Addiction ('the Centre') for the financial year 2013 was EUR 16 308 171,83 representing a decrease of 0,05 % compared to 2012,
- B. whereas the overall contribution of the Union to the Centre's budget for 2013 amounted to EUR 15 550 000, representing a decrease of 0,01 % compared to 2012,
- C. whereas the Court of Auditors ('the Court'), in its report on the annual accounts of the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2013 ('the Court's report'), has stated that it has obtained reasonable assurances that the Centre's annual accounts are reliable and that the underlying transactions are legal and regular,

Follow-up of 2012 discharge

1. Notes from the Court's report that regarding two comments made in the Court's 2011 report and marked as 'Ongoing' or 'Outstanding' in the Court's 2012 report, corrective actions were taken and one comment is marked in the Court's report as 'Completed' and the other as 'Ongoing'; notes furthermore that, for the four comments made in the Court's 2012 report, one corrective action has been taken in response to the previous year's comments resulting in the comment being marked in the Court's report as 'Completed', while other three comments are marked as 'Ongoing';
2. Acknowledges from the Centre that:
 - (a) it has implemented multiple processes and measures to ensure adequate *ex ante* and *ex post* verifications and control of costs related to grants for supporting cooperation under the Reitox network; notes that the measures include detailed *ex ante* controls, written instructions to Reitox National Focal Points (NFP), specific information sessions on the issues at stake, yearly analysis of the financial reporting of each NFP, on-site *ex post* verifications;
 - (b) it has revised its rules defining the requirements for *ex post* exercises in order to explicitly link the *ex post* verification to the results of the risk assessment; notes that the latest risk assessment exercise in 2014 confirmed the existence of certain medium to high risks likely to justify *ex post* verification, which are mostly of a technical nature related to IT security and software configuration;

Comments on the legality and regularity of transactions

3. Notes from the Court's report that the Centre launched a procurement procedure to rent office equipment over a 4-year period and that the technical requirements were subject to a significant modification during the course of the procedure; is concerned that the technical requirements were further adjusted for the conclusion of the

contract, in accordance with the option announced in the published specifications, leading to a decrease in the contract value; regrets that the information published on the contract's price structure was not sufficiently clear, which led to a misinterpretation by one bidder who therefore had a smaller chance of being awarded the contract;

4. Notes with concern that the evaluation criteria for the abovementioned procedure were not sufficiently specific to ensure full transparency and the equal treatment of bidders; observes that the abovementioned weakness affected the efficiency and effectiveness of this procurement procedure, as well as creating the risk of hindering the competition;
5. Acknowledges from the Centre that the relevant contract notice was published via the information system for European public procurement, which imposes some restrictions on the information that can be published; acknowledges furthermore that all tenderers were treated equally and evaluated in accordance with the established and published award criteria and method; calls on the Centre to nonetheless improve its procurement processes and to report to the discharge authority on the measures taken;

Budget and financial management

6. Notes that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 99,73 % and that the payment appropriations execution rate was 97,71 %, representing a slight decrease of 0,1 % compared to 2012; acknowledges from the Court's report that the high overall level of committed appropriations indicated the commitments being made in a timely manner;
7. Takes note that the Centre improved the efficiency of its payments processes; notes in particular that payments were successfully processed on average 16 days before the relevant deadline;

Commitments and carry-overs

8. Acknowledges that the Court's annual audit has found no notable issues as regards the level of carry-overs in 2013; takes note of the Centre's compliance with the principle of annuality and the timely execution of its budget;

Prevention and management of conflicts of interests and transparency

9. Acknowledges from the Centre that it has reviewed its policy on the prevention and management of conflicts of interests in line with the Commission's guidelines; notes that the revised policy was approved by the Centre's Management Board at its meeting of 4 and 5 December 2014; awaits the publication of declarations of interests of the Management Board, senior management and the Director;

Internal audit

10. Acknowledges from the Centre that an updated state of implementation of its 3-year strategic audit plan for the period 2013-2015 was sent to the Commission's Internal Audit Service (IAS); notes furthermore that in 2013 the IAS carried out an audit on budgeting and monitoring within the Centre, which resulted in three very important recommendations; ascertains from the Centre that two recommendations were implemented, one of which is considered to be closed by the IAS, while the other awaits the IAS' review and recommendation for closure; notes furthermore that one recommendation is at an advanced stage of implementation;
11. Takes note that the IAS followed up the implementation of its earlier recommendations and closed the four remaining very important ones relating to audits prior to 2013; acknowledges that no critical recommendations were open as of 31 December 2013;

Other comments

12. Acknowledges from the Centre that the contract for the sale of its unused former building, 'Palacete Mascarenhas' was signed in January 2015;

13. Takes note that the 'Cais do Sodre Religio' building remains mostly unused as only a few expressions of interest for leasing the building materialised into concrete proposals; acknowledges that negotiations for a short-term lease are currently ongoing with an offer well below the renting costs endured by the Centre and that it is negotiating with the building's landlord for a possible reduction of the rent in order to neutralise rental costs as much as possible; calls on the Centre to inform the discharge authority about future developments once more information is available;
14. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 29 April 2015 ⁽¹⁾ on the performance, financial management and control of the agencies.

⁽¹⁾ Texts adopted of that date, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU) 2015/1666 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on the closure of the accounts of the European Monitoring Centre for Drugs and Drug Addiction
for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2013, together with the Centre's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Centre in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EC) No 1920/2006 of the European Parliament and of the Council of 12 December 2006 on the European Monitoring Centre for Drugs and Drug Addiction ⁽⁵⁾, and in particular Article 15 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A8-0068/2015),
1. Notes that the final annual accounts of the European Monitoring Centre for Drugs and Drug Addiction are as annexed to the Court of Auditors' report;

⁽¹⁾ OJ C 442, 10.12.2014, p. 201.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 376, 27.12.2006, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Approves the closure of the accounts of the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2013;
3. Instructs its President to forward this decision to the Director of the European Monitoring Centre for Drugs and Drug Addiction, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1667 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the European Maritime Safety Agency for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Maritime Safety Agency for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Maritime Safety Agency for the financial year 2013, together with the Agency's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EC) No 1406/2002 of the European Parliament and of the Council of 27 June 2002 establishing a European Maritime Safety Agency ⁽⁵⁾, and in particular Article 19 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of, and Annex V to, its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Transport and Tourism (A8-0088/2015),
1. Grants the Executive Director of the European Maritime Safety Agency discharge in respect of the implementation of the Agency's budget for the financial year 2013;

⁽¹⁾ OJ C 442, 10.12.2014, p. 210.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 208, 5.8.2002, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Executive Director of the European Maritime Safety Agency, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Maritime Safety Agency for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the European Maritime Safety Agency for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Transport and Tourism (A8-0088/2015),
- A. whereas, according to its financial statements, the final budget of the European Maritime Safety Agency ('the Agency') for the financial year 2013 was EUR 57 819 864, representing an increase of 4,88 % compared to 2012,
- B. whereas the Union's contribution to the Agency's budget for the financial year 2013 amounted to EUR 53 789 658, representing an increase of 2,65 % compared to 2012,
- C. whereas the Court of Auditors, in its report on the annual accounts of the European Maritime Safety Agency for the financial year 2013 ('the Court's report'), has stated that it has obtained reasonable assurances that the annual accounts of the Agency are reliable and that the underlying transactions are legal and regular,

Follow-up of the 2012 discharge

1. Notes from the Court's report that regarding the two comments made in the Court's 2011 report and marked as 'Ongoing' or 'Outstanding' in the Court's 2012 report, corrective actions were taken and one comment is now marked in the Court's 2013 report as 'Completed' and the other one as 'Ongoing'; notes furthermore that for the three comments made in the Court's 2012 report, one corrective action was taken and the corresponding comment is now marked as 'Completed', and from the other two comments one is now marked as 'Ongoing' and the other one as 'Not Applicable';
2. Acknowledges from the Agency that through the examination of internal administrative costs, several human resources processes were automated and financial monitoring and reporting was streamlined by using automated tools;

Budget and financial management

3. Notes that the budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 98,07 % and that the payment appropriations execution rate was 88,73 %;

Commitments and carry-overs

4. Acknowledges that according to the Court's report and to the Agency's annual activity report (AAR) no notable issues were identified as regards the level of carry-overs in 2013;

Transfers

5. Notes that according to the Court's report and to the Agency's AAR, the level and nature of transfers in 2013 have remained within the limits of the Agency's financial rules;

Procurement and recruitment procedures

6. Notes that for 2013, neither sampled transactions nor other audit findings have led to any comments on the Agency's procurement procedures in the Court's report;

Prevention and management of conflicts of interests and transparency

7. Acknowledges from the Agency that in its meeting of 13 and 14 November 2013, its Administrative Board adopted a decision concerning its Rules of Procedure, requiring that all its members or alternate members submit declarations of commitment and confidentiality at the beginning of each term of office;
8. Acknowledges that the Agency made efforts to avoid potential conflicts of interests' situations by introducing training on ethics and integrity which is provided in-house and is compulsory for all staff;
9. Acknowledges from the Agency that in 2013 its Administrative Board adopted a conflict of interests policy which aims to identify risks to the integrity of its members and to raise their awareness on the incidence of such conflicts; takes note that that policy draws on the Court's Special Report on 'Management of conflict of interest in selected EU Agencies';
10. Encourages the Agency to make the declarations of interests and the CVs of the Executive Director, the Heads of Unit and the members of the Administrative Board publicly available on its website in order to further enhance transparency;

Internal audit

11. Acknowledges that during 2013 the Commission's Internal Audit Service (IAS) conducted an audit in order to assess, and provide an independent assurance on, the adequacy and effective application of the internal control system related to the Maritime Support Services; notes that following that audit several areas with room for improvement were identified and five recommendations rated as 'Important' were issued; ascertains that the Agency prepared an action plan to address those five recommendations and that the IAS considered the actions proposed to be adequate in order to mitigate the identified risks;
12. Takes notes that in 2013 the IAS performed a desk review in order to follow-up the implementation of its earlier recommendations and considered all the recommendations rated as 'Critical' or 'Very Important' as closed;
13. Acknowledges that during 2013 the Agency's Internal Audit Capability (IAC) performed an audit on the its Business Continuity Facility at Porto; points out that the IAC found the physical and environmental controls in place as providing reasonable assurance regarding the protection of the Agency's equipment and data; notes furthermore that following that audit, the IAC made a certain number of recommendations which the Agency took into consideration, and that the Agency submitted an action plan aimed at mitigating the identified weaknesses;
14. Notes that at 31 December 2013, the Agency closed 31 out of a total of 36 recommendations coming from the IAS, the IAC and the Court during the last 2 years;
15. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 29 April 2015 ⁽¹⁾ on the performance, financial management and control of the agencies.

⁽¹⁾ Texts adopted of that date, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU) 2015/1668 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on the closure of the accounts of the European Maritime Safety Agency for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Maritime Safety Agency for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Maritime Safety Agency for the financial year 2013, together with the Agency's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EC) No 1406/2002 of the European Parliament and of the Council of 27 June 2002 establishing a European Maritime Safety Agency ⁽⁵⁾, and in particular Article 19 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Transport and Tourism (A8-0088/2015),
1. Notes that the final annual accounts of the European Maritime Safety Agency are as annexed to the Court of Auditors' report;

⁽¹⁾ OJ C 442, 10.12.2014, p. 210.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 208, 5.8.2002, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Approves the closure of the accounts of the European Maritime Safety Agency for the financial year 2013;
3. Instructs its President to forward this decision to the Executive Director of the European Maritime Safety Agency, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1669 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the European Union Agency for Network and Information Security for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Union Agency for Network and Information Security for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Union Agency for Network and Information Security for the financial year 2013, together with the Agency's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EC) No 460/2004 of the European Parliament and of the Council of 10 March 2004 establishing the European Network and Information Security Agency ⁽⁵⁾,
 - having regard to Regulation (EU) No 526/2013 of the European Parliament and of the Council of 21 May 2013 concerning the European Union Agency for Network and Information Security (ENISA) and repealing Regulation (EC) No 460/2004 ⁽⁶⁾, and in particular Article 21 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁷⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁸⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0089/2015),
1. Grants the Executive Director of the European Union Agency for Network and Information Security discharge in respect of the implementation of the Agency's budget for the financial year 2013;

⁽¹⁾ OJ C 442, 10.12.2014, p. 217.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 77, 13.3.2004, p. 1.

⁽⁶⁾ OJ L 165, 18.6.2013, p. 41.

⁽⁷⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁸⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this Decision, and the resolution forming an integral part of it, to the Executive Director of the European Union Agency for Network and Information Security, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Union Agency for Network and Information Security for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the European Union Agency for Network and Information Security for the financial year 2013,
 - having regard to Rule 94 of, and Annex V to, its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0089/2015),
- A. whereas, according to its financial statements, the final budget of the European Union Agency for Network and Information Security (‘the Agency’) for the financial year 2013 was EUR 9 670 185, representing an increase of 18,53 % compared to 2012;
- B. whereas the Union’s contribution for the financial year 2013 to the Agency’s budget amounted to EUR 9 030 000, representing an increase of 10,69 % compared to 2012;
- C. whereas the Court of Auditors (‘the Court’), in its report on the annual accounts of the European Union Agency for Network and Information Security for the financial year 2013 (‘the Court’s report’), has stated that it has obtained reasonable assurances that the Agency’s annual accounts are reliable and that the underlying transactions are legal and regular;
- D. whereas the Agency’s main task is to enhance the Union’s capability to prevent and respond to network and information security problems by building on national and Union efforts;

Follow-up of the 2012 discharge

1. Notes from the Court’s report that regarding one comment made in the Court’s 2011 report and marked as ‘Ongoing’ in the Court’s 2012 report, corrective actions were taken and the comment is now marked in the Court’s report as ‘Completed’; notes furthermore that the comment made in the Court’s 2012 report is now marked in the Court’s report as ‘Ongoing’;
2. Acknowledges from the Agency that:
 - the information on the impact of its activities on Union citizens is provided on the Agency’s website through the yearly publication of strategic documents including the Annual Report, as well as new communication channels such as social media,
 - it performed a comprehensive physical inventory count in 2013; notes that the results of the inventory count were reported within the Annual Accounts of 2013 and that the corresponding comment of the Court marked the action as ‘Ongoing’ because the declassification procedure for the items out of use was still pending at the time of the Court’s audit;

Budget and financial management

3. Notes that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 94,41 % and that the payment appropriations execution rate was 86,46 %; points out that in November 2013, additional funds were approved by the Commission for the financing of the Agency’s new office in Athens; notes that in this context, a total of EUR 500 000 was not committed at year-end and was carried over, following a decision by the Management Board;

4. Acknowledges that during 2013, the Agency's operational staff were relocated to Athens while its administrative staff remained in Heraklion; agrees with the Court's opinion that administrative costs could be reduced if all the Agency's staff were to be centralised in one location and encourages the Agency to prepare a strategy that would resolve this issue effectively;

Commitments and carry-overs

5. Notes that the total amount of committed appropriations carried over was EUR 1 200 000, representing 13,5 % of total appropriations; is concerned that out of this amount, EUR 800 000 are Title II carry-overs, representing 59 % of Title II total appropriations; acknowledges that the EUR 500 000 referred to in paragraph 3 as well as an additional EUR 300 000 carried over for the financing of furniture and network equipment for the new office in Athens, explain the high level of carry-overs for Title II;

Transfers

6. Notes with satisfaction that according to the Agency's Annual Report, as well as the Court's audit findings, the level and nature of transfers in 2013 have remained within the limits of the financial rules;

Procurement and recruitment procedures

7. Notes that for the year 2013, neither sampled transactions nor other audit findings have led to any comments on the Agency's procurement procedures in the Court's report;
8. Notes that the Court made no comments in its report as regards the Agency's recruitment procedures;

Prevention and management of conflicts of interests and transparency

9. Acknowledges that the Agency's Management Board approved and signed the decision on practical arrangements for implementing transparency and confidentiality rules in October 2013;
10. Acknowledges from the Agency that CVs and the declarations of interests of the Executive Director, the Directors and the Heads of Department were fully published on the Agency's website as requested by the discharge authority on the Agency's 2012 discharge;

Comments on internal controls

11. Acknowledges from the Agency that in September 2013 the Internal Control Coordinator role (ICC) was fully deployed and addressed as a priority the implementation and subsequent closure of several recommendations made by the Commission's Internal Audit Service (IAS);

Internal audit

12. Takes note that during 2012, a risk assessment exercise was conducted by the IAS in order to determine the audit priorities for the following three years; notes that the IAS submitted its final strategic audit plan of 2013-2015 for the Agency on 3 December 2012;
13. Acknowledges that the IAS performed a desk review audit on 'Project Management in Operations' during 2013, which resulted in a total of five recommendations; notes that four of these recommendations have already been closed while the fifth one is to be reviewed by the IAS;
14. Notes that no critical recommendations from previous IAS reports were open as of 31 December 2013; notes furthermore that the only 'Very Important' rated recommendation open at the year-end has been implemented and was awaiting to be reviewed by the IAS; points out that this recommendation relates to the application of *ex post* controls; calls on the Agency to inform the discharge authority when the *ex post* controls are validated by the IAS;

Other comments

15. Acknowledges that according to the lease agreement between the Greek authorities, the Agency and the landlord, rent for the offices in Athens is paid by the Greek authorities; is concerned by the constant late payment of rent, delayed by several months, which presents business continuity and financial risks for the Agency; takes note that the Agency has commenced discussions with the interested parties in this regard; notes furthermore that to date, the landlord has accepted the delays attributed to the procedures of the Greek Government without imposing any penalty on the Agency; calls on the Agency to continue its efforts in order to mitigate the risks brought by this situation and to inform the discharge authority on the progress;
16. Notes with concern that the Agency failed to answer the question on the cost-effectiveness and environment-friendliness of its working space; calls on the Agency to inform the discharge authority on the measures in place;
17. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 29 April 2015 ⁽¹⁾ on the performance, financial management and control of the agencies.

⁽¹⁾ Texts adopted of that date, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU) 2015/1670 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on the closure of the accounts of the European Union Agency for Network and Information Security for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Union Agency for Network and Information Security for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Union Agency for Network and Information Security for the financial year 2013, together with the Agency's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EC) No 460/2004 of the European Parliament and of the Council of 10 March 2004 establishing the European Network and Information Security Agency ⁽⁵⁾,
 - having regard to Regulation (EU) No 526/2013 of the European Parliament and of the Council of 21 May 2013 concerning the European Union Agency for Network and Information Security (ENISA) and repealing Regulation (EC) No 460/2004 ⁽⁶⁾, and in particular Article 21 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁷⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁸⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0089/2015),
1. Notes that the final annual accounts of the European Union Agency for Network and Information Security are as annexed to the Court of Auditors' report;

⁽¹⁾ OJ C 442, 10.12.2014, p. 217.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 77, 13.3.2004, p. 1.

⁽⁶⁾ OJ L 165, 18.6.2013, p. 41.

⁽⁷⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁸⁾ OJ L 328, 7.12.2013, p. 42.

2. Approves the closure of the accounts of the European Union Agency for Network and Information Security for the financial year 2013;
3. Instructs its President to forward this decision to the Executive Director of the European Union Agency for Network and Information Security, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1671 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the European Railway Agency for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Railway Agency for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Railway Agency for the financial year 2013, together with the Agency's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EC) No 881/2004 of the European Parliament and of the Council of 29 April 2004 establishing a European Railway Agency ⁽⁵⁾, and in particular Article 39 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Transport and Tourism (A8-0078/2015),
1. Grants the Executive Director of the European Railway Agency discharge in respect of the implementation of the Agency's budget for the financial year 2013;

⁽¹⁾ OJ C 442, 10.12.2014, p. 232.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 164, 30.4.2004, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Executive Director of the European Railway Agency, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Railway Agency for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the European Railway Agency for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Transport and Tourism (A8-0078/2015),
- A. whereas, according to its financial statements, the final budget of the European Railway Agency ('the Agency') for the financial year 2013 was EUR 25 858 799, representing an increase of 0,23 % compared to 2012; whereas the entire budget of the Agency derives from the Union budget;
- B. whereas the Court of Auditors, in its report on the annual accounts of the European Railway Agency for the financial year 2013 ('the Court's report'), has stated that it has obtained reasonable assurances that the Agency's annual accounts are reliable and that the underlying transactions are legal and regular;

Follow-up of 2012 discharge

1. Notes from the Court's report that regarding the three comments made in the Court's 2011 report and marked as 'Ongoing' or 'Outstanding' in the Court's 2012 report, corrective actions were taken and one is now marked in the Court's 2013 report as 'Completed' and the other two as 'Ongoing'; notes furthermore that regarding the three comments made in the Court's 2012 report, corrective actions were also taken and two comments are now marked as 'Completed' and the other one as 'Ongoing';
2. Acknowledges from the Agency that:
 - it prepared, in agreement with the Commission, an amendment to its 'Implementing Rule on use and engagement of Temporary Agents' in order to reduce the negative impact current rules have had on the Agency's activities in order to obtain more flexibility as to the length of contracts of operational staff as well as to reduce the risk of business disruption or loss of knowledge due to peaks in staff turnover,
 - it decided to implement adequate measures to ensure the continuity of IT services and systems that are horizontal to the Agency's business; notes that in this regard, a back-up server room has been installed in the premises of the Translation Centre for the Bodies of the European Union in Luxembourg; notes furthermore that the Business Continuity Plan has been adopted by the Executive Director and that the Disaster Recovery Procedure is undergoing preparations and is planned to be tested in June 2015;

Budget and financial management

3. Notes that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 97,87 %, and that the payment appropriations execution rate was 88,12 %;

Commitments and carry-overs

4. Regrets to find from the Agency's annual accounts that the level of committed appropriations carried over to 2013 was EUR 2 398 742, whereas committed appropriations carried over to 2014 amounted to EUR 2 221 816; observes that the decrease in the accrued amount carried over in comparison to the previous year occurred because of the underestimation/overestimation of the 2013 budgetary expenses; reminds the Agency of its obligation to respect the budgetary principle of annuality;

Transfers

5. Notes that according to the annual activity report, as well as the Court's audit findings, the level and nature of transfers in 2013 have remained within the limits of the financial rules;

Procurement and recruitment procedures

6. Encourages the Agency to make further progress in its recruitment procedures, especially for external experts, in order to guarantee transparency and equal treatment for applicants while also ensuring business continuity and preventing the loss of knowledge and experience;
7. Notes with concern from the Court's report that the Agency's procurement procedures would benefit from an improvement in the accuracy and documentation of information; expresses its deep concern about the Agency's staff management policy since it will have to replace half of its operational staff during the period of 2013-2015, which may cause major disruptions in the Agency's operational activities; urges the Agency to develop a coherent, transparent and objective policy in order to deal with the termination of contracts of its temporary staff;
8. Acknowledges that according to the Agency's founding regulation, its temporary employees can be recruited for a maximum 5-year period, with a possible extension of a maximum of 3 years if it takes place within the Agency's first 10 years of operation; ascertains that the Agency has used the 8-year period as a standard practice until 2013;
9. Notes with concern that in 2013 the Agency re-employed four temporary employees, whose contracts with the Agency had ended in 2013 after the maximum 8-year period, for a further 8-year period, contrary to its founding regulation; takes note that the proposal for a revised founding regulation for the Agency, which has not yet been adopted by Parliament and Council, includes similar provisions; finds unacceptable the Agency's breach of its own laws and rules and urges the Agency to respect its recruitment procedures;
10. Is deeply concerned that the Agency does not ensure objective criteria, full transparency and equal treatment in its recruitment procedures; urges the Agency to lay down comprehensive, objective and transparent guidelines about examination conditions such as the required pass mark for interviews, the objective criteria for selecting candidates placed on reserve lists and the type and number of oral and written exam questions, etc.; calls on the Agency to lay down these guarantees in the vacancy notice for each vacant post by the end of September 2015; urges the Agency, in addition, to adopt an appeal procedure for candidates who were declared illegible to apply for a job in the Agency;

Prevention and management of conflicts of interests and transparency

11. Expresses its deep disappointment that the Agency has still not adopted a clear, comprehensive and objective policy for the prevention and management of conflicts of interests, despite the discharge authority's recommendations and the Court's special recommendations for consecutive years;
12. Acknowledges from the Agency that it has set out to adopt its revised policy on the prevention and management of conflicts of interests as well as to publish the CVs and declarations of interests of the members of the Management Board during 2015; calls on the Agency to inform the discharge authority once the new policy is adopted and the CVs and declarations of interests are made publicly available;

Internal audit

13. Takes note that according to the Agency's Decision 81/2013/EC of 20 March 2013 amending the internal control standard of the internal audit function, the Internal Audit Capability was suppressed and the Commission Internal Audit Service (IAS) became the provider of the internal audit function; notes that in the same decision, the Agency set up an internal control coordinator (ICC) function; regrets that the recruitment procedure for the ICC post was lengthy and that as of January 2014, the selected candidate had not yet started working at the Agency; acknowledges that the position was filled eventually in 2014;
14. Acknowledges that the IAS has carried out a follow-up audit on three previous audit engagements in November 2013;

15. Ascertains from the Agency that, as identified by the IAS, the following audits had recommendations pending completion at 31 December 2013:
 - ‘Human Resources Management (2009)’ — one ‘Very Important’ recommendation,
 - ‘Planning and Budgeting (2010)’ — three ‘Important’ recommendations,
 - ‘Expert management in interoperability (2011)’ — two ‘Important’ recommendations,
 - ‘Building Block of Assurance (2012)’ — two ‘Very Important’ recommendations, four ‘Important’ recommendations and one ‘Desirable’ recommendation;
16. Acknowledges from the Agency that apart from one ‘Very Important’ recommendation from the Audit on Human Resources Management within the Agency, all the other recommendations were closed in 2014; urges the Agency to take the necessary measures to close the remaining recommendation;
17. Notes with concern that the Court indicates in its annual audit report for 2012 that the Agency does not comply with its Internal Control Standard regarding business continuity and that no approved IT Business Continuity and Disaster Recovery plans exist; acknowledges that the Agency has decided to implement adequate measures in order to ensure the continuity of the IT services and systems that are horizontal to its business; calls on the Agency to inform the discharge authority on the actions implemented;

Performance

18. Acknowledges from the Agency that the availability of information on the impact of its activities on Union citizens and on the railway business sector is provided through various participations and presentations in European railway exhibitions and fairs, as well as through the organisation of workshops, presentations and other events in Member States; notes furthermore that the information is communicated on the Agency’s website through the publication of documents such as annual reports or newsletters;

Two locations

19. Deplores the fact that the use of two locations (Lille and Valenciennes) to carry out its activities exposes the Agency to additional costs; acknowledges the efforts made by the Agency to minimise the negative impact of the decision on its seat;
20. Calls for a single location for the Agency, in a place easily accessible by public transport in order to save scarce resources and increase its efficiency;

Other comments

21. Considers that if the Agency is to receive new powers as a result of the extension of its tasks as a certifying agency for railway material, part of the funding for the Agency should come from fees and charges levied on the railway industry which must, in all circumstances, be appropriate to the level of expenses incurred by the Agency and must not represent a disproportionate cost for the railway industry;
22. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 29 April 2015 ⁽¹⁾ on the performance, financial management and control of the agencies.

⁽¹⁾ Texts adopted of that date, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU) 2015/1672 OF THE EUROPEAN PARLIAMENT
of 29 April 2015
on the closure of the accounts of the European Railway Agency for the financial year 2013

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Railway Agency for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Railway Agency for the financial year 2013, together with the Agency's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EC) No 881/2004 of the European Parliament and of the Council of 29 April 2004 establishing a European Railway Agency ⁽⁵⁾, and in particular Article 39 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Transport and Tourism (A8-0078/2015),
1. Notes that the final annual accounts of the European Railway Agency are as annexed to the Court of Auditors' report;

⁽¹⁾ OJ C 442, 10.12.2014, p. 232.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 164, 30.4.2004, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Approves the closure of the accounts of the European Railway Agency for the financial year 2013;
3. Instructs its President to forward this decision to the Executive Director of the European Railway Agency, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1673 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the European Securities and Markets Authority for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Securities and Markets Authority for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Securities and Markets Authority for the financial year 2013, together with the Authority's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Authority in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EU) No 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/77/EC ⁽⁵⁾, and in particular Article 64 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Economic and Monetary Affairs (A8-0087/2015),
1. Grants the Executive Director of the European Securities and Markets Authority discharge in respect of the implementation of the Authority's budget for the financial year 2013;

⁽¹⁾ OJ C 442, 10.12.2014, p. 247.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 331, 15.12.2010, p. 84.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this Decision, and the resolution forming an integral part of it, to the Executive Director of the European Securities and Markets Authority, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Securities and Markets Authority for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the European Securities and Markets Authority for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Economic and Monetary Affairs (A8-0087/2015),
- A. whereas, according to its financial statements, the final budget of the European Securities and Markets Authority (the Authority) for the financial year 2013 was EUR 28 188 749, representing an increase of 39,01 % compared to 2012, due to the additional tasks entrusted to the Authority;
- B. whereas the Court of Auditors (the Court), in its report on the annual accounts of the European Securities and Markets Authority for the financial year 2013 (the Court's report), has stated that it has obtained reasonable assurances that the Authority's annual accounts are reliable and that the underlying transactions are legal and regular;

Follow-up of 2012 discharge

1. Notes from the Court's report that regarding six comments made in the Court's 2011 report and marked as 'Ongoing' or 'Outstanding' in the Court's 2012 report, corrective actions were taken and two are now marked in the Court's report as 'Completed', three as 'On-going' and one as 'Not Applicable'; notes, furthermore, that for the seven comments made in the Court's 2012 report, corrective actions were taken and two comments are now marked as 'Completed', three as 'Ongoing' and two as 'Not Applicable';
2. Acknowledges from the Authority that:
 - it has integrated its staff and budget planning with its annual work planning in order to take into account the priorities across the entire organisation, as well as to relocate staff to different tasks where possible;
 - its recruitment procedures were modified in order to include more controls, such as *ex ante* checks, clearer templates and revised mechanisms of evaluation of candidates, and that according to the Court's report, the corrective action regarding the Court's recommendation on this matter has been completed;
 - its communication on its work and activities addressed to Union citizens is made by publishing and disseminating information through a certain number of channels including, but not limited to, its public website and different types of documents on topics;

Budget and financial management

3. Notes that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 93,18 % and that the payment appropriations execution rate was 72,54 %;
4. Takes note that, in order to ensure that corrective actions related to the budget implementation were taken in due time, the Authority used a variety of methods, such as monthly reporting to the Executive Director and quarterly reporting to the Management Board; notes that this has led to a higher budget implementation rate in comparison to the previous year;

Commitments and carry-overs

5. Acknowledges that the commitments were made in a more timely manner as the overall level of committed appropriations increased from the previous year; notes with concern that the level of committed appropriations carried over remains high for Title III at 58 %, showing an increase of 6 %;
6. Takes note that the high level of carry-overs results mainly from IT services contracted at year end, services received in 2013 but not paid before year end, as well as from delays in IT procurements and from the multiannual nature of related IT projects; calls on the Authority to inform the discharge authority on the steps taken in order to reduce the level of carry-overs to the lowest possible amount;

Transfers

7. Notes with concern that the level of transfers is very high at 18 % of the budget, amounting to EUR 5 100 000; regrets that this figure shows an increase, when compared with 2012, which indicates continued shortcomings in budgetary planning; calls on the Authority to inform the discharge authority of the actions taken to remedy those deficiencies;

Procurement and recruitment procedures

8. Ascertains from the Authority that procurement procedures were centralised for all procurements above EUR 15 000 in order to improve their timeliness, quality control and compliance; takes note that monthly reporting on the status of the procurement plan to the Executive Director was initiated in 2013;

Prevention and management of conflicts of interests and transparency

9. Notes from the Authority that it has further strengthened its ethics guidelines by developing a conflicts of interests policy for non-staff which takes into account the Commission guidelines on the Prevention and Management of Conflicts of Interest in EU Decentralised Agencies, and is applicable to members of the Board of Supervisors and of the Management Board;
10. Takes note that the Authority's policy on conflicts of interests contains a provision regarding the publication of the declarations of interests of members of the Board of Supervisors and the Management Board; observes that the CVs and declarations of interests of the members of the Board of Supervisors and the Management Board, as well as the declarations of interests of the Executive Director and senior management, are not publicly available; calls on the Authority to remedy this deficiency as a matter of urgency and to make those documents easily accessible through its website;

Internal audit

11. Acknowledges from the Authority that in 2013 the Commission's Internal Audit Service (IAS) carried out a limited review of its implementation of Internal Control Standards (ICS), following the results of the risk assessment performed in 2012 and the Authority's Strategic Audit Plan 2013-2015;
12. Notes that in its 2013 review of the ICS, the IAS issued 14 recommendations in the different areas, one of which was marked as 'Very Important', and concluded that most of the 15 reviewed ICS had been fully or largely implemented; takes note that further to the follow-up visit performed by the IAS in June 2014, half of the recommendations had been implemented, including the one marked as 'Very Important';

Other comments

13. Regrets that late payments constituted 27 % of all payments for goods and services received, resulting in paid interest which amounted to EUR 3 834, as well as payments being late on average by 32 days; calls on the Authority to provide the discharge authority with detailed information on the steps taken in order to tackle this issue and to improve timeliness of payment processes;

14. Notes that the Authority's current financing arrangements are inflexible, create unnecessary administrative burdens and might jeopardise its independence; urges the Authority to cooperate with the Commission in order to revise its current financing structure;
15. Takes note that following its discussions with the host Member State, the Authority started claiming VAT reimbursements according to the Protocol on the privileges and immunities of the European Union and the Council 'VAT Directive' ⁽¹⁾; notes that by the end of 2013, only 39 % of the VAT charged for the period 2011-2013 had been claimed back; calls on the Authority to inform the discharge authority of the actions taken to claim the charged VAT, as well as the estimated time frame during which the total amount can be claimed back;
16. Recalls that Parliament was a key driver in the efforts to set up a new and comprehensive European System of Financial Supervision (ESFS) in the aftermath of the financial crisis, and in creating, as part of it, the Authority in 2011;
17. Takes note of the observation made by the Commission, in its recent report on the operation of the European Supervisory Authorities (ESAs) and the European System of Financial Supervision (ESFS), that in spite of difficult circumstances, the ESAs have quickly established well-functioning organisations which, overall, have performed well against their broad range of tasks, while facing increasing demands with limited human resources;
18. Emphasises that the Authority's role in promoting a common supervisory regime across the single market is essential to ensure better integrated, more efficient and safer financial markets in the Union, thus contributing to economic recovery and the creation of jobs and growth in Europe and the prevention of future crises in the financial sector;
19. Acknowledges that the ESFS is still in a setting-up phase and stresses that the tasks already entrusted to the Authority, as well as future tasks envisaged in on-going legislative work, require an adequate level of staff and budget to allow for high-quality supervision; emphasises that the need to combine additional tasks with additional resources should always be carefully considered; stresses, however, that any potential increases in its means should be preceded and/or complemented by adequate rationalisation efforts, wherever possible; highlights the Authority's coordinating role and the need to closely cooperate with national supervisory authorities to fulfil its mandate;
20. Stresses that given its limited resources, the Authority must stick to the tasks assigned to it by Parliament and the Council; underlines that the Authority should carry out those assignments in full but that it must not seek to go beyond its mandate, and that it must remain independent; highlights that the Authority should check the necessity of drafting guidelines and recommendations;
21. Highlights that the Authority should make full use of its powers in the area of consumer protection that are granted to it by its mandate; underlines that, in this area, the Authority should coordinate more closely with the other ESAs through the Joint Committee;
22. Calls on the Authority to ensure that in the future no legal commitments are entered into in advance of budget commitments;
23. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 29 April 2015 ⁽²⁾ on the performance, financial management and control of the agencies.

⁽¹⁾ Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax (OJ L 347, 11.12.2006, p. 1).

⁽²⁾ Texts adopted of that date, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU) 2015/1674 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on the closure of the accounts of the European Securities and Markets Authority for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Securities and Markets Authority for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Securities and Markets Authority for the financial year 2013, together with the Authority's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Authority in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EU) No 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/77/EC ⁽⁵⁾, and in particular Article 64 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Economic and Monetary Affairs (A8-0087/2015),
1. Notes that the final annual accounts of the European Securities and Markets Authority are as annexed to the Court of Auditors' report;

⁽¹⁾ OJ C 442, 10.12.2014, p. 247.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 331, 15.12.2010, p. 84.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Approves the closure of the accounts of the European Securities and Markets Authority for the financial year 2013;
3. Instructs its President to forward this decision to the Executive Director of the European Securities and Markets Authority, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1675 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the European Training Foundation
for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Training Foundation for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Training Foundation for the financial year 2013, together with the Foundation's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Foundation in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EC) No 1339/2008 of the European Parliament and of the Council of 16 December 2008 establishing a European Training Foundation ⁽⁵⁾, and in particular Article 17 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Employment and Social Affairs (A8-0090/2015),
1. Grants the Director of the European Training Foundation discharge in respect of the implementation of the Foundation's budget for the financial year 2013;

⁽¹⁾ OJ C 442, 10.12.2014, p. 260.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 354, 31.12.2008, p. 82.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Director of the European Training Foundation, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Training Foundation for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the European Training Foundation for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Employment and Social Affairs (A8-0090/2015),
- A. whereas, according to its financial statements, the final budget of the European Training Foundation ('the Foundation') for the financial year 2013 was EUR 20 143 500, representing a decrease of 0,01 % compared to 2012; whereas the entire budget of the Foundation derives from the Union budget,
- B. whereas the Court of Auditors, in its report on the annual accounts of the European Training Foundation for the financial year 2013 ('the Court's report'), has stated that it has obtained reasonable assurances that the Foundation's annual accounts are reliable and that the underlying transactions are legal and regular,

Follow-up of 2012 discharge

1. Welcomes the fact that an agreement on the Foundation's premises was concluded with the authorities of the Piedmont region, in Italy, in 2013, which ensures the continuation of the Foundation's activities for the 2013-2015 period; acknowledges from the Foundation that negotiations were opened with the new government of the Piedmont, where the Foundation's seat is established, concerning the renewal of the service contract for its premises from 2015;

Budget and financial management

2. Notes that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 99,78 % and that the payment appropriations execution rate was 95,72 %;
3. Takes note from the Court's report that at the end of 2013, the Foundation had EUR 7 500 000 in accounts at a single bank with a low credit rating (F3, BBB); acknowledges from the Foundation that the high bank balance at the year-end occurred as a result of the first instalment of the 2014 subvention being paid in advance, as well as funds received for the new GEMM and FRAME projects; notes the Foundation's intention to participate in a joint procurement procedure for banking services launched by the Commission; considers that in the event that this procedure fails, the Foundation should take all necessary steps to ensure the security of its assets; calls on the Foundation to assess whether a review of its treasury policy is needed and to report to the discharge authority on the results of this procurement procedure;

Commitments and carry-overs

4. Acknowledges from the Court's report that no comments were made regarding the commitments and the carry-overs for the financial year 2013 and commends the Foundation for its good budgetary planning;

Procurement and recruitment procedures

5. Ascertains from the Court's report that neither sampled transactions nor other audit findings have led to any comments on the Foundation's procurement procedures for the financial year 2013;

Prevention and management of conflicts of interests and transparency

6. Acknowledges from the Foundation that it has adopted and published the guidelines on preventing and managing conflicts of interest; takes note of the Foundation's plan to publish the CVs and declarations of interest of its Governing Board members, Director and senior managers on its website and calls on the Foundation to inform the discharge authority about the results of this exercise as soon as it is completed;

Internal audit

7. Acknowledges from the Foundation that in 2013, the Commission's Internal Audit Service (IAS) carried out the audit on the design and effective application of the internal control system (ICS) set up by the management with regard to the Expert Management and Missions; notes that this work assessed in particular whether the ICS, as implemented at the time of the fieldwork, provided reasonable assurance regarding compliance with the applicable rules and regulations, as well as effectiveness and efficiency of the Expert Management and Missions processes, as set out in the audit scope;
8. Takes note that based on the results of that audit, the IAS considers the ICS as providing reasonable assurances, with the exception of the formal appointment of the selection panel, as well as the declarations of absence of conflicts of interest and of confidentiality;
9. Notes from the Foundation that following that audit, it has prepared an action plan which was submitted to the IAS; takes note that the IAS considers it adequate in order to serve as a basis for effective implementation and follow up of the IAS audit recommendations;
10. Acknowledges from the Foundation that as of 1 September 2014, the IAS has formally closed all 14 recommendations from the 2011 IAS audit on communication;

Performance

11. Acknowledges from the Foundation that in accordance with its communication policy, the general public is a key target of its communication activities; observes that the first level of information on the Foundation's website is aimed at interested citizens and contains general information, concrete activities and results; notes the Foundation's use of other channels of communication such as traditional media and social media;

Other comments

12. Acknowledges the Foundation's continued contribution to improving human capital development in partner countries; welcomes furthermore the results achieved in 2013 in the context of the Foundation's Mid-Term Perspective 2010-2013, reflecting the successful execution of the 4-year plan;
13. Notes that 2013 was the final year of the Mid-Term Perspective 2010-2013 and commends the Foundation on its 99 % achievement rate in respect of the targets set out in its four work programmes;
14. Appreciates the progress made in the development of evidence-based European vocational education and training reform through the Torino Process and other specific policy analyses which were taken over by partner countries, leading to national policy developments which help to guarantee future sustainability;
15. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its Resolution of 29 April 2015 ⁽¹⁾ on the performance, financial management and control of the agencies.

⁽¹⁾ Texts adopted of that date, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU) 2015/1676 OF THE EUROPEAN PARLIAMENT
of 29 April 2015
on the closure of the accounts of the European Training Foundation for the financial year 2013

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Training Foundation for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Training Foundation for the financial year 2013, together with the Foundation's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Foundation in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EC) No 1339/2008 of the European Parliament and of the Council of 16 December 2008 establishing a European Training Foundation ⁽⁵⁾, and in particular Article 17 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Employment and Social Affairs (A8-0090/2015),
1. Notes that the final annual accounts of the European Training Foundation are as annexed to the Court of Auditors' report;

⁽¹⁾ OJ C 442, 10.12.2014, p. 260.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 354, 31.12.2008, p. 82.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Approves the closure of the accounts of the European Training Foundation for the financial year 2013;
3. Instructs its President to forward this decision to the Director of the European Training Foundation, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1677 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the European Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice for the financial year 2013, together with the Agency's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2013 (05304/2015– C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EU) No 1077/2011 of the European Parliament and of the Council of 25 October 2011 establishing a European Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice ⁽⁵⁾, and in particular Article 33 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A8-0099/2015),
1. Grants the Executive Director of the European Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice discharge in respect of the implementation of the Agency's budget for the financial year 2013;

⁽¹⁾ OJ C 442, 10.12.2014, p. 326.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 286, 1.11.2011, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Executive Director of the European Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the European Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A8-0099/2015),
- A. whereas, according to its financial statements, the final budget of the European Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice ('the Agency') for the financial year 2013 was EUR 61 345 072; whereas the entire budget of the Agency derives from the Union budget,
- B. whereas the Court of Auditors, in its report on the annual accounts of the European Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom for the financial year 2013 ('the Court's report'), has stated that it has obtained reasonable assurances that the annual accounts of the Agency are reliable and that the underlying transactions are legal and regular,
- C. whereas the Agency's core mission is to fulfil the operational management tasks regarding the Second Generation Schengen Information System (SIS II), the Visa Information System (VIS) and Eurodac,
1. Notes from the Court's report that, although the Agency has started its operations in December 2012, it was only granted financial autonomy by the Commission on 22 May 2013, and so the audited period for the financial year 2013 runs from 22 May 2013 to 31 December 2013; notes furthermore that 2013 was the first year in which the Court proceeded to conduct an audit on the Agency's financial statements;

Comments on the reliability of the accounts

2. Notes with concern that the Court's report emphasises the issues related to the valuation of the SIS II, VIS and Eurodac systems in the Agency's accounts; notes furthermore that although the valuation was not materially misstated, the Court found those issues as essential and drew attention to this matter; notes that the operational management of those systems is the Agency's core task and that the systems were transferred from the Commission to the Agency in May 2013 by way of a non-exchange transaction; notes moreover that in the absence of reliable and complete information in respect of the total development cost of those systems, the value of the systems was recorded in the Agency's accounts at their net book values as per the Commission's books and updated at year-end; is concerned that those values relate mainly to hardware and off-the-shelf software components and do not include software development costs;

Budget and financial management

3. Notes that according to Regulation (EU) No 1077/2011 ⁽¹⁾, the Commission was responsible for the Agency's establishment and initial operation until it was granted financial autonomy; notes with concern that a delay in the completion of the Agency's accounting system affected its payment planning and its preparation of the provisional accounts;

⁽¹⁾ See Article 32.

4. Notes that a more detailed analysis per budget title could not be carried out by the Court as a result of the budget being executed by the Commission;
5. Acknowledges from the Agency's final annual accounts that budget implementation rates were 96 % for commitment appropriations and 67 % for payment appropriations;
6. Takes note that according to Regulation (EU) No 1077/2011, countries associated with the implementation, application and development of the Schengen *acquis* and Eurodac-related measures must make a contribution to the Agency's budget; notes furthermore that although Schengen-associated countries were using the systems managed by the Agency in 2013, the Commission's negotiations were still ongoing; calls on the Agency to inform the discharge authority about the state of play as regards the negotiations;

Commitments and carry-overs

7. Notes that the budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 98,95 % and that the payment appropriations execution rate was 28,94 %;
8. Notes that the high level of committed appropriations carried forward to 2014 comes mainly from Title II and Title III appropriations and is due to the fact that the Agency has a number of multiannual contracts related to its core activities;

Procurement and recruitment procedures

9. Notes that for 2013, neither sampled transactions nor other audit findings have led to any comments on the Agency's procurement procedures in the Court's report;

Prevention and management of conflicts of interests

10. Expresses its deep concern about the Agency's failure to answer the discharge authority's questionnaire relating to questions on conflicts of interests; calls on the Agency to inform the discharge authority about the policies put in place with regard to the prevention and management of conflicts of interests; urges the Agency to publish CVs and declarations of interests of its Executive Director, the members of the Management Board and national experts who sit in Advisory Boards by the end of December 2015;

Internal controls

11. Takes note that the project to implement the Agency's internal control standards (ICS) was ongoing at the end of 2013 and that the ICS were approved by the Management Board in June 2014;
12. Notes from the Court's report that the Agency has no insurance coverage for fixed tangible assets except for multi-risk fire for its seat premises in Tallinn; calls on the Agency to inform the discharge authority about the results of any remedial actions taken regarding this matter;

Internal audit

13. Takes note that the Agency's Internal Audit Capability started to function in October 2013;
14. Notes that the Commission's Internal Audit Service (IAS) carried out a preliminary risk assessment of the Agency's major administrative processes in order to prepare future internal audit plans; points out that the IAS identified a number of potential high risk areas which have been included in the audit activities for 2014, including business continuity, procurement, governance, facilities management and others; takes note that the Agency has started implementing measures aimed at mitigating the identified risks;

Performance

15. Acknowledges that the Agency's seat is located in Tallinn (with 46 occupied posts) while its operational activities are carried out in Strasbourg (with 79 occupied posts) and the business continuity site is in Sankt Johann im Pongau (Austria); takes note of the Court's opinion that management effectiveness would increase and administrative costs would be reduced if all staff were centralised in one location; calls therefore on the Commission to include the advantages and disadvantages of having three different locations in its evaluation report to be prepared in accordance to Article 31 of the Agency's founding Regulation, in particular expected budget savings, reflections on practical arrangements and costs with regard to a potential centralisation of its activities;
16. Takes note that at the time of the Court's audit, negotiations were ongoing between the Agency and the host Member State (Estonia) with the aim of reaching a headquarters agreement that would clarify the conditions under which the Agency and its staff will operate; calls on the Agency to inform the discharge authority about the state of play of the negotiations until the end of December 2015 and to conclude the headquarters agreement as urgently as possible;
17. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its Resolution of 29 April 2015 ⁽¹⁾ on the performance, financial management and control of the agencies.

⁽¹⁾ Texts adopted of that date, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU) 2015/1678 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on the closure of the accounts of the European Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice for the financial year 2013, together with the Agency's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EU) No 1077/2011 of the European Parliament and of the Council of 25 October 2011 establishing a European Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice ⁽⁵⁾, and in particular Article 33 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A8-0099/2015),
1. Notes that the final annual accounts of the European Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice are as annexed to the Court of Auditors' report;

⁽¹⁾ OJ C 442, 10.12.2014, p. 326.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 286, 1.11.2011, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Approves the closure of the accounts of the European Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice for the financial year 2013;
3. Instructs its President to forward this decision to the Executive Director of the European Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1679 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the European Agency for Safety and Health at Work for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Agency for Safety and Health at Work for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Agency for Safety and Health at Work for the financial year 2013, together with the Agency's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Council Regulation (EC) No 2062/94 of 18 July 1994 establishing a European Agency for Safety and Health at Work ⁽⁵⁾, and in particular Article 14 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Employment and Social Affairs (A8-0076/2015),
1. Grants the Director of the European Agency for Safety and Health at Work discharge in respect of the implementation of the Agency's budget for the financial year 2013;

⁽¹⁾ OJ C 442, 10.12.2014, p. 340.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 216, 20.8.1994, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Director of the European Agency for Safety and Health at Work, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Agency for Safety and Health at Work for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the European Agency for Safety and Health at Work for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Employment and Social Affairs (A8-0076/2015),
- A. whereas, according to its financial statements, the final budget of the European Agency for Safety and Health at Work ('the Agency') for the financial year 2013 was EUR 17 682 338, representing an increase of 4,50 % compared to 2012,
- B. whereas the Union's contribution for the financial year 2013 to the Agency's budget amounted to EUR 15 614 775, representing a decrease of 3,77 % compared to 2012,
- C. whereas the Court of Auditors ('Court'), in its report on the annual accounts of the European Agency for Safety and Health at Work for the financial year 2013 ('the Court's report'), has stated that it has obtained reasonable assurances that the Agency's annual accounts are reliable and that the underlying transactions are legal and regular,
- D. whereas the Agency's task is to collect and disseminate information on national and Union priorities in the field of health and safety at work, to support national and Union organisations involved in policymaking and implementation and to provide information on preventive measures,

Follow-up of the 2012 discharge

1. Notes from the Court's report that regarding two comments made in the Court's 2011 report and marked as 'Ongoing' or 'Outstanding' in the Court's 2012 report, corrective actions were taken and the two comments are now marked in the Court's report as 'Completed'; notes furthermore that regarding the two comments made in the Court's 2012 report, one corrective action was taken and the related comment is now marked as 'Completed' while one is now marked as 'Ongoing';
2. Acknowledges from the Agency that:
 - the agreement with the Kingdom of Spain on the Agency's seat was concluded successfully in September 2013,
 - the information on its activities' impact on Union citizens is provided on the Agency's website through the publication of general evaluations of the Agency, the annual report, the Director's annual activity report as well as the analysis and assessment of the activity report by the Board,
 - in particular significant improvements were made in the implementation of the annual work programme, the listing of activity-based budgeting in 2013 and issues with regard to recruitment and salaries;

Budget and financial management

3. Notes that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 98,94 %, and that the payment appropriations execution rate was 70,19 %;

Commitments and carry-overs

4. Notes with concern that the level of committed appropriations carried over to 2014 was high at EUR 601 426 (30 %) for Title II (Administrative expenditure) and EUR 3 693 549 (46 %) for Title III (Operational expenditure);
5. Notes that the high level of Title II carry-overs was caused by the planned year-end purchase of goods and services related to the Agency's move into its new premises, as well as by the renewal of annual IT contracts; notes furthermore that the high level of planned carry-overs in Title III mainly resulted from the multiannual nature of major projects launched in 2013;

Transfers

6. Notes that according to the annual activity report, as well as the Court's audit findings, the level and nature of transfers in 2013 have remained within the limits of the financial rules;

Procurement and recruitment procedures

7. Notes that for 2013, neither sampled transactions nor other audit findings have led to any comments on the Agency's procurement procedures in the Court's report;
8. Notes that the Court made no comments in its report as regards the Agency's recruitment procedures;

Prevention and management of conflicts of interests and transparency

9. Acknowledges from the Agency that its Governing Board adopted the Agency's conflicts of interests policy in November 2014; notes, moreover, that the policy includes provisions regarding the publication of CVs and the declarations of interests of the Director and of Senior Management; observes that the majority of these documents were made publicly available; urges the Agency to provide a track record of all the conflicts of interests cases until the end of September 2015; observes with concern that the obligation to publish CVs and declarations of interests is not applicable to experts; calls on the Agency to also extend this obligation to experts;
10. Requests that the Agency adopt comprehensive policies for the management of conflicts of interests situations such as divesting the public official's interests, the recusal of the public official from involvement in an affected decision-making process, the restriction of access by the affected public official to particular information, the rearrangement of the public official's duties or the resignation of the public official from their office;
11. Notes that existing procedures regarding the prevention of conflicts of interests for the Agency's staff are under revision and that they will be completed in 2015; calls on the Agency to inform the discharge authority about the results of this revision as soon as it is completed;

Internal controls

12. Takes note that during 2013, 100 % of the Agency's budget was covered by *ex ante* verifications;

Internal audit

13. Acknowledges from the Agency that in 2012 the Commission's Internal Audit Service (IAS) carried out an in-depth risk assessment and submitted its final strategic audit plan for 2013-2015, which was endorsed by the Agency's Director and its Management Board;
14. Notes that the IAS also carried out an audit on 'Reporting/Building Blocks of Assurance' which led to one recommendation rated as 'Very Important' and seven rated as 'Important'; takes note that the Agency submitted an action plan aimed at mitigating the identified weaknesses which was approved by the IAS;

15. Notes that in 2013 the IAS followed up on its earlier recommendations and concluded that no critical recommendations were open, that one 'Very Important' was closed and that the implementation of the second 'Very Important' recommendations was on track;

Other comments

16. Notes that 2013 was the last year of the EU-OSHA Strategy 2009-2013; appreciates the Agency's achievements during this period, in particular the promotion of online interactive tools for small and medium-sized enterprises in the area of occupational safety and health management; notes the adoption of the Agency's new Multiannual Strategic Programme for the years 2014-2020;
17. Welcomes the fact that the Agency finally moved to its new premises on 1 January 2014 and notes the significant decrease in rent costs, following the conclusion of the seat agreement with the Spanish authorities;
18. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 29 April 2015 ⁽¹⁾ on the performance, financial management and control of the agencies.

⁽¹⁾ Texts adopted of that date, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU) 2015/1680 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on the closure of the accounts of the European Agency for Safety and Health at Work for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Agency for Safety and Health at Work for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Agency for Safety and Health at Work for the financial year 2013, together with the Agency's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Council Regulation (EC) No 2062/94 of 18 July 1994 establishing a European Agency for Safety and Health at Work ⁽⁵⁾, and in particular Article 14 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Employment and Social Affairs (A8-0076/2015),
1. Notes that the final annual accounts of the European Agency for Safety and Health at Work are as annexed to the Court of Auditors' report;

⁽¹⁾ OJ C 442, 10.12.2014, p. 340.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 216, 20.8.1994, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Approves the closure of the accounts of the European Agency for Safety and Health at Work for the financial year 2013;
3. Instructs its President to forward this Decision to the Director of the European Agency for Safety and Health at Work, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU, EURATOM) 2015/1681 OF THE EUROPEAN PARLIAMENT
of 29 April 2015
on discharge in respect of the implementation of the budget of the Euratom Supply Agency for
the financial year 2013

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the Euratom Supply Agency for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the Euratom Supply Agency for the financial year 2013, together with the Agency's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽³⁾, and in particular Article 1(2) thereof,
 - having regard to Council Decision 2008/114/EC, Euratom of 12 February 2008 establishing Statutes for the Euratom Supply Agency ⁽⁴⁾, and in particular Article 8(9) of the Annex thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0119/2015),
1. Grants the Director-General of the Euratom Supply Agency discharge in respect of the implementation of the Agency's budget for the financial year 2013;
 2. Sets out its observations in the resolution below;
 3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Director-General of the Euratom Supply Agency, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

⁽¹⁾ OJ C 442, 10.12.2014, p. 267.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁴⁾ OJ L 41, 15.2.2008, p. 15.

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the Euratom Supply Agency for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the Euratom Supply Agency for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0119/2015),
- A. whereas, according to its financial statements, the final budget of the Euratom Supply Agency ('the Agency') for the financial year 2013 was EUR 104 000, representing the same amount as compared to 2012,
- B. whereas the Court of Auditors, in its report on the annual accounts of the Euratom Supply Agency for the financial year 2013 ('the Court's report'), has stated that it has obtained reasonable assurances that the annual accounts of the Agency are reliable and that the underlying transactions are legal and regular,

Follow-up of the 2012 discharge

1. Notes from the Court's report on the Agency's annual accounts that regarding one comment made in the Court's 2011 report and marked as 'Ongoing' in the Court's 2012 report, corrective actions were taken and the comment is now marked as 'Completed'; notes furthermore that the comment made in the Court's 2012 report is now marked as 'Outstanding';

Comments on the reliability of accounts

2. Observes that according to the Agency's notes on its annual accounts, all salaries and some additional costs for administrative services were paid directly from the Commission's budget; notes that the costs incurred by salaries are disclosed, while no details are provided about the costs of the administrative services; expresses concern that this situation obscures the level to which the Agency is dependent upon the Commission; stresses that the Agency should have financial autonomy as laid down in its Statutes;
3. Acknowledges from the Agency that it will present to the discharge authority a more detailed report on its needs covered directly by the Commission;

Budget and financial management

4. Notes that budget monitoring efforts during the financial year 2013 resulted in a commitment appropriation rate of 95 %, and payment appropriation rate of 59,22 %;

Internal controls

5. Acknowledges from the Court's report that there is insufficient documentation on the main elements of the Agency's internal controls, such as risk management and control strategy, procedures to monitor performance, an assessment of the functioning of the internal control system and a code of professional standards;
6. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its Resolution of 29 April 2015 ⁽¹⁾ on the performance, financial management and control of the agencies.

⁽¹⁾ Texts adopted of that date, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU, EURATOM) 2015/1682 OF THE EUROPEAN PARLIAMENT
of 29 April 2015
on the closure of the accounts of the Euratom Supply Agency for the financial year 2013

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the Euratom Supply Agency for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the Euratom Supply Agency for the financial year 2013, together with the Agency's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽³⁾, and in particular Article 1(2) thereof,
 - having regard to Council Decision 2008/114/EC, Euratom of 12 February 2008 establishing Statutes for the Euratom Supply Agency ⁽⁴⁾, and in particular Article 8(9) of the Annex thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0119/2015),
1. Notes that the final annual accounts of the Euratom Supply Agency are as annexed to the Court of Auditors' report;
 2. Approves the closure of the accounts of the Euratom Supply Agency for the financial year 2013;
 3. Instructs its President to forward this decision to the Director-General of the Euratom Supply Agency, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

⁽¹⁾ OJ C 442, 10.12.2014, p. 267.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁴⁾ OJ L 41, 15.2.2008, p. 15.

DECISION (EU) 2015/1683 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the European Foundation for the Improvement of Living and Working Conditions for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Foundation for the Improvement of Living and Working Conditions for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Foundation for the Improvement of Living and Working Conditions for the financial year 2013, together with the Foundation's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Foundation in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EEC) No 1365/75 of the Council of 26 May 1975 on the creation of a European Foundation for the Improvement of Living and Working Conditions ⁽⁵⁾, and in particular Article 16 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Employment and Social Affairs (A8-0092/2015),
1. Grants the Director of the European Foundation for the Improvement of Living and Working Conditions discharge in respect of the implementation of the Foundation's budget for the financial year 2013;

⁽¹⁾ OJ C 442, 10.12.2014, p. 275.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 139, 30.5.1975, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Director of the European Foundation for the Improvement of Living and Working Conditions, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Foundation for the Improvement of Living and Working Conditions for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the European Foundation for the Improvement of Living and Working Conditions for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Employment and Social Affairs (A8-0092/2015),
- A. whereas, according to its financial statements, the final budget of the Foundation for the Improvement of Living and Working Conditions ('the Foundation') for the financial year 2013 was EUR 20 624 300, representing a decrease of 3,76 % compared to 2012;
- B. whereas the Court of Auditors ('Court'), in its report on the annual accounts of the European Foundation for the Improvement of Living and Working Conditions for the financial year 2013 ('the Court's report'), has stated that it has obtained reasonable assurances that the Foundation's annual accounts are reliable and that the underlying transactions are legal and regular;

Follow-up of 2012 discharge

1. Acknowledges from the Foundation that information on the impact of its activities on Union citizens is provided on its website, mainly through the yearly publication of strategic documents such as the Foundation's annual activity report and many Union policy documents related to the area of life and work;

Comments on the reliability of the accounts

2. Notes from the Court's report that the Foundation carried out a comprehensive physical inventory exercise at the end of 2013 and the beginning of 2014 and that the physical inventory report wasn't finalised by February 2014 when the Court's audit took place; notes with concern that the tests carried out by the Court revealed that not all fixed assets were barcoded and recorded in the register and accounts, that certain equipment was expensed instead of capitalised, and that the correct starting date for the calculation of the depreciation charge for some of the assets could not be traced;
3. Acknowledges from the Foundation that the physical inventory report was finalised and published after the Court's audit took place and that the errors in relation to registration and barcoding were rectified; notes furthermore that the Foundation now registers the required documentation to ensure the proper tracing of the correct starting date for the calculation of the assets' depreciation;
4. Acknowledges from the Foundation that the weaknesses in the area of fixed assets registration and accounting were largely due to the transition period towards a new asset accounting system; notes that the deficiencies identified were remedied by the full implementation of the new system and changes in the internal workflows;

Budget and financial management

5. Notes from the Foundation that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 99,50 % and that the payment appropriations execution rate was 78,10 %;

Commitments and carry-overs

6. Notes with concern that the level of committed appropriations carried over to 2014 was high at 35,60 % for Title II (administrative expenditure) and 48,60 % for Title III (operating expenditure);
7. Acknowledges from the Foundation that Title II carry-overs were mainly due to the procurement of IT hardware and software, urgent and unexpected repair works and refurbishment works already contracted and planned for the beginning of 2014, and that Title III carry-overs resulted mainly from multiannual projects for which activities were already implemented, as well as from unplanned carry-overs such as increased budget for several projects with enhanced scope and quality, translation services ordered at year end and late invoicing by contractors;

Procurement and recruitment procedures

8. Notes that neither sampled transactions nor other audit findings have led to any comments on the Foundation's procurement procedures in the Court's report, which contains no comments neither concerning its recruitment procedures;

Prevention and management of conflicts of interests and transparency

9. Acknowledges from the Foundation that it has adopted its conflicts of interests policy during 2014; welcomes the fact that the declarations of interests, as well as CVs of the Director and senior managers, have been published on its website; observes that although the Foundation requested the CVs of the Management Governing Board members and alternates to be published on its website, they are still not publicly available; calls on the Foundation to remedy this deficiency as a matter of urgency;

Internal audit

10. Acknowledges from the Foundation that in 2013 the Commission's Internal Audit Service (IAS) conducted an audit of the two-way communication between the Foundation and its customers and stakeholders, in order to determine whether its objectives are achieved effectively and efficiently; acknowledges that that audit showed that the Foundation's management and control systems were functioning effectively and efficiently; notes that in its audit, the IAS made three recommendations to the Foundation, one of which was marked as 'Very Important';
11. Ascertains from the Foundation that all the recommendations made by the IAS in 2012 and in the previous years had been implemented and were closed by the IAS in January 2014;

Other comments

12. Notes with concern that although the Foundation became operational in 1975, a comprehensive headquarters agreement between the Foundation and the host Member State has not yet been signed;
13. Acknowledges from the Foundation that negotiations with the host Member State have started in February 2014; notes that a draft agreement in which most of the previous contentious matters were resolved was presented to the Foundation and looks forward to the final round of negotiations and the subsequent signing of an agreement which would promote transparency in respect of the conditions under which the Foundation and its staff operate; calls on the Foundation to inform the discharge authority on the outcome of those negotiations;
14. Notes that 2013 was the first year of the Foundation's four-year programme (2013-2016); appreciates the Foundation's activities in this context, providing high-quality, timely and relevant knowledge in order to support policy making which the International Labour Organisation, for example, has used; notes further the improvement in most of the Key Performance Indicators in comparison with 2012;

15. Welcomes the increased contributions of the Foundation to policy development, the greater use of its expertise in key Union policy documents and the growing recognition of the scientific value of the Foundation's research;
 16. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 29 April 2015 ⁽¹⁾ on the performance, financial management and control of the agencies.
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⁽¹⁾ Texts adopted of that date, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU) 2015/1684 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on the closure of the accounts of the European Foundation for the Improvement of Living and Working Conditions for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Foundation for the Improvement of Living and Working Conditions for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Foundation for the Improvement of Living and Working Conditions for the financial year 2013, together with the Foundation's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Foundation in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EEC) No 1365/75 of the Council of 26 May 1975 on the creation of a European Foundation for the Improvement of Living and Working Conditions ⁽⁵⁾, and in particular Article 16 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Employment and Social Affairs (A8-0092/2015),
1. Notes that the final annual accounts of the European Foundation for the Improvement of Living and Working Conditions are as annexed to the Court of Auditors' report;

⁽¹⁾ OJ C 442, 10.12.2014, p. 275.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 139, 30.5.1975, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Approves the closure of the accounts of the European Foundation for the Improvement of Living and Working Conditions for the financial year 2013;
3. Instructs its President to forward this decision to the Director of the European Foundation for the Improvement of Living and Working Conditions, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1685 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of Eurojust for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of Eurojust for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of Eurojust for the financial year 2013, together with Eurojust's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to Eurojust in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Council Decision 2002/187/JHA of 28 February 2002 setting up Eurojust with a view to reinforcing the fight against serious crime ⁽⁵⁾, and in particular Article 36 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A8-0091/2015),
1. Grants the Administrative Director of Eurojust discharge in respect of the implementation of Eurojust's budget for the financial year 2013;

⁽¹⁾ OJ C 442, 10.12.2014, p. 282.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 63, 6.3.2002, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Administrative Director of Eurojust, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of Eurojust for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of Eurojust for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A8-0091/2015),
- A. whereas, according to its financial statements, the final budget of Eurojust for the financial year 2013 was EUR 33 828 256;
- B. whereas the Union's contribution for the financial year 2013 to the Eurojust budget amounted to EUR 32 358 660, representing a decrease of 1,85 % compared to 2012;
- C. whereas the Court of Auditors, in its report on the annual accounts of Eurojust for the financial year 2013 ('the Court's report'), has stated that it has obtained reasonable assurances that Eurojust's annual accounts are reliable and that the underlying transactions are legal and regular;
- D. whereas Eurojust was set up with a view to stepping up the fight against serious organised crime and with the objective of improving the coordination of cross-border investigations and prosecutions between Member States, and also between Member States and third countries;

Follow-up of 2012 discharge

1. Notes from the Court's report that regarding the two comments made in the Court's 2011 report and marked as 'Ongoing' or 'Outstanding' in the Court's 2012 report, corrective actions were taken and one comment is now marked in the Court's 2013 report as 'Completed' and the other one as 'Ongoing'; notes, furthermore, that regarding the two comments made in the Court's 2012 report, corrective actions were also taken and one comment is now marked as 'Completed' and the other one as 'Not Applicable';
2. Acknowledges from Eurojust that it has introduced a number of measures to reduce the automatic carry-overs of commitment appropriations, including a new forecasting report and mandatory 'Expenditure Lifecycle' training for all actors involved in the budget implementation;

Budget and financial management

3. Notes from the Court's report that the level of committed appropriations for the different titles varied between 99 % and 98 % of total appropriations, indicating that legal commitments were made in a timely manner;
4. Takes note of the Court's observations pointing to necessary improvements in budget planning and implementation; points out, at the same time, that the timing of the submission of claims for the reimbursement of joint investigation team costs from Eurojust grants is in the majority of cases directly dependent on the fact that investigative work cannot always be planned in advance and can often continue until the end of the year;
5. Notes, however, in this connection, the reasons identified by the Court and the efforts already made by Eurojust in this respect, in that it has already acted on the Court's guidance and reduced the number of budget lines used in financial year 2014 by 26,4 %;

6. Considers, in general, that Eurojust should pay greater attention to the principle of sound financial management in respect of the budgetary principle of annuality, i.e. to using appropriations economically, efficiently and effectively in carrying out its remit;

Commitments and carry-overs

7. Notes with concern that the level of committed appropriations carried over was high for Title III (Operational expenditure) at EUR 2 341 825 or 32 %; acknowledges that this high level is mainly explained by the handover of internal software management to a new service provider at the year-end;

Transfers

8. Expresses its serious concerns that in 2013 Eurojust made 49 budget transfers, affecting 101 budget lines, proving severe weaknesses in budget planning and implementation and poor management; encourages Eurojust to fulfil its goal to reduce the number of budget lines and to inform the discharge authority on progress in this regard;

Procurement and recruitment procedures

9. Acknowledges from Eurojust that its recruitment procedures were changed following the Court's recommendations; notes that the procedures now ensure that the questions for tests and interviews are prepared before the examination of the applications by the Selection Board and that the weight values between written tests and interviews are defined before the screening of candidates;

Prevention and management of conflicts of interests and transparency

10. Takes note of Eurojust firm intention to review its arrangements for the prevention and management of conflicts of interests on the basis of the Commission's Guidelines on the Prevention and Management of Conflict of Interest in EU Decentralised Agencies;
11. Regrets, however, that the reviewing process was not finalised and doubts of the commitment of Eurojust to implement a strong policy for the prevention and management of conflicts of interests; considers that the failure to adopt an anti-conflict of interests policy prevents any concrete results in this matter;
12. Calls on Eurojust to urgently adopt its revised arrangements for the prevention and management of conflicts of interests, to inform the discharge authority and to make public concrete results by the end of October 2015;
13. Acknowledges from Eurojust that the CVs of the members of its Management Board and its Administrative Director are publicly available on its website; notes that the approval of the templates for the declarations of interests by the Management Board is pending and calls for their adoption by the end of July 2015; calls on Eurojust to inform the discharge authority on the progress made in this regard as soon as possible and urges it to publish the declarations of interests of its staff and experts by the end of October 2015;
14. Concludes with regret that Eurojust failed to undertake any relevant steps for the prevention and management of conflicts of interests and to ensure transparency;

Internal audit

15. Takes note that in 2013 the Commission's Internal Audit Service (IAS) conducted an audit in Eurojust to provide re-assurance that its control systems are adequate to manage material risks;
16. Is concerned that in the course of that risk analysis, the IAS identified certain processes of high inherent risk which could not be considered as auditable within the audit plan as controls assessed were absent or insufficient; notes that Eurojust submitted an action plan to address those weaknesses, which is considered appropriate and will be followed-up by the IAS during its next in-depth risk assessment;

17. Acknowledges that in 2013 the IAS also performed a desk review to follow-up on the implementation of its earlier recommendations; notes that from the two recommendations rated as 'Very Important', the implementation of one of them was delayed in respect to the original plan, while the other one was considered as closed, and that at year-end no critical recommendations were open;

Other comments

18. Notes that in 2011 the Court identified an issue regarding the overlap of responsibilities between the Administrative Director and the College of Eurojust; notes that this issue is still opened, as no corrective measures were taken by the College to reconsider the definition of the respective roles and responsibilities in order to avoid this overlap; calls on Eurojust to inform the discharge authority on the resolution of this issue as a matter of urgency;
19. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 29 April 2015 ⁽¹⁾ on the performance, financial management and control of the agencies.

⁽¹⁾ Texts adopted of that date, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU) 2015/1686 OF THE EUROPEAN PARLIAMENT
of 29 April 2015
on the closure of the accounts of Eurojust for the financial year 2013

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of Eurojust for the financial year 2013,
- having regard to the Court of Auditors' report on the annual accounts of Eurojust for the financial year 2013, together with Eurojust's replies ⁽¹⁾,
- having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council's recommendation of 17 February 2015 on discharge to be given to Eurojust in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
- having regard to Article 319 of the Treaty on the Functioning of the European Union,
- having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
- having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
- having regard to Council Decision 2002/187/JHA of 28 February 2002 setting up Eurojust with a view to reinforcing the fight against serious crime ⁽⁵⁾, and in particular Article 36 thereof,
- having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
- having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
- having regard to Rule 94 of and Annex V to its Rules of Procedure,
- having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A8-0091/2015),

1. Notes that the final annual accounts of Eurojust are as annexed to the Court of Auditors' report;

⁽¹⁾ OJ C 442, 10.12.2014, p. 282.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 63, 6.3.2002, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Approves the closure of the accounts of Eurojust for the financial year 2013;
3. Instructs its President to forward this decision to the Administrative Director of Eurojust, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1687 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the European Police Office for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Police Office for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Police Office for the financial year 2013, together with the Office's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Office in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Council Decision 2009/371/JHA of 6 April 2009 establishing the European Police Office (Europol) ⁽⁵⁾, and in particular Article 43 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A8-0080/2015),
1. Grants the Director of the European Police Office discharge in respect of the implementation of the Office's budget for the financial year 2013;

⁽¹⁾ OJ C 442, 10.12.2014, p. 290.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 121, 15.5.2009, p. 37.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Director of the European Police Office, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Police Office for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the European Police Office for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A8-0080/2015),
- A. whereas, according to its financial statements, the final budget of the European Police Office ('the Office') for the financial year 2013 was EUR 82 520 500, representing a decrease of 1,94 % compared to 2012;
- B. whereas the Court of Auditors ('the Court'), in its report on the annual accounts of the European Police Office for the financial year 2013 ('the Court's report'), has stated that it has obtained reasonable assurances that the Office's annual accounts are reliable and that the underlying transactions are legal and regular;

Follow-up of 2012 discharge

1. Notes from the Court's report that regarding seven comments made in the Court's 2011 report and marked as 'Ongoing' or 'Outstanding' in the Court's 2012 report, corrective actions were taken and four are now marked in the Court's report as 'Completed', one as 'Partially completed' and 'Partially ongoing' and two as 'Not Applicable'; notes furthermore, that as for the six comments made in the Court's 2012 report, corrective actions were taken regarding five comments which are now marked as 'Completed', while one is marked as 'Not Applicable';
2. Acknowledges from the Office that:
 - (a) the validation of its accounting system is considered as closed in the Court's report; notes with concern that the Court still regards the corrective action for authorised exceptions as on-going and calls on the Office to inform the discharge authority about the outcome of the implementation of the corrective action;
 - (b) the implementation of the discharge authority's recommendation on the publication of the number of classified documents processed is on-going, as the Office is seeking the advice of its Security Committee and consulting the originators of the underlying classified information regarding the approach to publish the information; calls on the Office to inform the discharge authority about the progress made in this matter, as well as on the envisaged timeframe in which it should be completed;
 - (c) it provides public information, mainly on its website through which Union citizens have the possibility to subscribe to an automated mailing service of news regarding operational activities;

Comments on the legality and regularity of transactions

3. Notes with concern from the Court's report that the effectiveness of the procurement procedures in the year 2013 was affected by some decisions not being based on sufficiently specific selection criteria or realistic price offers, as well as by not being in accordance with the established professional requirements, although the Office improved the preparation, execution and documentation of procurement procedures over the years; acknowledges from the Office that further to the Court's findings, it has initiated an organisation-wide review of the overall procurement process in 2014, with a view to refining the current internal organisational set-up and the underlying processes; calls on the Office to inform the discharge authority on the outcome of the review and planned improvements to the procurements process;

Budget and financial management

4. Notes that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 98,60 % and that the payment appropriations execution rate was 87,20 %;

Commitments and carry-overs

5. Acknowledges that the level of committed appropriations carried over decreased from 19,64 % in 2012 to 11,60 % in 2013; notes with concern that the level of carry-overs of committed appropriations was still high at 41 % for Title II (administrative expenditure); acknowledges that these carry-overs are mainly related to planned modifications of the building late in the year and other administrative costs for which invoices had not been received at year-end; calls on the Office to increase its efforts to reduce future carry-overs;
6. Takes note that the level of cancelled commitments carried forward recorded in 2013 added up to 8,9 % of the overall amount carried forward, representing a decrease of 8,4 % in comparison to the amount recorded in 2012; notes the corrective actions undertaken by the Office in order to rectify this issue and notes that the Court considers the matter as completed;
7. Ascertains from the Office that following its actions regarding the preparation and assessment of the technical requirements for automatic carry-forwards, no issues were identified by the Court during its 2013 annual audit activities;

Procurement and recruitment procedures

8. Takes note that the Office updated its Recruitment Guidelines and recruitment process description, as well as the related template documentation according to the amended Staff Regulation ⁽¹⁾ which came into effect in 2014; acknowledges that the Office put its new Code of Conduct in force in order to strengthen the transparency and independence of discharging its duties;

Prevention and management of conflicts of interests and transparency

9. Observes that the CVs and declarations of interests of the members of the Management Board and senior management, as well as the declaration of interests of the Director, are not publicly available; calls on the Office to remedy the situation as a matter of urgency;

Internal audit

10. Notes that the Commission's Internal Audit Service (IAS), together with the Office's Internal Audit Function, carried out a full risk assessment in 2013 with regard to the organisation's process landscape, covering administrative, financial, IT and operational dimensions of the Office's activities; acknowledges that following the audit, the report on the outcome of the risk assessment exercise, including a 'Strategic Internal Audit Plan 2014 — 2016', was presented to the Office's Management Board; the report identified recruitment, stakeholder management, procurement and data management including information security as the following audit topics;
11. Takes note from the Office that the IAS followed up the implementation of its earlier recommendations through a desk review and that neither critical nor very important recommendations were open as of 31 December 2013;

Other comments

12. Notes that in line with the Court's guidance as well as the Office's Management Board, it is envisaged that the Europol Pension Fund will be consolidated with the annual accounts of the Office with effect as of 1 January 2016; takes note from the Office that a respective legislative instrument is under preparation in order to allow for the timely implementation of the implied changes;

⁽¹⁾ Regulation (EU, Euratom) No 1023/2013 of the European Parliament and of the Council of 22 October 2013 amending the Staff Regulations of Officials of the European Union and the Conditions of Employment of Other Servants of the European Union (OJ L 287, 29.10.2013, p. 15).

13. Recalls the Court's comment in its 2011 report that the Office's Financial Regulation refers to detailed rules and procedures laid down in the Office's Implementing Rules which have not yet been adopted; urges the Office to take corrective actions in this regard;
 14. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 29 April 2015 ⁽¹⁾ on the performance, financial management and control of the agencies.
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⁽¹⁾ Texts adopted of that date, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU) 2015/1688 OF THE EUROPEAN PARLIAMENT
of 29 April 2015
on the closure of the accounts of the European Police Office for the financial year 2013

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Police Office for the financial year 2013,
- having regard to the Court of Auditors' report on the annual accounts of the European Police Office for the financial year 2013, together with the Office's replies ⁽¹⁾,
- having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Office in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
- having regard to Article 319 of the Treaty on the Functioning of the European Union,
- having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
- having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
- having regard to Council Decision 2009/371/JHA of 6 April 2009 establishing the European Police Office (Europol) ⁽⁵⁾, and in particular Article 43 thereof,
- having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
- having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
- having regard to Rule 94 of and Annex V to its Rules of Procedure,
- having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A8-0080/2015),

1. Notes that the final annual accounts of the European Police Office are as annexed to the Court of Auditors' report;

⁽¹⁾ OJ C 442, 10.12.2014, p. 290.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 121, 15.5.2009, p. 37.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Approves the closure of the accounts of the European Police Office for the financial year 2013;
3. Instructs its President to forward this decision to the Director of the European Police Office, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1689 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the European Union Agency for Fundamental Rights for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Union Agency for Fundamental Rights for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Union Agency for Fundamental Rights for the financial year 2013, together with the Agency's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Council Regulation (EC) No 168/2007 of 15 February 2007 establishing a European Union Agency for Fundamental Rights ⁽⁵⁾, and in particular Article 21 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A8-0093/2015),
1. Grants the Director of the European Union Agency for Fundamental Rights discharge in respect of the implementation of the Agency's budget for the financial year 2013;

⁽¹⁾ OJ C 442, 10.12.2014, p. 301.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 53, 22.2.2007, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Director of the European Union Agency for Fundamental Rights, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Union Agency for Fundamental Rights for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the European Union Agency for Fundamental Rights for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A8-0093/2015),
- A. whereas, according to its financial statements, the final budget of the European Union Agency for Fundamental Rights ('the Agency') for the financial year 2013 was EUR 21 348 510, representing an increase of 4,77 % compared to 2012;
- B. whereas the Court of Auditors ('the Court'), in its report on the annual accounts of the European Union Agency for Fundamental Rights ('the Court's report'), has stated that it has obtained reasonable assurances that the Agency's annual accounts are reliable and that the underlying transactions are legal and regular;

Follow-up of 2012 discharge

1. Notes from the Court's report that for the three comments made in the Court's 2012 report, corrective actions were taken and two out of the three recommendations are marked as 'Completed' while one is marked as 'Not Applicable';
2. Acknowledges from the Agency that:
 - in 2012 the Agency procured cleaning services via cascading framework contracts to two suppliers and due to a clerical error during the evaluation of offers, the ranking of the contractors was incorrect; acknowledges that in line with the reporting to the Court, the contract was cancelled, the ranking corrected and a new contract was signed with the correct winning supplier;
 - the information on the impact of its activities on Union citizens is provided on the Agency's website through multiple tools and through the publication of strategic documents such as the Annual Activity Report;
 - the Agency continues to apply the Commission's whistleblowing guidelines following a decision of its Executive Board; notes that these guidelines will be replaced as soon as the Agency adopts the Regulatory Agencies' model guidelines on whistleblowing;
 - the cooperation agreements on closer coordination were established with the European Foundation for the Improvement of Living and Working Conditions, the United Nations, the European Asylum Support Office, the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union, the European University Institute, the European Institute for Gender Equality and the Council of Europe;

Budget and financial management

3. Notes that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 100 % and that the payment appropriations execution rate was 70,27 %, representing a decrease of 11 % compared to 2012; acknowledges from the Court's report that the high overall level of committed appropriations indicated that commitments were made in a timely manner;

Commitments and carry-overs

4. Notes with concern that the level of committed appropriations carried over to 2014 was high at 27 % for Title II (administrative expenditure) and at 69 % for Title III (operating expenditure); acknowledges that the carry-overs under Title II mainly relate to the planned purchase of IT goods and services; acknowledges furthermore that the carry-overs under Title III mainly reflect the multiannual nature of the Agency's operational projects, where payments are made according to a planned schedule; ascertains from the Agency that the fact that the level of cancellations is less than 2 % is an indication of good planning and the good management of carry-overs;

Procurement and recruitment procedures

5. Notes that for the year 2013, neither sampled transactions nor other audit findings have led to any comments on the Agency's procurement procedures in the Court's report; notes furthermore that the Court made no comments as regards the Agency's recruitment procedures in its report;

Prevention and management of conflicts of interests and transparency

6. Acknowledges from the Agency that it has adopted provisional rules before the adoption of its reviewed policy on the prevention and management of conflicts of interests, on the basis of the Commission's Guidelines on the Prevention and Management of Conflicts of Interest in EU Decentralised Agencies; notes that the Agency is in the process of harmonising the rules concerning its Management Board and needs to adopt the rules regarding its staff; calls on the Agency to inform the discharge authority about the review and harmonisation results once available;
7. Reiterates the request to all agencies and joint undertakings to systematically annex a standardised template regarding the publication of their final annual accounts which shall include the data presented in their reports on the implementation of the budget and in their reports on the budgetary and financial management; urges the Agency to harmonise the presentation of its annual accounts with those of other Union Agencies;
8. Acknowledges that each member of the Selection Committee involved in the recruitment procedure has to sign a Declaration of Absence of Conflict of Interests and Confidentiality;

Internal audit

9. Notes that the Commission's Internal Audit Service (IAS) carried out a risk assessment exercise in order to establish the new IAS strategic audit plan 2013-2015; acknowledges that following the risk assessment, all the processes were perceived by the IAS as satisfactorily controlled and that no process was placed in the high risk area; ascertains from the Agency that its Management Board endorsed the IAS strategic audit plan in May 2013;
10. Takes note that the IAS performed the audit on human resources management in September 2013, with the audit objective set to assess and provide an independent assurance on the adequacy and effectiveness of the internal control system on human resources management; notes that, following the audit, the IAS raised six recommendations, two of which were rated as 'Very Important' and four as 'Important'; notes furthermore that the Agency submitted an overall action plan which was accepted by the IAS with the aim of mitigating the issues found and that the Agency is undertaking actions on all the recommendations;
11. Notes that the IAS performed a limited review on contract management in October 2013, which produced three recommendations, one of which was rated as 'Very Important' and two as 'Important'; notes furthermore that the Agency submitted an overall action plan, which was accepted by the IAS, with the aim of mitigating the issues on contract management and that the Agency is taking action on all the recommendations;
12. Acknowledges that in 2013 the IAS followed up the implementation of its earlier recommendations through a desk review and that it found no recommendations open as of year-end;

13. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 29 April 2015 ⁽¹⁾ on the performance, financial management and control of the agencies.
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⁽¹⁾ Texts adopted of that date, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU) 2015/1690 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on the closure of the accounts of the European Union Agency for Fundamental Rights for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Union Agency for Fundamental Rights for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Union Agency for Fundamental Rights for the financial year 2013, together with the Agency's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Council Regulation (EC) No 168/2007 of 15 February 2007 establishing a European Union Agency for Fundamental Rights ⁽⁵⁾, and in particular Article 21 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A8-0093/2015),
1. Notes that the final annual accounts of the European Union Agency for Fundamental Rights are as annexed to the Court of Auditors' report;

⁽¹⁾ OJ C 442, 10.12.2014, p. 301.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 53, 22.2.2007, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Approves the closure of the accounts of the European Union Agency for Fundamental Rights for the financial year 2013;
3. Instructs its President to forward this decision to the Director of the European Union Agency for Fundamental Rights, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1691 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union for the financial year 2013, together with the Agency's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Council Regulation (EC) No 2007/2004 of 26 October 2004 establishing a European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union ⁽⁵⁾, and in particular Article 30 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A8-0094/2015),
1. Grants the Executive Director of the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union discharge in respect of the implementation of the Agency's budget for the financial year 2013;

⁽¹⁾ OJ C 442, 10.12.2014, p. 308.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 349, 25.11.2004, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Executive Director of the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A8-0094/2015),
- A. whereas, according to its financial statements, the final budget of the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union ('the Agency') for the financial year 2013 was EUR 93 950 000, representing an increase of 4,88 % compared to 2012,
- B. whereas, according to its financial statements, the overall contribution of the Union to the Agency's budget for 2013 amounted to EUR 85 500 000, representing an increase of 1,79 % compared to 2012,
- C. whereas the Court of Auditors, in its report on the annual accounts of the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union for the financial year 2013 ('the Court's report'), has stated that it has obtained reasonable assurances that the Agency's annual accounts are reliable but could not obtain sufficient appropriate audit evidence on the legality and regularity of the underlying transactions,

Follow-up of 2012 discharge

1. Notes from the Court's report that regarding the four comments made in the Court's 2011 report and marked as 'Ongoing' in the Court's 2012 report, corrective actions were taken and one comment is now marked in the Court's 2013 report as 'Completed' while the other three are still marked as 'Ongoing'; notes furthermore that regarding the six comments made in the Court's 2012 report, corrective actions were also taken and three comments are now marked as 'Completed' and the other three as 'Ongoing';
2. Acknowledges from the Agency that:
 - several measures were put in place to manage and prevent situations of conflicts of interests including the development of a detailed disciplinary procedure; calls on the Agency to inform the discharge authority on whether or not a specific policy for the prevention and management of conflicts of interests based on the Commission's guidelines will be adopted,
 - the results and the impact of the Agency's work on Union citizens are made publicly available on the Agency's website, mainly through its annual activity report, but also through contacts with the media and civil society organisations,
 - the recruitment procedures examined showed significant shortcomings affecting transparency and the equal treatment of candidates; welcomes the fact that the Agency has implemented procedures aiming to reduce those shortcomings;

Basis for a qualified opinion on the legality and regularity of the underlying transactions

3. Regrets that for 2 consecutive years, the Court found no reasonable assurances as to the legality and regularity of the Agency's transactions; notes that in order to verify the expenditure claimed by the cooperating countries, the Agency performed the reasonableness checks prior to payment for joint return operations and joint land/sea/air operations; expresses its deep concern that for the grant agreements signed before June 2013, the Agency did not usually request documentation supporting the cooperating countries' entitlements; stresses the need for the effective analysis of the use of Union funds in joint land/sea/air operations;
4. Notes that the majority of 2013 transactions resulted from grant agreements signed before June 2013; notes furthermore that 2013 grant transactions were not subject to *ex post* controls as only the grants relating to transactions from previous years are subject to such controls;
5. Notes with concern that due to a lack of sufficient and appropriate evidence on the effectiveness of *ex ante* and *ex post* verifications in the 2013 grant transactions, the Court found insufficient insurance as to the legality and regularity of the 2013 grant transactions related to joint land/sea/air operations;
6. Welcomes the introduction of a reinforced and more comprehensive system of *ex ante* verifications which was introduced for grant agreements signed after June 2013 as acknowledged by the Court; notes furthermore from the Agency that the statistical sample used by the Court in its 2013 audit did not include transactions falling under the reinforced *ex ante* control system; calls on the Agency to provide the discharge authority with a report on *ex post* verifications undertaken under the improved verification system and with a detailed analysis of the system's improvements;

Qualified opinion on the legality and the regularity of the underlying transactions

7. Notes that according to the Court, except for the matters described above, the transactions underlying the annual accounts for the financial year 2013 are legal and regular in all material respects;

Comments on the reliability of accounts

8. Expresses concern that according to the Court's report, the suppliers' statements at year-end were reconciled with considerable difficulty; points out the need to monitoring supplier balances more regularly and to analyse differences in a timelier manner;
9. Takes note from the Agency, however, that the reconciliation process is a lengthy and time consuming exercise, requiring cooperation and accounting information systems on both sides; acknowledges, furthermore, that most of the public entities which cooperate with the Agency have neither centralised accounting systems nor implement accrual based accounting; acknowledges that the Agency launched an additional reconciliation exercise in 2014 in order to improve the quality of the reconciliation;

Prevention and management of conflicts of interests

10. Regrets that the Agency did not adopt a clear, comprehensive and objective policy for the prevention and management of conflicts of interests; acknowledges that even though the Agency has not yet signed its headquarters agreement, this does not prevent it from adopting internal laws, codes and guidelines that state the necessary definitions, principles and essential requirements for a policy on conflicts of interests; urges the Agency, in addition, to take concrete steps in order to resolve and manage cases concerning conflicts of interests; calls on the Agency to adopt those measures until the end of September 2015 and to inform the discharge authority on the concrete outcome of its conflicts of interests policy;
11. Acknowledges that the Agency is operational since 2005 and has still not published any CVs and declarations of interests of the members of the Management Board, staff and experts; stresses the need for the publication of those documents that would enable the identification and disclosure of private interests, which could potentially conflict with the duties of the officials;

12. Urges the Agency to proceed with a rapid, complete and in-depth disclosure of CVs and declarations of interests until the end of September 2015;
13. Calls on the Agency to adopt comprehensive policies for the management of situations concerning conflicts of interests such as the divestment of the interest by a public official, recusal of the public official from involvement in an affected decision-making process, restriction of access by the affected public official to particular information, re-arrangement of the public official's duties or resignation of the public official from his office;

Budget and financial management

14. Notes that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 97,75 %, and that the payment appropriations execution rate was 63,98 %;

Commitments and carry-overs

15. Is concerned that EUR 32 million, or 35 % of committed appropriations in 2013, were carried over to 2014; acknowledges from the Court's report that the multiannual nature of the Agency's operations and the heightened risk of unexpected events represent a particular challenge in respect of annual budget planning and implementation and that late amending budgets remain beyond the Agency's control; points out, however, that there is still scope to improve budget monitoring in order to help reduce the level of carry-overs; asks the Agency to take swift actions aimed at improving control over the financing of its operational multiannual activities;
16. Takes note that the carry-overs include global commitments of EUR 5 200 000, which is the leftover balance of an additional subsidy of EUR 8 200 000; notes that the subsidy was made available by the budgetary authorities towards the end of 2013 to deal with unexpected and urgent operational needs; observes that the Agency's Financial Regulation does not provide a clear basis for such carry-overs although the global commitment was made to cover the related operations in 2014; regrets that the Agency's Financial Regulation, which follows the revised Framework Financial Regulation, remains vague in this matter, even after its revision in 2013;

Transfers

17. Notes from the Court's report that 20 budgetary transfers amounting to EUR 12 200 000 were made in 2013; acknowledges that this is partly due to the fact that funds needed for operations had been transferred from other budget lines until additional subsidies were made available; acknowledges furthermore that the Agency reduced the number of transfers compared to 2012 by 30 % and will continue its efforts; observes that the operational needs will continue to steer the allocation of appropriations to the budget lines most in need;

Internal audit

18. Takes note that the Commission's Internal Audit Service (IAS) did not carry out any new audit engagement in the Agency in 2013; notes furthermore that the IAS followed up the status of implementation of the accepted recommendations from the IAS Audits on 'Grant Management' and 'Operational planning based on internal and external stakeholders input'; acknowledges that the IAS concluded that out of the five recommendations reported as ready for review, four are adequately implemented and one 'Very Important' recommendation stemming from the audit on 'Grant Management' (2009) is downgraded to 'Important';

Other comments

19. Notes that although the Agency became operational as early as in 2005 to present it has only worked on the basis of correspondence and exchanges with the host Member State rather than a comprehensive headquarters agreement between the Agency and the host Member State, which has never been signed; agrees therefore with the Court that such an agreement would further promote transparency in respect of the conditions under which the Agency and its staff operate; asks the authorities of the host Member State to remedy the situation and calls on the Agency to include the implications of the missing agreement in its next annual activity report;

20. Acknowledges from the Agency that its repeated requests to the authorities of its host Member State were unsuccessful and that the entry into force of Regulation (EU) No 1168/2011 of the European Parliament and of the Council ⁽¹⁾ in December 2011 did not change the situation; notes from the Agency that the authorities of the host Member State recently expressed willingness to start negotiations and that exchanges are under way; calls on the Agency to provide the discharge authority with an update on the state of play of the negotiations;
 21. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its Resolution of 29 April 2015 ⁽²⁾ on the performance, financial management and control of the agencies.
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⁽¹⁾ Regulation (EU) No 1168/2011 of the European Parliament and of the Council of 25 October 2011 amending Council Regulation (EC) No 2007/2004 establishing a European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union (OJ L 304, 22.11.2011, p. 1).

⁽²⁾ Texts adopted of that date, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU) 2015/1692 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on the closure of the accounts of the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union for the financial year 2013, together with the Agency's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Council Regulation (EC) No 2007/2004 of 26 October 2004 establishing a European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union ⁽⁵⁾, and in particular Article 30 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A8-0094/2015),
1. Notes that the final annual accounts of the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union are as annexed to the Court of Auditors' report;

⁽¹⁾ OJ C 442, 10.12.2014, p. 308.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 349, 25.11.2004, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Approves the closure of the accounts of the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union for the financial year 2013;
3. Instructs its President to forward this decision to the Executive Director of the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1693 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the European GNSS Agency for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European GNSS Agency for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European GNSS Agency for the financial year 2013, together with the Agency's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EU) No 912/2010 of the European Parliament and of the Council of 22 September 2010 setting up the European GNSS Agency, repealing Council Regulation (EC) No 1321/2004 on the establishment of structures for the management of the European satellite radio navigation programmes and amending Regulation (EC) No 683/2008 of the European Parliament and of the Council ⁽⁵⁾, and in particular Article 14 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0095/2015),
1. Grants the Executive Director of the European GNSS Agency discharge in respect of the implementation of the Agency's budget for the financial year 2013;

⁽¹⁾ OJ C 442, 10.12.2014, p. 318.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 276, 20.10.2010, p. 11.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this Decision, and the resolution forming an integral part of it, to the Executive Director of the European GNSS Agency, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European GNSS Agency for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the European GNSS Agency for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0095/2015),
- A. whereas, according to its financial statements, the final budget of the European GNSS Agency ('the Agency') for the financial year 2013 was EUR 80 449 967, representing a decrease of 23,76 % compared to 2012,
- B. whereas according to its financial statements, the contribution of the Union to the Agency's budget for 2013 amounted to EUR 13 973 518, representing an increase of 9,69 % compared to 2012,
- C. whereas the Court of Auditors, in its report on the annual accounts of the European GNSS Agency for the financial year 2013 ('the Court's report'), has stated that it has obtained reasonable assurances that the Agency's annual accounts are reliable and that the underlying transactions are legal and regular,

Follow-up of 2012 discharge

1. Notes from the Court's report that regarding one comment made in the Court's 2011 report and marked as 'Ongoing' in the Court's 2012 report, corrective actions were taken and the comment is now marked as 'Completed'; notes furthermore that regarding the two comments made in the Court's 2012 report, one corrective action was taken and that comment is now marked as 'Completed' while the other one is marked as 'Not Applicable';
2. Deeply regrets that the Agency did not reply to the discharge authority's questionnaire on the prevention and management of conflicts of interests; calls upon the Agency to adopt a policy of prevention and management of conflicts of interests as a matter of urgency and to develop and implement comprehensive independence policies and procedures until the end of September 2015; urges the Agency to inform the discharge authority on the progress made and on the time-frame set out for its completion;
3. Notes with concern that the Agency has still not published any CVs and declarations of interests of the Executive Director, the Administrative Board or senior management, despite the 2014 recommendation of the discharge authority; calls upon the Agency to remedy this situation as a matter of urgency until the end of September 2015;
4. Notes that the Agency failed to sufficiently answer the question of the discharge authority concerning the cost-effective and environment-friendly solutions for its work place; calls on the Agency to inform the discharge authority about this matter;

Comments on the legality and regularity of transactions

5. Acknowledges that the Agency is in charge of organising and managing the exploitation of the European Geostationary Navigation Overlay Service (EGNOS); notes that on the basis of a delegation agreement with the Commission, the Agency signed in 2013 a contract for the exploitation of EGNOS for the 2014 to 2021 period for an amount of some EUR 588 million; is concerned that although the competitiveness of the procedure is not called into question by the Court, an eligibility criterion applied in the first phase of the procurement procedure, excluding applications from consortia, was not in accordance with the rules on implementation of the Financial Regulation;

Budget and financial management

6. Notes that budget monitoring efforts during the financial year 2012 resulted in an overall level of committed appropriations rate close to 100 % and that the payment appropriations execution rate was 80,53 %;

Commitments and carry-overs

7. Notes with concern that the level of committed appropriations carried over was high for Title II (Administrative expenditure), amounting to EUR 1 800 000 or 52 %; acknowledges that the main factors contributing to this high level are specific contracts signed at year-end amounting to EUR 900 000, due to a late approval of an amending budget in September 2013; notes furthermore that some EUR 400 000 relate to services supplied but not invoiced in 2013;
8. Expresses disappointment about the poor management that resulted in a very high rate of carry-over appropriations; urges the Agency to take note of this and to redress the management strategy that led to these severe mistakes;

Transfers

9. Notes that according to the Agency's annual activity report, as well as the Court's report, the level and nature of transfers in 2013 have remained within the limits of the Agency's financial rules;

Procurement and recruitment procedures

10. Notes that for 2013, neither sampled transactions nor other audit findings have led to any comments on the Agency's procurement procedures in the Court's report;
11. Acknowledges the introduction of a 65 % threshold as the necessary score a candidate has to obtain in order to be invited to an interview; calls on the Agency to take into account the situation where one or more candidates have scored the same amount of points; asks the Agency to lay down a clear policy to declare the eligibility of the candidates and to specify the minimum and maximum number of candidates who will be invited to the interview in accordance with objective and transparent criteria; urges the Agency to adopt those internal rules until the end of September 2015 and to inform the discharge authority of the follow-up results;
12. Expresses concern about the Appointing Authority's discretionary powers to oblige a successful candidate to sit a second interview; calls on the Agency to publish the criteria used by the Appointing Authority, which must be clear and comprehensive, for justifying the organisation of a second interview and the official appointment of a candidate on the reserve list to the post;

Internal audit

13. Acknowledges that in 2013, the Commission's Internal Audit Service (IAS) carried out an audit in accordance with its Strategic Audit Plan for 2013-2015; notes furthermore that the IAS carried out an operational risk assessment which resulted in the IAS Strategic Internal Audit Plan for the Agency, listing the proposed audit topics for 2014-2016;
14. Observes that in the course of the risk analysis, the IAS identified certain processes of high inherent risk which could not be considered as auditable within the audit plan, as the controls were assessed as absent or insufficient;
15. Takes note that the IAS performed a follow-up desk review on the implementation of its previous recommendations; notes that neither 'Very important' nor 'Critical' recommendations were open as of 31 December 2013;

16. Acknowledges that in 2013 the IAS carried out an audit on Human Resources Management in the Agency; takes note that it covered the key areas of human resources management, with focus on recruitment, staff appraisal and development, supervision and control as well as on planning and resource allocation; ascertains from the IAS that the management and control system in place at the Agency provides reasonable assurance concerning compliance with the applicable legal framework and internal procedures;

Other comments

17. Welcomes the measures taken by the Agency with regard to visibility and encourages it to continue to apply those good practices;
18. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its Resolution of 29 April 2015 ⁽¹⁾ on the performance, financial management and control of the agencies.

⁽¹⁾ Texts adopted of that date, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU) 2015/1694 OF THE EUROPEAN PARLIAMENT
of 29 April 2015
on the closure of the accounts of the European GNSS Agency for the financial year 2013

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European GNSS Agency for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European GNSS Agency for the financial year 2013, together with the Agency's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EU) No 912/2010 of the European Parliament and of the Council of 22 September 2010 setting up the European GNSS Agency, repealing Council Regulation (EC) No 1321/2004 on the establishment of structures for the management of the European satellite radio navigation programmes and amending Regulation (EC) No 683/2008 of the European Parliament and of the Council ⁽⁵⁾, and in particular Article 14 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0095/2015),
1. Notes that the final annual accounts of the European GNSS Agency are as annexed to the Court of Auditors' report;

⁽¹⁾ OJ C 442, 10.12.2014, p. 318.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 276, 20.10.2010, p. 11.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Approves the closure of the accounts of the European GNSS Agency for the financial year 2013;
3. Instructs its President to forward this decision to the Executive Director of the European GNSS Agency, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1695 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the Clean Sky Joint Undertaking for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the Clean Sky Joint Undertaking for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the Clean Sky Joint Undertaking for the financial year 2013, together with the Joint Undertaking's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the joint undertaking in respect of the implementation of the budget for the financial year 2013 (05306/2015 — C8-0049/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 209 thereof,
 - having regard to Council Regulation (EC) No 71/2008 of 20 December 2007 setting up the Clean Sky Joint Undertaking ⁽⁵⁾,
 - having regard to Council Regulation (EC) No 558/2014 of 6 May 2014 establishing the Clean Sky 2 Joint Undertaking ⁽⁶⁾, and in particular Article 1(2) and Article 12 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁷⁾,
 - having regard to Commission Delegated Regulation (EU) No 110/2014 of 30 September 2013 on the model financial regulation for public-private partnership bodies referred to in Article 209 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁸⁾,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0107/2015),
1. Grants the Executive Director of the Clean Sky 2 Joint Undertaking discharge in respect of the implementation of the Clean Sky Joint Undertaking's budget for the financial year 2013;

⁽¹⁾ OJ C 452, 16.12.2014, p. 17.

⁽²⁾ OJ C 452, 16.12.2014, p. 18.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 30, 4.2.2008, p. 1.

⁽⁶⁾ OJ L 169, 7.6.2014, p. 77.

⁽⁷⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁸⁾ OJ L 38, 7.2.2014, p. 2.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this decision and the resolution forming an integral part of it to the Executive Director of the Clean Sky 2 Joint Undertaking, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget for the Clean Sky Joint Undertaking for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the Clean Sky Joint Undertaking for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0107/2015),
- A. whereas the Clean Sky Joint Undertaking ('the Joint Undertaking') was set up in 2007 for a period of 10 years to accelerate the development, validation and demonstration of clean air transport technologies in the Union for the earliest possible deployment,
- B. whereas the Joint Undertaking started to work autonomously on 16 November 2009,
- C. whereas the Joint Undertaking's founding members are the Union, represented by the Commission, and industrial partners such as the leaders of the 'Integrated Technology Demonstrators' (ITDs), together with the associate members of the ITDs,
- D. whereas the maximum contribution for the period of 10 years from the Union to the Joint Undertaking is EUR 800 000 000 to be paid from the budget of the Seventh Research Framework Programme and other members of the Joint Undertaking are to contribute resources at least equal to the Union's contribution, including in-kind contributions,
- E. whereas the Joint Undertaking has involved from the start of its operations more than 600 participants in its Programme and has led to new collaborations and to the participation of new organisations,
- F. whereas small and medium-sized enterprises (SMEs) have participated very extensively in the Programme with approximately 40 % of the budget for proposals allocated to them,

Budgetary and Financial Management

1. Notes that the Court of Auditors ('the Court') stated that the 2013 annual accounts of the Joint Undertaking fairly present, in all material respects, its financial position as of 31 December 2013 and the results of its operations and its cash flows for the year-end, in accordance with the provisions of its Financial Rules;
2. Notes that the Court, in its report on the Joint Undertaking's annual accounts ('the Court's report'), indicated that the transactions underlying the annual accounts are legal and regular in all material aspects;
3. Takes note that the Joint Undertaking's final 2013 amending budget comprised commitment appropriations of EUR 250 400 000 and payment appropriations of EUR 158 200 000; notes furthermore that the commitment appropriations utilisation rate was 90,6 % while the rate for payment appropriations was 87,7 %;
4. Notes with concern that the lower rate for payment appropriations still reflects delays in budget implementation, although the rate improved in comparison to the previous year (75 %); acknowledges that these issues mainly result from the delays in the implementation of activities as well as the length of time that elapses between the publication of calls for proposals and the signature of grant agreements; notes in this regard that as of December 2013, only 14 out of the 38 grant agreements had been signed, with an average signature time of 9 months from the time of the call and 5 months from the end of the negotiations;

5. Acknowledges from the Court's report that in accordance with the Joint Undertaking's establishing regulation, the members of the Joint Undertaking other than the Commission shall contribute resources of at least EUR 600 000 000, including their contributions to cover running costs; points out that at the time of the Court's audit, the contribution committed by the Union amounted to EUR 713 000 000 while the resources from the members amounted to EUR 409 000 000; calls on the Joint Undertaking to submit a report to the discharge authority concerning the contributions of all members, other than the Commission, including the application of the evaluation rules, together with an assessment by the Commission;

Internal control systems

6. Acknowledges the Court's opinion that the Joint Undertaking continued to improve its management, administrative, financial and accounting procedures during 2013 and notes in this regard the completion of the 'Grant management tool (GMT tool)'; calls on the Joint Undertaking to finish the integration of the GMT tool as well as to integrate into the tool the full information related to *ex post* audit exercises;
7. Notes that several weaknesses were identified when the GMT tool was tested by the accounting officer; agrees with the Court's recommendation that follow-up on resolving these weakness is needed, in particular regarding the function used to enter comments made by the financial and verifying officers, as this function is essential to the validation procedure; notes that several developments of GMT have been implemented by the Joint Undertaking in the first half of 2014 and other developments of the system are planned;
8. Notes that the *ex ante* control on activities performed by the Joint Undertaking's members identified one case when, contrary to the provisions of the Joint Undertaking's financial rules and its manual of procedures, the same staff member performed the procedure for validating the commitment in the capacity of both verifying agent and authorising officer; notes furthermore that one payment was made under the conditions described above; acknowledges that the Joint Undertaking has updated the financial back-up system by introducing new actors to perform the roles of financial verifier and authorising officer, and that the initiation and verification/authorisation functions are kept separate; notes moreover a second case identified by the *ex ante* control in which the technical assessment report was not available in the GMT tool;
9. Notes with concern from the Court's report that a series of weaknesses were identified in respect of the *ex ante* control of cost claims submitted by the Joint Undertaking's partners, such as:
 - (a) the *ex ante* controls for cost claims checklists were not always complete;
 - (b) in one case the financial and operational verification tasks and authorisation were performed by the same staff member, as well as three other cases where the tasks of the financial and authorisation officers were performed by the same staff member; notes with concern that these cases are contrary to the provisions of the financial procedures and the principle of segregation of duties;
 - (c) in another case a grant agreement with the partner was signed 5 months after the activities had started, as approved in the negotiation report and in the grant agreement, but in the absence of the requisite declaration justifying the need to begin activities prior to the signature of the grant agreement; notes the important results achieved in relation to the management of grant agreement for Partners in the year 2013 where a total of 106 new grant agreements for Partners were signed, a total of 99 negotiations for new grant agreements with Partners were successfully finalised, a total of 106 amendments of on-going grants were signed and a total of 105 payments were made to Partners;
 - (d) out of 163 cost claims as of 31 December 2013, 56 had not been submitted; is deeply concerned that 15 of the 56 have delays exceeding 1 year;
10. Acknowledges from the Joint Undertaking that the cases of the absence of segregation of duties were exceptional cases caused by the absence of other available actors able to perform the duties;
11. Takes note that during 2013, in cooperation with the external audit firm, the internal auditor started an audit of the Joint Undertaking's business processes related to 'Coordination and monitoring of the ITD activities' and 'Management of the Partners' activities';

12. Ascertains that as a result of the Commission's Internal Audit Service (IAS) observations with regard to Grant Management — Annual Planning, the Joint Undertaking adopted an action plan in March 2013 which, at the time of the audit, was not fully implemented; points out that the main observations in the IAS report concern delays in the implementation of the programme, budget underspending and difficulties in evaluating resource consumption;
13. Acknowledges that on 14 March 2014 the IAS presented the results of the audit concerning the adequacy and effectiveness of the internal control system, with regard to Grant Management and its financial implementation; notes the IAS conclusions that internal control systems in place give reasonable assurances as to the achievement of the business objectives set by the Joint Undertaking for Grant Management and its financial implementation; notes furthermore four important observations and two very important observations concerning the formalisation of the procedure for validating project deliverables, as well as needed improvements to the consolidated *ex ante* validation and checklists;
14. Notes in addition that the IAS performed an IT risk assessment of the common IT infrastructure that the Joint Undertaking shares with the FCH, IMI, ENIAC and Artemis Joint Undertakings;
15. Acknowledges that the mission charter of the IAS was adopted by the Governing Board on 31 March 2011; notes that the Joint Undertaking's financial rules have not yet been amended to include the provisions of the framework Financial Regulation ⁽¹⁾ referring to the powers of the Commission's internal auditor due to the pending adoption of Regulation (EU) No 110/2014 on the model financial regulation for public-private partnership bodies referred to in Article 209 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council which entered into force only on 8 February 2014;
16. Acknowledges that the Seventh Framework Programme Decision ⁽²⁾ (FP7 Decision) establishes a monitoring and reporting system related to the protection, dissemination and transfer of search results; notes with concern that the procedures related to the monitoring and reporting system developed by the Joint Undertaking do not fully meet the provisions of the FP7 Decision as regards the dissemination of the research results and their integrations in the Commission's systems; calls on the Joint Undertaking to resolve this issue as a matter of urgency;
17. Notes that between March and October 2013 the Commission carried out the Joint Undertaking's Second Interim Evaluation and assessed it in terms of effectiveness, efficiency and research quality;
18. Is concerned that the report from the interim evaluation produced several recommendations regarding the inadequate number of technical staff to carry out its activities, the need to harmonise progress activity reports and technical evaluations reports across the Joint Undertaking's ITD members, as well as the need for improvements in the procedures for selecting subcontractors; notes furthermore that in order to improve overall compliance and performance, the Joint Undertaking should better document the course of Grant Agreements;
19. Acknowledges that the Joint Undertaking's Executive Director adopted its business continuity plan on 29 November 2013 which covers disaster recovery, immediate steps to be taken thereafter, recovery arrangements and the maintenance of activities;

Legal Framework

20. Takes into consideration that the new Financial Regulation applicable to the general budget of the Union was adopted on 25 October 2012 and took effect on 1 January 2013 while Regulation (EU) No 110/2014 did not enter into force until 8 February 2014; acknowledges that the Financial Rules of the Joint Undertaking have been amended to take into account Regulation (EU) No 110/2014 on 3 July 2014;

Other comments

21. Notes the Joint Statement by the Parliament, the Council and the Commission ⁽³⁾ and the subsequent political agreement reached on the separate discharge for Joint Undertakings under Article 209 of the Financial Regulation;

⁽¹⁾ Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities (OJ L 357, 31.12.2002, p. 72).

⁽²⁾ OJ L 412, 30.12.2006, p. 1.

⁽³⁾ OJ L 163, 29.5.2014, p. 21.

22. Calls on the Court to present a complete and appropriate financial assessment of the rights and obligations of the Joint Undertaking for the period up to the date of Clean Sky 2 Joint Undertaking starting activity;
 23. Calls on the Joint Undertaking to submit a report to the discharge authority on the social-economic benefits of the already completed projects; calls for that report to be submitted to the discharge authority together with an assessment by the Commission;
 24. Takes note that in December 2013 the Joint Undertaking adopted the Code of Conduct for the prevention and mitigation of conflicts of interest which is applicable to private members of the Governing Board; is concerned that the adoption of the Code of Conduct corresponding to staff members and other actors, including experts, was still pending at the time of the audit; points out that the Joint Undertaking did not develop a database to record conflicts of interest, incompatibilities, declarations and related documents;
 25. Observes with concern that the obligation to publish CVs and Declaration of Interests is not applicable to staff members and experts; calls upon the Joint Undertaking to also extend this obligation to staff members and experts; urges the Joint Undertaking to provide a track record of all the resolved conflict of interest cases until the end of September 2015;
 26. Requests the Joint Undertaking to adopt comprehensive policies for the management of conflict of interest situations such as divestment of the interest by the public official, recusal of the public official from involvement in an affected decision-making process, restriction of access by the affected public official to particular information, rearrangement of the public official's duties or resignation of the public official from their office until the end of September 2015;
 27. Recalls that the discharge authority has previously requested the Court to draw up a special report on the capacity of the joint undertakings, together with their private partners, to ensure added value and efficient execution of Union research, technological development and demonstration programmes;
 28. Believes, where appropriate, that links between the Joint Undertaking and the SESAR Joint Undertaking should be strengthened, invites the Commission to work with both joint undertakings in order to improve the communication and reinforce synergies and complementarities, ensuring at the same time that there is no risk of overlapping between the activities of the two joint undertakings in question.
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DECISION (EU) 2015/1696 OF THE EUROPEAN PARLIAMENT
of 29 April 2015
on the closure of the accounts of the Clean Sky Joint Undertaking for the financial year 2013

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the Clean Sky Joint Undertaking for the financial year 2013,
- having regard to the Court of Auditors' report on the annual accounts of the Clean Sky Joint Undertaking for the financial year 2013, together with the Joint Undertaking's replies ⁽¹⁾,
- having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the joint undertaking in respect of the implementation of the budget for the financial year 2013 (05306/2015 — C8-0049/2015),
- having regard to Article 319 of the Treaty on the Functioning of the European Union,
- having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
- having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 209 thereof,
- having regard to Council Regulation (EC) No 71/2008 of 20 December 2007 setting up the Clean Sky Joint Undertaking ⁽⁵⁾,
- having regard to Council Regulation (EC) No 558/2014 of 6 May 2014 establishing the Clean Sky 2 Joint Undertaking ⁽⁶⁾, and in particular Article 1(2) and Article 12 thereof,
- having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁷⁾,
- having regard to Commission Delegated Regulation (EU) No 110/2014 of 30 September 2013 on the model financial regulation for public-private partnership bodies referred to in Article 209 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁸⁾,
- having regard to Rule 94 of and Annex V to its Rules of Procedure,
- having regard to the report of the Committee on Budgetary Control (A8-0107/2015),

1. Approves the closure of the accounts of the Clean Sky Joint Undertaking for the financial year 2013;

⁽¹⁾ OJ C 452, 16.12.2014, p. 17.

⁽²⁾ OJ C 452, 16.12.2014, p. 18.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 30, 4.2.2008, p. 1.

⁽⁶⁾ OJ L 169, 7.6.2014, p. 77.

⁽⁷⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁸⁾ OJ L 38, 7.2.2014, p. 2.

2. Instructs its President to forward this decision to the Executive Director of the Clean Sky 2 Joint Undertaking, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1697 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the Fuel Cells and Hydrogen Joint Undertaking for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the Fuel Cells and Hydrogen Joint Undertaking for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the Fuel Cells and Hydrogen Joint Undertaking for the financial year 2013, together with the Joint Undertaking's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the joint undertaking in respect of the implementation of the budget for the financial year 2013 (05306/2015 — C8-0049/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 209 thereof,
 - having regard to Council Regulation (EC) No 521/2008 of 30 May 2008 setting up the Fuel Cells and Hydrogen Joint Undertaking ⁽⁵⁾,
 - having regard to Council Regulation (EC) No 559/2014 of 6 May 2014 establishing the Fuel Cells and Hydrogen 2 Joint Undertaking ⁽⁶⁾, and in particular Article 1(2) and Article 12 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁷⁾,
 - having regard to Commission Delegated Regulation (EU) No 110/2014 of 30 September 2013 on the model financial regulation for public-private partnership bodies referred to in Article 209 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁸⁾,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0112/2015),
1. Grants the Executive Director of the Fuel Cells and Hydrogen 2 Joint Undertaking discharge in respect of the implementation of the Fuel Cells and Hydrogen Joint Undertaking's budget for the financial year 2013;

⁽¹⁾ OJ C 452, 16.12.2014, p. 67.⁽²⁾ OJ C 452, 16.12.2014, p. 68.⁽³⁾ OJ L 248, 16.9.2002, p. 1.⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.⁽⁵⁾ OJ L 153, 12.6.2008, p. 1.⁽⁶⁾ OJ L 169, 7.6.2014, p. 108.⁽⁷⁾ OJ L 357, 31.12.2002, p. 72.⁽⁸⁾ OJ L 38, 7.2.2014, p. 2.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this decision and the resolution forming an integral part of it to the Executive Director of the Fuel Cells and Hydrogen 2 Joint Undertaking, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget for the Fuel Cells and Hydrogen Joint Undertaking for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the Fuel Cells and Hydrogen Joint Undertaking for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0112/2015),
- A. whereas the Fuel Cells and Hydrogen Joint Undertaking ('the Joint Undertaking') was set up in May 2008 as a public-private partnership by Regulation (EC) No 521/2008 for a period until 31 December 2017 to focus on developing market applications and hence facilitating additional industrial efforts towards a rapid deployment of fuel cells and hydrogen technologies,
- B. whereas the Members of the Joint Undertaking are the Union, represented by the Commission, the Fuel Cell and Hydrogen Joint Technology Initiative Industry Grouping ('the Industry Grouping') and the Research Grouping N.ERGHY ('the Research Grouping'),
- C. whereas the maximum contribution for the entire period from the Union to the Joint Undertaking is EUR 470 000 000 to be paid from the budget of the Seventh Framework Programme, of which the proportion earmarked for running costs must not exceed EUR 20 000 000,
- D. whereas the Industry Grouping are expected to contribute 50 % of the running costs and the Research Grouping should contribute one twelfth of the running costs and both should contribute to operational costs through in-kind contributions at least equal to the financial contribution of the Union,

Budget and financial management

1. Notes that the Court of Auditors ('the Court') stated that the 2013 annual accounts of the Joint Undertaking present fairly, in all material respects, its financial position as of 31 December 2013 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of its Financial Rules;
2. Notes, furthermore, that the Joint Undertaking's final budget for the financial year 2013 included commitment appropriations of EUR 74,5 million and payment appropriations of EUR 69,7 million; notes, moreover, that the utilisation rates for commitment and payment appropriations were 98,9 % and 56,7 % respectively; acknowledges that the level of payment appropriations is lower than the previous year, a fact which is determined by the postponement of funding of three projects;

Calls for proposals

3. Points out that as of 31 December 2013, the Joint Undertaking programme consisted of 130 grant agreements resulting from five annual calls which took place between 2008 and 2012; notes that these grants total EUR 365 million, amounting to 81 % of the maximum Union contribution to the Joint Undertaking for research activities of EUR 452,5 million;
4. Notes that 23 further grant agreements were signed from the 2013-1 call, as well as an additional two grants from the launching of the 2013-2 call for the amounts of EUR 75 200 000 and EUR 7 000 000 respectively;

5. Calls on the Joint Undertaking to submit a report to the discharge authority concerning the contributions of all members other than the Commission, including the application of the methodology for assessing, together with an assessment by the Commission;

Legal Framework

6. Takes into consideration that the new Financial Regulation applicable to the general budget of the Union was adopted on 25 October 2012 and took effect on 1 January 2013 while the model financial regulation for public-private partnership bodies referred to in Article 209 of the new Financial Regulation did not enter into force until 8 February 2014; acknowledges that the Financial Rules of the Joint Undertaking have been amended in order to reflect these changes on 30 June 2014;
7. Notes the Joint Statement by the Parliament, the Council and the Commission ⁽¹⁾ and the subsequent political agreement reached on the separate discharge for joint undertakings under Article 209 of the Financial Regulation;
8. Calls on the Court to present a complete and appropriate financial assessment of rights and obligations of the Joint Undertaking for the period up to the date of the Fuel Cells and Hydrogen 2 Joint Undertaking starting activity;

Internal control systems

9. Notes that the Joint Undertaking's Internal Audit Capability, in accordance with the Commission's Internal Audit Service/Internal Audit Capability strategic plan for the Joint Undertaking for 2011-2013, has carried out one audit on 'Grant Management-negotiation, contracting and prefinancing' during 2013, as well as performing other assurance and consultancy services;
10. Observes with concern that the Final Report on 'Grant Management' noted the need to reduce the 'Time to Grant' and 'Time to Close Negotiations' and the need to clarify some aspects of the Joint Undertaking's procedure for 'Financial Viability Checks'; acknowledges the development of an action plan to address these recommendations, as well as taking into account the impact of the new legal environment and rules under Horizon 2020 and calls on the Joint Undertaking to inform the discharge authority of the results of its implementation;
11. Takes note that the Joint Undertaking, along with ARTEMIS, Clean Sky, Eniac and IMI Joint Undertakings, was the subject of an IT risk assessment of the common IT infrastructure performed by the Commission's Internal Audit Service;
12. Acknowledges the specific measures put in place by the Joint Undertaking in order to prevent conflicts of interest in respect of its three key stakeholders: Governing Board members, experts and employees such as a clear definition of conflict of interest with a database of all related information and process for managing them; notes that the written procedure regarding the specific measures was submitted to the Governing Board in November 2014; acknowledges that the Commission requested to postpone the adoption of the specific measures in order to provide a harmonised template for the measures given the horizontal nature of the subject; calls on the Joint Undertaking to swiftly proceed with the adoption of these specific measures;
13. Points out that between November 2012 and May 2013, the Commission's second interim evaluation of the Joint Undertaking was carried out; notes that the report contains several recommendations, such as assigning of more resources to operations through the sharing of administrative functions with other Joint Undertakings and/or returning them to the Commission's services as well as a sharper focus on the research strategy for the continuation of the Joint Undertaking in Horizon 2020 in accordance with the three main principles (alignment with EU policies, areas where Europe has or can achieve leadership, adaptation to the changing needs of the sector) and strengthening of the capacity for change; acknowledges that an action plan is being revised by the Joint Undertaking in order to address these aspects;

⁽¹⁾ OJ L 163, 29.5.2014, p. 21.

Monitoring and Reporting

14. Takes note that the Seventh Framework Programme Decision ⁽¹⁾ establishes a monitoring and reporting system related to the protection, dissemination and transfer of research results; ascertains that in 2013 the Joint Undertaking has increased its own capacity to monitor and report research results of its projects and to assess the achievement of its programme through the hiring of a Knowledge Management and Policy officer; notes the introduction of a new IT tool which helps with the analysis and synthesis of the results of finished projects and reporting the first public foreground deliverables arising from complex projects on its website;
15. Calls on the Joint Undertaking to submit a report to the discharge authority on the social-economic benefits of the already completed projects; calls for that report to be submitted to the discharge authority together with an assessment by the Commission;
16. Acknowledges the Joint Undertaking's efforts to examine the possibility of using the Commission's IT system for monitoring purposes related to the protection, dissemination and transfer of research results as well as to develop its reporting on results, in line with the comments included in the 2012 Commission Annual Progress Report on the activities of the Joint Undertakings ⁽²⁾;
17. Recalls that the discharge authority has previously requested the Court to draw up a special report on the capacity of the joint undertakings, together with their private partners, to ensure added value and efficient execution of Union research, technological development and demonstration programmes.

⁽¹⁾ Article 7 of Decision No 1982/2006/EC of the European Parliament and the Council of 18 December 2006 concerning the Seventh Framework Programme of the European Community for research, technological development and demonstration activities (2007-2013) (OJ L 412, 30.12.2006, p. 6).

⁽²⁾ Report from the Commission to the European Parliament and the Council on the activities of the Joint Technology Initiative Joint Undertakings in 2012 (SWD(2013) 539 final).

DECISION (EU) 2015/1698 OF THE EUROPEAN PARLIAMENT
of 29 April 2015
on the closure of the accounts of the Fuel Cells and Hydrogen Joint Undertaking for the financial year 2013

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the Fuel Cells and Hydrogen Joint Undertaking for the financial year 2013,
- having regard to the Court of Auditors' report on the annual accounts of the Fuel Cells and Hydrogen Joint Undertaking for the financial year 2013, together with the Joint Undertaking's replies ⁽¹⁾,
- having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the joint undertaking in respect of the implementation of the budget for the financial year 2013 (05306/2015 — C8-0049/2015),
- having regard to Article 319 of the Treaty on the Functioning of the European Union,
- having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
- having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 209 thereof,
- having regard to Council Regulation (EC) No 521/2008 of 30 May 2008 setting up the Fuel Cells and Hydrogen Joint Undertaking ⁽⁵⁾,
- having regard to Council Regulation (EU) No 559/2014 of 6 May 2014 establishing the Fuel Cells and Hydrogen 2 Joint Undertaking ⁽⁶⁾, and in particular Article 1(2) and Article 12 thereof,
- having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁷⁾,
- having regard to Commission Delegated Regulation (EU) No 110/2014 of 30 September 2013 on the model financial regulation for public-private partnership bodies referred to in Article 209 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁸⁾,
- having regard to Rule 94 of and Annex V to its Rules of Procedure,
- having regard to the report of the Committee on Budgetary Control (A8-0112/2015),

1. Approves the closure of the accounts of the Fuel Cells and Hydrogen Joint Undertaking for the financial year 2013;

⁽¹⁾ OJ C 452, 16.12.2014, p. 67.

⁽²⁾ OJ C 452, 16.12.2014, p. 68.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 153, 12.6.2008, p. 1.

⁽⁶⁾ OJ L 169, 7.6.2014, p. 108.

⁽⁷⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁸⁾ OJ L 38, 7.2.2014, p. 2.

2. Instructs its President to forward this decision to the Executive Director of the Fuel Cells and Hydrogen 2 Joint Undertaking, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1699 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the Joint Undertaking for the implementation of the Joint Technology Initiative on Innovative Medicines for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the Joint Undertaking for the implementation of the Joint Technology Initiative on Innovative Medicines for the financial year 2013,
- having regard to the Court of Auditors' report on the annual accounts of the Innovative Medicines Initiative Joint Undertaking for the financial year 2013, together with the Joint Undertaking's replies ⁽¹⁾,
- having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the joint undertaking in respect of the implementation of the budget for the financial year 2013 (05306/2015 — C8-0049/2015),
- having regard to Article 319 of the Treaty on the Functioning of the European Union,
- having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
- having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 209 thereof,
- having regard to Council Regulation (EC) No 73/2008 of 20 December 2007 setting up the Joint Undertaking for the implementation of the Joint Technology Initiative on Innovative Medicines ⁽⁵⁾,
- having regard to Council Regulation (EC) No 557/2014 of 6 May 2014 establishing the Innovative Medicines Initiative 2 Joint Undertaking ⁽⁶⁾, and in particular Article 1(2) and Article 12 thereof,
- having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁷⁾,
- having regard to Commission Delegated Regulation (EU) No 110/2014 of 30 September 2013 on the model financial regulation for public-private partnership bodies referred to in Article 209 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁸⁾,
- having regard to Rule 94 of and Annex V to its Rules of Procedure,
- having regard to the report of the Committee on Budgetary Control (A8-0106/2015),

⁽¹⁾ OJ C 452, 16.12.2014, p. 35.⁽²⁾ OJ C 452, 16.12.2014, p. 36.⁽³⁾ OJ L 248, 16.9.2002, p. 1.⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.⁽⁵⁾ OJ L 30, 4.2.2008, p. 38.⁽⁶⁾ OJ L 169, 7.6.2014, p. 54.⁽⁷⁾ OJ L 357, 31.12.2002, p. 72.⁽⁸⁾ OJ L 38, 7.2.2014, p. 2.

1. Grants the Acting Executive Director of the Innovative Medicines Initiative 2 Joint Undertaking discharge in respect of the implementation of the budget of the Joint Undertaking for the implementation of the Joint Technology Initiative on Innovative Medicines for the financial year 2013;
2. Sets out its observations in the resolution below;
3. Instructs its President to forward this decision and the resolution forming an integral part of it to the Acting Executive Director of the Innovative Medicines Initiative 2 Joint Undertaking, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget for the Joint Undertaking for the implementation of the Joint Technology Initiative on Innovative Medicines for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the Joint Undertaking for the implementation of the Joint Technology Initiative on Innovative Medicines for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0106/2015),
- A. whereas the Joint Undertaking for the implementation of the Joint Technology Initiative on Innovative Medicines (‘the Joint Undertaking’) was set up in December 2007 for a period of 10 years to significantly improve the efficiency and effectiveness of the drug development process with the long-term aim that the pharmaceutical sector produces more effective and safer innovative medicines,
- B. whereas the Union, represented by the Commission, and the European Federation of Pharmaceutical Industries and Associations (EFPIA), are the Joint Undertaking’s founding members,
- C. whereas the Joint Undertaking started to work autonomously on 16 November 2009,
- D. whereas the maximum contribution for the period of 10 years from the Union to the Joint Undertaking is EUR 1 000 000 000, to be paid from the budget of the seventh research framework programme and the founding members are to contribute equally to the running costs, each with an amount not exceeding 4 % of the total Union contribution and to the research activities with in-kind contributions at least equal to the financial contribution of the Union,

Budgetary and financial management

1. Notes that in the opinion of the Court of Auditors (‘the Court’), the Joint Undertaking’s annual accounts present fairly, in all material respects, its financial position as at 31 December 2013 and the results of its operations and cash flows for the year then ended, in accordance with the provisions of its financial rules and the accounting rules adopted by the Commission’s accounting officer;
2. Takes note that the Joint Undertaking’s *ex post* audit strategy was adopted by a Governing Board decision on 14 December 2010, and that it is considered as a key tool for assessing the legality and regularity of the underlying transactions;
3. Notes with concern that 14 out of 40 *ex post* audits of the second representative sample were finalised as of June 2014, covering EUR 3 000 000 and representing 11,8 % of the audited population; points out that the detected error rate resulting from these audits is 2,3 %; reminds that the error rate resulting from the 56 concluded audits of the first representative sample in 2012 was at 5,82 %;
4. Notes with concern that the Court, in its report on the annual accounts of the Joint Undertaking for the financial year 2013 (‘the Court’s report’), issued a qualified opinion on the legality and the regularity of the transactions underlying the accounts of the Joint Undertaking on the basis of the detected error rate being above the materiality threshold of 2 %; notes with concern that the Court issued a qualified opinion for a third consecutive year;
5. Calls on the Joint Undertaking for a follow-up report on the reservations of the Joint Undertaking in the last 3 years;

6. Acknowledges from the Joint Undertaking that the follow-up actions related to audited beneficiaries with detected errors were launched and that all detected errors were communicated to these beneficiaries; notes furthermore that in order to mitigate the risk of future errors in beneficiaries' cost claims, the Joint Undertaking has taken specific measures, such as establishing financial workshops for beneficiaries as well as the regular updating of its Financial Guidelines for participants;
7. Asks for an action plan with clear objectives aimed at fixing the deficiencies and errors identified by the Court to be submitted to the discharge authority in a timely manner, to be followed by a first interim evaluation report on the implementation of the action plan;
8. Notes from the Court's report that the initial 2013 budget included EUR 226 000 000 in commitment appropriations and EUR 135 000 000 in payment appropriations; notes furthermore that at the year-end, an amended budget was adopted by the Governing Board which increased commitment appropriations to EUR 255 700 000 and decreased payment appropriations to EUR 130 600 000; takes note that after the budget was amended, the overall implementation rate was 99,5 % for commitment appropriations and 97,5 % for payment appropriations; ascertains from the Court's report that the implementation rate of commitment and payment appropriations in the case of operational activities was 100 % and 99 % respectively;
9. Calls on the Joint Undertaking to provide the discharge authority with detailed information on the in-kind contributions of EFPIA companies especially on the type of the in-kind contributions and their respective value;
10. Calls on the Joint Undertaking to submit a report to the discharge authority concerning the contributions of all members other than the Commission including the application of the methodology for evaluating in-kind contributions, together with an assessment by the Commission;
11. Calls on the Court to present a complete and appropriate financial assessment of rights and obligations of the Joint Undertaking for the period up to the date of the Innovative Medicines Initiative 2 Joint Undertaking starting activity;

Calls for proposals

12. Takes into consideration that under the seventh framework programme (FP7) ⁽¹⁾, 2013 was the last year in which calls for proposals could be launched; notes that the entire budget for research of EUR 970 000 000 was committed along with the requisite matching in-kind contributions from the EFPIA companies in the amount of EUR 982 000 000;

Legal Framework

13. Takes into consideration that the new Financial Regulation applicable to the general budget of the Union was adopted on 25 October 2012 and took effect on 1 January 2013 while the model financial regulation for public-private partnership bodies referred to in Article 209 of the new Financial Regulation did not enter into force until 8 February 2014; acknowledges that the Financial Rules of the Joint Undertaking have been amended to take into account the model financial regulation in July 2014;
14. Notes the Joint Statement by the Parliament, the Council and the Commission ⁽²⁾ and the subsequent political agreement reached on the separate discharge to be given by the Parliament upon recommendation of the Council, for Joint Undertakings under Article 209 of the Financial Regulation;

Internal control systems

15. Notes that in accordance with the strategic audit plan for 2012-2014 approved by the Joint Undertaking's Governing Board on 3 November 2011, the Commission's Internal Audit Service (IAS) performed an assurance engagement of project management and reporting on operational performance; points out that the final report which was dated 30 January 2014 includes recommendations regarding the Joint Undertaking's process of improving its monitoring systems on operational performance, such as reviewing the design and reporting of objectives and key performance indicators ('KPIs'), strengthening of the project monitoring and improving the IT systems to enhance reporting;

⁽¹⁾ OJ L 412, 30.12.2006, p. 1.

⁽²⁾ OJ L 163, 29.5.2014, p. 21.

16. Acknowledges that the IAS also performed an IT risk assessment of the Joint Undertaking's specific IT systems as well as the common infrastructure it shares with the FCH, Clean Sky, ENIAC and Artemis Joint Undertakings; points out that in the case of the Joint Undertaking's specific IT systems, the IAS reports the need for more formal instructions on project management and on change control processes in the contracts in order to mitigate contract-management risk; notes from the Court's report that this recommendation was implemented in January 2014;
17. Takes note that procedures regarding the protection, dissemination and transfer of research results in relation to Article 7 of the FP7 have been developed by the Joint Undertaking; notes moreover that the Joint Undertaking defined the requirements regarding the general monitoring report of FP7, as well as transferring the data related to its projects to the Commission during 2013, in order for the data to be integrated in the Common Research Data Warehouse; is concerned, however, that the monitoring processes put in place require further development in order to fully comply with the required provisions;
18. Takes note that in order to prevent conflicts of interest in respect to its Governing Board members, experts and employees, the Joint Undertaking has put in place specific measures which are included in the rules of procedure of both the Governing Board and the Scientific Committee, as well as in the documentation on the code of conduct and conflicts of interest in the case of independent experts during evaluation; notes furthermore that the Joint Undertaking has adopted an updated and comprehensive policy on conflicts of interest for both management and staff members in April 2013;
19. Acknowledges that between March and July 2013, the Commission's Second Interim Evaluation was carried out in order to assess the Joint Undertaking in terms of relevance, effectiveness, efficiency and research policy and that the report on the evaluation was issued on 31 July 2013;
20. Points out that the report highlights the areas where improvements can be made; takes note however that the report considers the Joint Undertaking a success in achieving its objectives; notes in particular that as regards the Joint Undertaking's communication strategy, there is a need to develop additional KPIs which should help demonstrate its impact and socioeconomic benefits, the optimisation of the organisational structure and a more flexible funding mechanism in a quantitative manner;
21. Notes from the Court's report that *ex post* audit corrections resulting from the first audits of the representative sample were implemented and are reflected in the 2013 financial accounts; observes that the validation of the accounting system does not yet cover the implementation of *ex post* audit results; calls on the Joint Undertaking to address this issue as a matter of urgency;
22. Takes note that the methodology for evaluating in-kind contributions, which specifies that the validation of the contributions is based on *ex ante* certifications and *ex post* audits, was approved by the Governing Board in 2011; notes moreover that the remaining eight certified methodologies for in-kind contributions were completed during 2013 and that the total number of EFPIA companies had been brought to 22; ascertains that the first three *ex post* audits covering in-kind contributions were completed during the course of 2013, one other *ex post* audit was initiated and two were in the process of being initiated at the year-end;

Other comments

23. Calls on the Joint Undertaking to submit a report to the discharge authority on the social-economic benefits of the already completed projects; calls for that report to be submitted to the discharge authority together with an assessment by the Commission;
 24. Recalls that the discharge authority has previously requested the Court to draw up a special report on the capacity of the joint undertakings, together with their private partners, to ensure added value and efficient execution of Union research, technological development and demonstration programmes.
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DECISION (EU) 2015/1700 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on the closure of the accounts of the Joint Undertaking for the implementation of the Joint Technology Initiative on Innovative Medicines for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the Joint Undertaking for the implementation of the Joint Technology Initiative on Innovative Medicines for the financial year 2013,
- having regard to the Court of Auditors' report on the annual accounts of the Innovative Medicines Initiative Joint Undertaking for the financial year 2013, together with the Joint Undertaking's replies ⁽¹⁾,
- having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the joint undertaking in respect of the implementation of the budget for the financial year 2013 (05306/2015 — C8-0049/2015),
- having regard to Article 319 of the Treaty on the Functioning of the European Union,
- having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
- having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 209 thereof,
- having regard to Council Regulation (EC) No 73/2008 of 20 December 2007 setting up the Joint Undertaking for the implementation of the Joint Technology Initiative on Innovative Medicines ⁽⁵⁾,
- having regard to Council Regulation (EC) No 557/2014 of 6 May 2014 establishing the Innovative Medicines Initiative 2 Joint Undertaking ⁽⁶⁾, and in particular Article 1(2) and Article 12 thereof,
- having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁷⁾,
- having regard to Commission Delegated Regulation (EU) No 110/2014 of 30 September 2013 on the model financial regulation for public-private partnership bodies referred to in Article 209 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁸⁾,
- having regard to Rule 94 of and Annex V to its Rules of Procedure,
- having regard to the report of the Committee on Budgetary Control (A8-0106/2015),

⁽¹⁾ OJ C 452, 16.12.2014, p. 35.

⁽²⁾ OJ C 452, 16.12.2014, p. 36.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 30, 4.2.2008, p. 38.

⁽⁶⁾ OJ L 169, 7.6.2014, p. 54.

⁽⁷⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁸⁾ OJ L 38, 7.2.2014, p. 2.

1. Approves the closure of the accounts of the Joint Undertaking for the implementation of the Joint Technology Initiative on Innovative Medicines for the financial year 2013;
2. Instructs its President to forward this decision to the Acting Executive Director of the Innovative Medicines Initiative 2 Joint Undertaking, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU, EURATOM) 2015/1701 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the Joint Undertaking for ITER and the Development of Fusion Energy for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the Joint Undertaking for ITER and the Development of Fusion Energy for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the Joint Undertaking for ITER and the Development of Fusion Energy for the financial year 2013, together with the Joint Undertaking's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the joint undertaking in respect of the implementation of the budget for the financial year 2013 (05306/2015 — C8-0049/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Council Decision 2007/198/Euratom of 27 March 2007 establishing the European Joint Undertaking for ITER and the Development of Fusion Energy and conferring advantages upon it ⁽⁵⁾, and in particular Article 5(3) thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0108/2015),
1. Grants the Director of the Joint Undertaking for ITER and the Development of Fusion Energy discharge in respect of the implementation of the joint undertaking's budget for the financial year 2013;

⁽¹⁾ OJ C 452, 16.12.2014, p. 44.

⁽²⁾ OJ C 452, 16.12.2014, p. 45.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 90, 30.3.2007, p. 58.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this decision and the resolution forming an integral part of it to the Director of the Joint Undertaking for ITER and the Development of Fusion Energy, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget for the Joint Undertaking for ITER and the Development of Fusion Energy for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the Joint Undertaking for ITER and the Development of Fusion Energy for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0108/2015),
- A. whereas the European Joint Undertaking for ITER and the Development of Fusion Energy ('the Joint Undertaking') was set up in March 2007 for a period of 35 years,
- B. whereas the members of the Joint Undertaking are Euratom, represented by the Commission, the Member States of Euratom and other countries which have concluded cooperation agreements with Euratom in the field of controlled nuclear fusion,
- C. whereas the Joint Undertaking started to work autonomously in March 2008,
- D. whereas on 9 October 2008 the Court of Auditors ('the Court') delivered Opinion No 4/2008 on the Joint Undertaking's Financial Regulation,

Budgetary and financial management

1. Notes that the Court stated that the 2013 annual accounts of the Joint Undertaking present fairly, in all material respects, its financial position as of 31 December 2013 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of its Financial Rules;
2. Notes with concern that the Court's report contains an emphasis of matter as a part of its statement of assurance, which indicates a significant risk of increase to which the amount of the Joint Undertaking's contribution to the construction phase of the ITER project is exposed; notes furthermore that the risk of increase of the amount of the contribution results mainly from changes in the scope of the project deliverables as well as from the current schedule which is not considered as realistic and is currently under revision; believes in the importance of a realistic approach for an effective budget and financial management; notes that the Joint Undertaking is contributing to the ITER-wide exercise of providing an overall realistic schedule for the whole project; calls on the Joint Undertaking to submit it urgently to the ITER Council;
3. Observes that the Council's conclusions adopted on 7 July 2010 ⁽¹⁾ approved EUR 6,6 billion in 2008 values, in order for the Joint Undertaking to contribute to the ITER construction phase of the project; points out with concern from the Court's emphasis of matter that this amount is double compared to the initial budgeted costs and did not include an amount of EUR 663 000 000 proposed by the Commission and intended to cover potential contingencies; considers that the significant increase of the project may put into danger other programmes which are also financed by the Union's budget and may be contradictory to the 'value for money' principle;
4. Is deeply concerned that in November 2013 the Joint Undertaking estimated the budget shortfall until the finalisation of the construction phase of the project to be EUR 290 000 000, representing a deviation of 4,39 % over the figure approved by the Council in 2010 and representing an increase of 10,7 % compared to the initial budget of the project;
5. Is concerned that in relation to these risks, the Joint Undertaking has not yet implemented a system at contract level to regularly monitor the cost deviations and has not updated the valuation of the Joint Undertaking to the ITER project beyond the finalisation of the construction phase;

⁽¹⁾ Council conclusions on ITER status of 7 July 2010 (ref.11902/10).

6. Notes with concern the continuous revisions of time and cost schedule due to on-going delays in the signing of important contracts, which does not allow for the execution of planned pre-financing postponements related to the Joint Undertaking's operational procurement procedures;
7. Points out with concern that the Joint Undertaking has not detailed in its financial statements the degree of advancement of the work in-progress; acknowledges from the Court that this information is essential in reflecting the status of the activities carried out so far by the Joint Undertaking, as regards the procurement arrangements signed with the ITER International Organisation; points out that from the Joint Undertaking that information regarding overall progress was provided through its Annual Progress Report and Annual Activity report but limited to a raw preliminary estimation of the percentage of works completed, based on the amount of expenses related to procurement arrangements incurred up to date and comparing them to the estimated value of the contribution in kind to the project; acknowledges furthermore that a raw preliminary estimation of works completed is included in the 2013 Annual Accounts; emphasises the need for information and indicators for proper performance measurement, which applies both to output and internal management;
8. Takes note that the Joint Undertaking's final 2013 budget available for implementation included commitment appropriations of EUR 1 297 000 000 and payment appropriations of EUR 432 400 000; notes furthermore that the utilisation rates for commitment and payment appropriations were 100 % and 89,8 % respectively; underlines that the implementation rate for the payment appropriations with respect to the 2013 initial budget before reductions was 57,8 %; acknowledges from the Joint Undertaking that this has been caused by delays and mismanagement in the provision of data by the ITER International Organisation as well as longer than planned negotiations with companies in order to decrease costs; expresses its concern on possible future delays or overcosts and their impact on the budget of the ITER project;
9. Asks the Commission and the Director of the Joint Undertaking for ITER to present a report to the discharge authority on the official position of all stakeholders concerning their future commitments on the ITER project;
10. Notes in regard to the Joint Undertaking's commitment appropriations that, out of EUR 1 254 000 000 which were available for operational activities, 61,7 % were implemented through direct individual commitments while the remaining 38,3 % were implemented through global commitments;
11. Notes with concern that seven members have paid their 2013 annual membership contribution late, amounting to EUR 2 200 000; considers that any delay on the payment of the annual contribution might have an impact on the way the project is run; stresses that the delays range from three to 48 days; acknowledges from the Joint Undertaking that 77 % of delayed payments corresponded to the contribution of two members and were received one working day late;
12. Calls on the Joint Undertaking to submit a report to the discharge authority concerning the contributions of all members other than the Commission, including the application of the evaluation rules for in-kind contributions, together with an assessment by the Commission;
13. Is concerned that the Chair of the Governing Board of the Joint Undertaking refers in the 2013 annual activity report to the project delays, as well as to the need to seek cost savings; notes furthermore that the Director refers to the risks associated to a potential budget shortfall by 2020, mainly related to the increased scope in relation to the ITER buildings and to the current schedule; acknowledges from the Joint Undertaking that the budget allocated for the current MFF until 2020 will be respected by continuing to develop and implement a broad range of cost containment measures;
14. Calls on the Joint Undertaking to submit in a due term a report to the discharge authority concerning the actual level of project implementation, potential risks and future development of the project, together with an assessment by the Commission;

Prevention and management of conflict of interest and transparency

15. Reiterates the need to make the CVs of the Management Board members, the Director and senior management members of the Joint Undertaking publicly available; calls on the Joint Undertaking to remedy this situation as a matter of urgency; acknowledges that the Rules on Management of Conflict of Interest regarding staff members has entered into force and calls for a solid track record of cases;

Host State Agreement

16. Acknowledges from the Joint Undertaking that according to the Host State Agreement, signed with the Kingdom of Spain on 28 June 2007, permanent premises should have been made available to the Joint Undertaking by June 2010; notes with concern that at the time of the audit in April 2014, this was still not the case; acknowledges the Joint Undertaking's efforts to remedy this matter as well as the lack of results in the dialogue with the host country;

Working conditions

17. Is deeply concerned that the Joint Undertaking has not yet adopted all the rules implementing the Staff Regulations; notes with concern that the working space currently made available is insufficient and impedes its staff from operating in reasonable conditions; is deeply concerned that the working space conditions are having a negative impact on the Joint Undertaking's efforts to fill all the available posts and reduce the vacancy rate; observes with concern that the working space conditions were cited by its employees as one of the major difficulties and concerns in a recent survey amongst the Joint Undertaking's staff; asks the Commission and the Director of the Joint Undertaking to present a report to the discharge authority detailing the reasons of the delay on the implementation of the staff regulations and on the situation concerning the working conditions;

Internal control systems

18. Notes with concern from the Court's report that, although significant progress was made during 2013 as regards the Joint Undertaking's internal control system, a number of actions still need to be implemented; these actions include further development of the process for managing the cost estimate at contract level, as well as the audit results arising from the implementation of the overall control and monitoring strategy for grants and operational contracts not being made available at the time of the audit; calls on the Joint Undertaking to make the report available as per the request of the Court;
19. Points out with concern that with the exception of the action plan which resulted as a response to the internal audit on management of experts' contracts, the other action plans adopted by the Joint undertaking in response to the internal audits had not been fully implemented;
20. Calls on the Joint Undertaking to provide timely tender specifications in order to eliminate cost uncertainties associated with the possible evolution of ITER project design and planning;
21. Acknowledges from the Court's report that, as regards the actions adopted in response to the previously identified main risks, 12 were implemented, 19 were in progress and 6 had not been started by November 2013; calls on the Joint Undertaking to rectify these issues as a matter of urgency;
22. Notes that the Joint Undertaking adopted specific rules preventing potential conflicts of interest of the members of its Governing Board, Executive Committee, Audit Committee and experts; points out that rules regarding staff members as well as a database for the general declarations of interest have not been set up until the time of the audit; acknowledges from the Joint Undertaking that the Rules on the management of the conflict of interests regarding staff members have been adopted by the Governing Board and entered into force on 1 July 2014; notes furthermore that a dedicated database for general declarations started to be elaborated;

Operational procurement contracts and grants

23. Notes that out of the 41 operational tendering procedures launched in 2013, negotiated procedures constituted 44 %; points out that this percentage is higher by 4 % in comparison to the number registered in 2012; agrees with the Court's recommendation that an increase of the competitiveness of procurement procedures is needed by reducing the use of negotiated procedures; takes note that the average number of proposals for grants was only one per call; acknowledges from the Joint Undertaking that due to the low average value, the negotiated procedures referred to by the Court only correspond to 15 % of the Joint Undertaking's yearly commitment;

24. Notes with concern the on-going weaknesses related to the Joint Undertaking's operational procurement procedures; calls on the Joint Undertaking to submit to the discharge authority a detailed report regarding the procurement procedures that took place from 2008 until present, outlining the following:
- In how many procedures has a significant cost increase (more than 5 %) taken place with respect to the initial set cost frame of contract and what were the exact reasons for the increases,
 - Which procedures suffered from a considerable time delay compared to their initial target date and what have been the financial consequences deriving from such delays,
 - How does the Joint Undertaking ensure for the future that the set dates of contract signature are being met,
 - Which procurement procedures did not set a specific target date at all when awarding the contracts,
 - In which procedures did the Joint Undertaking not advertise the respective contract by means of a pre-information notice, thus failing to increase the competitiveness of the procedure and what were the reasons for this as well as which contractual partners did particularly benefit from the consequently limited competitiveness,
 - What procedures (besides the applicable Staff Regulations) are in place to prevent a possible conflict of interest in relation to members of staff involved in tendering procedures and in how many cases were members of staff not formally mandated to be involved in tendering procedures,
 - How does the Joint Undertaking ensure that its internal decision making procedure is improved to avoid further time delays in tender procedures, as determined by the Court, in order to guarantee transparent, timely and lawful tenders for the future,
25. Notes with concern from the Court's report that the following weaknesses were identified after auditing five operational procurement procedures:
- the Joint Undertaking failed to advertise one contract by means of a pre-information notice in one procurement procedure; acknowledges from the Joint Undertaking that the contract in discussion was launched before the procedure of pre-information notice was approved in September 2012;
 - in one procurement procedure, an increase of 32 % was observed in comparison to the initial cost estimate; notes furthermore that in two other procurement procedures, due to the nature of the information available in the files, the reconciliation of the difference between the final contract value with the initial estimation value was proven as complicated; acknowledges from the Joint Undertaking that the complexity of the reconciliation is due to the re-evaluation of the initial scope of the contract, which led to an increase of time as well as to the nature, complexity and amounts involved in such contracts;
 - one procedure was found not to have specific guidelines and procedures to ensure that the deliverables, used as input documents for the tendering procedures from the third parties, were uniformly and systematically reviewed and formally accepted by the Joint Undertaking; takes note that the Joint Undertaking will prepare a formal checklist in order to ensure appropriate use of third-party information; calls on the Joint Undertaking to implement the checklist as soon as possible in order to avoid such situations in the future;
 - amendments to the original contract of one of the procurement procedures increased the contract's value by 15 % compared to the initial amount; points out that the information available was not sufficient to conclude that the assessment of the materiality of the amendments was performed as required by the Joint Undertaking's internal procedures;
 - one procedure's dialogue phase was long delayed, resulting in the final contract conditions and the updated technical version of the tender specifications being sent later than planned as well as in signing the contract four months after the target date;
26. Finds it unacceptable that the Joint Undertaking has not developed an internal procedure for the staff involved in tendering procedures; points out that improvement in this area is urgently needed;

27. Notes from the Court's report that in two procurement procedures the Joint Undertaking staff members providing technical advice during the evaluation of the offers, upon request of the evaluation committee, had not been formally nominated by the Appointing Authority, either as members of the evaluation committee or as experts providing technical advice to the committee; points out that in one tendering procedure following the call for expression of interest, the Authorising Officer appointed a team to conduct a dialogue with the candidates selected whilst there was no formal mandate for this team to set out the dialogue strategy, the objectives to be achieved and the technical, financial and contractual parameters for the negotiations;

Overall control and monitoring of operational procurement contracts and grants

28. Acknowledges that the Joint Undertaking has a system for performing audits at the level of contractors with the aim of checking compliance with the quality assurance requirements; notes that the result of *ex-post* audits on grants and financial compliance verifications on contract implementation arising from the implementation of the overall monitoring and control strategy were not available at the time of the Court's audit in April 2014;

Legal Framework

29. Notes that the Joint Undertaking has not amended its financial rules in order to reflect the changes brought by the new Financial Regulation and the framework financial regulation for the bodies ⁽¹⁾ referred to in Article 208 of the new Financial Regulation; acknowledges from the Joint Undertaking that it assessed the changes and proposed the amendments to its Governing Board; notes that in accordance with Article 5 of Decision 2007/198/Euratom, the Commission is to issue an opinion prior to submission of the final version of the financial rules to the Joint Undertaking's Governing Board; calls on the Commission and the Joint Undertaking to remedy this issue without delay;
30. Notes the Joint Statement by the Parliament, the Council and the Commission ⁽²⁾ and the subsequent political agreement reached on the separate discharge for Joint Undertakings;

Intellectual property rights and industrial policy

31. Takes note that the Decision on the implementation of the Fusion for Energy Industrial Policy and the Policy on Intellectual Property Rights and dissemination of information were adopted by the Joint Undertaking's Governing Board on 27 June 2013; notes that the Joint Undertaking has not yet adopted and implemented certain measures aimed at mitigating specific risks related to the protection of the intellectual property rights and the dissemination of research results; acknowledges the Joint Undertaking's opinion that the costs of implementation of such measures do not appear proportionate to the size of the residual risk and would be difficult to implement in practice;
32. Notes from the Court's report that the Joint Undertaking's contractors are offered exclusive exploitation rights over intellectual property produced in fields outside fusion, while in the field of fusion the contractors have non-exclusive rights; notes the potential exposure of the Joint Undertaking to the risk regarding its obligations to retain the right to access the full intellectual property rights involved in the European in-kind contributions and in being able to transfer the access right to the ITER Organisation, if needed; agrees with the Court's recommendation that monitoring the application of the clause of the contracts is needed, in order to oblige the contractors to refrain from carrying out any dissemination of research results until a decision about their possible protection is made; calls on the Joint Undertaking to define boundaries of what would be considered as fusion application in order to ensure maximum clarity and transparency in relation to contractors.

⁽¹⁾ OJ L 328, 7.12.2013, p. 42.

⁽²⁾ OJ L 163, 29.5.2014, p. 21.

DECISION (EU, EURATOM) 2015/1702 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on the closure of the accounts of the Joint Undertaking for ITER and the Development of Fusion Energy for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the Joint Undertaking for ITER and the Development of Fusion Energy for the financial year 2013,
- having regard to the Court of Auditors' report on the annual accounts of the Joint Undertaking for ITER and the Development of Fusion Energy for the financial year 2013, together with the Joint Undertaking's replies ⁽¹⁾,
- having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the joint undertaking in respect of the implementation of the budget for the financial year 2013 (05306/2015 — C8-0049/2015),
- having regard to Article 319 of the Treaty on the Functioning of the European Union,
- having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,
- having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
- having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
- having regard to Council Decision 2007/198/Euratom of 27 March 2007 establishing the European Joint Undertaking for ITER and the Development of Fusion Energy and conferring advantages upon it ⁽⁵⁾, and in particular Article 5(3) thereof,
- having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
- having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾,
- having regard to Rule 94 of and Annex V to its Rules of Procedure,
- having regard to the report of the Committee on Budgetary Control (A8-0108/2015),

⁽¹⁾ OJ C 452, 16.12.2014, p. 44.

⁽²⁾ OJ C 452, 16.12.2014, p. 45.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 90, 30.3.2007, p. 58.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

1. Approves the closure of the accounts of the Joint Undertaking for ITER and the Development of Fusion Energy for the financial year 2013;
2. Instructs its President to forward this decision to the Director of the Joint Undertaking for ITER and the Development of Fusion Energy, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1703 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the SESAR Joint Undertaking for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the SESAR Joint Undertaking for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the SESAR Joint Undertaking for the financial year 2013, together with the Joint Undertaking's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the joint undertaking in respect of the implementation of the budget for the financial year 2013 (05306/2015 — C8-0049/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Council Regulation (EC) No 219/2007 of 27 February 2007 on the establishment of a Joint Undertaking to develop the new generation European air traffic management system (SESAR) ⁽⁵⁾, and in particular Article 4b thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Transport and Tourism (A8-0110/2015),
1. Grants the Executive Director of the SESAR Joint Undertaking discharge in respect of the implementation of the joint undertaking's budget for the financial year 2013;

⁽¹⁾ OJ C 452, 16.12.2014, p. 58.

⁽²⁾ OJ C 452, 16.12.2014, p. 59.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 64, 2.3.2007, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this Decision and the resolution forming an integral part of it to the Executive Director of the SESAR Joint Undertaking, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget for the SESAR Joint Undertaking for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the SESAR Joint Undertaking for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Transport and Tourism (A8-0110/2015),
- A. whereas the SESAR Joint Undertaking ('the Joint Undertaking') was set up in February 2007 to run the Single European Sky Air Traffic Management Research (SESAR) programme that aims to modernise air traffic management in Europe,
- B. whereas the SESAR project is divided into a 'definition phase' (2004-2007) led by Eurocontrol, a first 'development phase' (2008-2016), funded by the 2008-2013 programming period managed by the Joint Undertaking and a 'deployment phase' (2014-2020) running in parallel to the 'development phase'; whereas the deployment phase is expected to be led by industry and stakeholders for the large-scale production and implementation of the new air traffic management infrastructure,
- C. whereas the Joint Undertaking started to work autonomously in 2007,
- D. whereas the Joint Undertaking was designed as a public-private partnership with the Union and Eurocontrol as founding members,
- E. whereas the budget for the 2008-2016 development phase of the SESAR project is EUR 2 100 000 000 and is to be provided in equal parts by the Union, Eurocontrol and the participating public and private partners,
1. Highlights the Joint Undertaking's vital role in coordinating and implementing research into the SESAR project, which is a pillar project of the Single European Sky; notes also that 2014 marks the beginning of the deployment phase of the SESAR project;

Budget and Financial Management

2. Notes that the Court of Auditors ('the Court') stated that the 2013 annual accounts of the Joint Undertaking present fairly, in all material respects, its financial position as of 31 December 2013 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of its Financial Rules;
3. Notes that the Joint Undertaking's final budget for the financial year 2013 included commitment appropriations of EUR 64 300 000 and payment appropriations of EUR 105 400 000; notes furthermore that the utilisation rates for commitment and payment appropriations were 99,6 % and 94,7 % respectively;
4. Takes note that as of 31 December 2013, the Joint Undertaking's development phase consisted of project work done by 16 members including Eurocontrol, on programme activities involving more than 100 private and public entities and subcontractors resulting in 333 out of 358 programme projects to be implemented or completed under the third Multilateral Framework Agreement (MFA);
5. Points out that 100 % of the Union and Eurocontrol contributions payable to the other 15 members under the third MFA of EUR 595 000 000 has been committed; notes furthermore that 55 % of that amount, equalling EUR 316 000 000, has been paid out until 31 December 2013 while the remaining 45 % (EUR 279 000 000) is expected to be paid by 31 December 2016;

6. Acknowledges that in 2013 the Joint Undertaking concluded its fourth MFA which came into force on 1 January 2014 and is expected to remain in force for the remaining 3 years of the Joint Undertaking's operating life; notes that the fourth MFA provides for the reduction of the number of projects to 250 through mergers of current projects, as well as the allocation of EUR 38 000 000 to the funding of new operational activities; acknowledges that this allocation will be provided by the Joint Undertaking and will result from synergies of the mentioned mergers;
7. Calls on the Joint Undertaking to submit a report to the discharge authority concerning the contributions of all members other than the Commission, including the application of the evaluation rules for in-kind contributions, together with an assessment by the Commission;

Legal framework

8. Takes note that on 13 December 2013 the Joint Undertaking's Administrative Board, in agreement with the Commission, adopted its Financial Rules for the 2014-2020 programming period on a provisional basis; recalls that the Financial Rules have been adopted pursuant to the Commission's framework financial regulation ⁽¹⁾ with effect from 1 January 2014;
9. Notes that the Joint Undertaking's Financial Rules are subject to the forthcoming opinions and decisions of the Commission, with a focus on the continuation of derogations of funding that were in place in the previous programming period;
10. Notes the Joint Statement by the Parliament, the Council and the Commission ⁽²⁾ and the subsequent political agreement reached on the separate discharge for Joint Undertakings;

Internal control systems

11. Notes that in accordance with the coordinated strategic audit plan for the Joint Undertaking for 2012-2014, a limited review of the closing procedure applicable to grant management projects as well as a risk assessment of information technology were carried out by the Commission's Internal Audit Service's (IAS); notes moreover that a compliance audit of procurement and contract management as well as a review of the ABAC Workflow authorisations were carried out by the Internal Audit Capability (IAC) in 2013;
12. Points out that the Joint Undertaking has put specific measures in place in order to prevent conflicts of interest with respect to its three key stakeholders: Administrative Board members, employees and experts;
13. Takes note that between October 2012 and March 2014, the Commission's Second Interim Evaluation was carried out in order to assess the Joint Undertaking in terms of the implementation of its establishing regulation, working methods, results obtained and general financial situation; emphasises that the report produced two main recommendations, one addressing the need to improve the approach towards the specific information and communication needs of Member States, and the second which addresses the need to continue efforts to improve the Joint Undertaking's annual goal completion rate; is concerned that its annual goal completion rate was 82 % by the end of 2012 (60 % in 2010) and believes performance must be improved;
14. Notes from the Court's report that the improvements in the *ex ante* controls area have been implemented;

Monitoring and reporting of research results

15. Takes note that on 31 May 2013, the Joint Undertaking published its Annual Report on the monitoring of the implementation of the Intellectual Property provisions in all financial years prior to 2013; notes furthermore that on 30 October 2013, the Administrative Board of the Joint Undertaking adopted the compiled list of the Foreground ownership assessment and the related ownership status for all financial years prior to 2013;

⁽¹⁾ Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council (OJ L 328, 7.12.2013, p. 42).

⁽²⁾ OJ L 163, 29.5.2014, p. 21.

16. Believes, where appropriate, that links between the Joint Undertaking and the Clean Sky Joint Undertaking should be strengthened; invites the Commission to work with both joint undertakings in order to improve the communication and reinforce synergies and complementarities, ensuring at the same time that there is no risk of overlapping between the activities of the two joint undertakings in question;
 17. Acknowledges from the Court's report that the Joint Undertaking proceeded to disseminate research foreground by making available detailed information on deliverables and their processes to the relevant stakeholders on its extranet, as well as by publishing general details of 2013 deliverables in its 2013 annual activity report;
 18. Calls on the Joint Undertaking to submit a report to the discharge authority on the social-economic benefits of the already completed projects; calls for that report to be submitted to the discharge authority together with an assessment by the Commission;
 19. Recalls that Parliament has previously requested the Court to draw up a special report on the capacity of the joint undertakings, together with their private partners, to ensure added value and efficient execution of Union research, technological development and demonstration programmes.
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DECISION (EU) 2015/1704 OF THE EUROPEAN PARLIAMENT
of 29 April 2015
on the closure of the accounts of the SESAR Joint Undertaking for the financial year 2013

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the SESAR Joint Undertaking for the financial year 2013,
- having regard to the Court of Auditors' report on the annual accounts of the SESAR Joint Undertaking for the financial year 2013, together with the Joint Undertaking's replies ⁽¹⁾,
- having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the joint undertaking in respect of the implementation of the budget for the financial year 2013 (05306/2015 — C8-0049/2015),
- having regard to Article 319 of the Treaty on the Functioning of the European Union,
- having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
- having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
- having regard to Council Regulation (EC) No 219/2007 of 27 February 2007 on the establishment of a Joint Undertaking to develop the new generation European air traffic management system (SESAR) ⁽⁵⁾, and in particular Article 4b thereof,
- having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
- having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾,
- having regard to Rule 94 of and Annex V to its Rules of Procedure,
- having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Transport and Tourism (A8-0110/2015),

1. Approves the closure of the accounts of the SESAR Joint Undertaking for the financial year 2013;

⁽¹⁾ OJ C 452, 16.12.2014, p. 58.

⁽²⁾ OJ C 452, 16.12.2014, p. 59.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 64, 2.3.2007, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Instructs its President to forward this decision to the Executive Director of the SESAR Joint Undertaking, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1705 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the European Institute of Innovation and Technology for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Institute of Innovation and Technology for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Institute of Innovation and Technology for the financial year 2013, together with the Institute's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Institute in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EC) No 294/2008 of the European Parliament and of the Council of 11 March 2008 establishing the European Institute of Innovation and Technology ⁽⁵⁾, and in particular Article 21 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0077/2015),
1. Postpones its decision on granting the Director of the European Institute of Innovation and Technology discharge in respect of the implementation of the Institute's budget for the financial year 2013;

⁽¹⁾ OJ C 442, 10.12.2014, p. 184.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 97, 9.4.2008, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Director of the European Institute of Innovation and Technology, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Institute of Innovation and Technology for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the European Institute of Innovation and Technology for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0077/2015),
- A. whereas, according to its financial statements, the final budget of the European Institute of Innovation and Technology ('the Institute') for the financial year 2013 was EUR 142 197 740 for commitment appropriations, representing an increase of 47,05 % compared to 2012, and EUR 98 760 073 for payment appropriations;
- B. whereas according to its financial statements, the overall contribution of the Union to the Institute's budget for 2013 amounted to EUR 93 462 181, representing an increase of 36,05 % compared to 2012;
- C. whereas the Court of Auditors, in its report on the annual accounts of the European Institute of Innovation and Technology for the financial year 2013 ('the Court's report'), has stated that it has obtained reasonable assurances that the Institute's annual accounts are reliable, but could not obtain sufficient appropriate audit evidence on the legality and regularity of the underlying transactions;

Follow-up of 2012 discharge

1. Notes from the Court's report that regarding one comment made in the Court's 2011 report and marked as 'Ongoing' in the Court's 2012 report, corrective actions were taken and the comment is now marked in the Court's 2013 report as 'Completed'; notes furthermore that regarding the two comments made in the Court's 2012 report, a corrective action was taken and one comment is now marked as 'Completed', while the other one is marked as 'Ongoing';
2. Acknowledges from the Institute that:
 - it provided improved instructions to certifying auditors and in June 2013 communicated the updated instructions to the 'Knowledge and Innovation Communities' (KICs), the recipients of the Institute's grants; notes that the improved instructions should result in an increased level of assurance obtained from audit certificates;
 - quantifiable targets were implemented in the guidelines issued for the KICs, which were revised in 2013 and 2014 in order to further improve the quality of the planning and reporting from the KICs;
 - *ex post* audits on the 2010 Grant Agreement resulted in the recovery of all amounts unduly paid by the Institute;
 - the prevention and management of conflicts of interests policies are being reviewed by the Institute's Internal Audit Capability (IAC), and the revised versions of the Codes of Conduct for the Institute's staff and the members of its Governing Board are expected to be implemented; notes that the Institute will introduce a policy for the members of its Governing Board and its senior management to publish their declarations of interests; calls on the Institute to resolve this issue as a matter of urgency and to inform the discharge authority about the results of the remedial actions taken;
 - the information on its activities' impact on Union citizens is provided through the Institute's website and has been made more accessible through the use of social media as well as through publishing its annual activity report and the results of its work;

Basis for a qualified opinion on the legality and regularity of the underlying transactions

3. Is deeply concerned that for the second consecutive year the Court found no reasonable assurance on the legality and regularity of the Institute's grant transactions; notes that about 87 % of grant expenditure claimed by the beneficiaries is covered by certificates issued by independent audit firms, which are contracted by the beneficiaries themselves and their partners; regrets that although the Institute continued to make efforts to implement effective *ex ante* verifications and give better guidance to the independent audit firms, the Court found their quality as insufficient and noted that there is room for further improvement in their general work; calls on the Institute to address this issue and to inform the discharge authority about the steps taken by 1 September 2015;
4. Notes that in order to have a second layer of assurance on the legality and regularity of grant transactions, the Institute introduced complementary *ex post* verifications for grant transactions that were carried out by an independent audit firm; notes moreover that the audited cost claims correspond to 29 % of the total grant transactions made in 2013; regrets that the *ex post* verification results confirmed the *ex ante* verifications as still not being fully effective; is concerned that on the basis of the errors detected by the *ex post* verifications, the Institute decided in 2014 to recover 3 % of the audited 2012 grants; calls on the Institute to improve the effectiveness of the *ex ante* verifications and to inform the discharge authority on the state of play regarding the steps to be taken by 1 September 2015;
5. Points out with concern that payments in respect of two framework contracts concluded in 2010 and 2012 using a negotiated procedure and amounting to EUR 770 000 were found as irregular as according to the audit, the use of a negotiated procedure was not justified; calls on the Institute to improve its internal procedures as regards procurement and to inform the discharge authority on the steps taken by 1 September 2015;
6. Points out with concern that the combined error rate related to grant issues and framework contract payments is between 2 % and 3 % of the Institute's total 2013 expenditure;

Qualified opinion on the legality and the regularity of the underlying transactions

7. Notes that according to the Court, except for the matters described above, the transactions underlying the annual accounts for 2013 are legal and regular in all material respects;

Comments on the legality and regularity of transactions

8. Regrets that according to the Court's report, the complementary activities of the KICs as beneficiaries of the Institute's grants will not be audited before 2015; is concerned that no appropriate evidence was available to the Court during its audit as regards the Institute's funding not surpassing the ceiling of 25 % of the KICs' global expenditure; calls on the Institute to inform the discharge authority on the state of play regarding the above-mentioned audit by 1 September 2015;

Budget and financial management

9. Notes from the Institute's final accounts that its budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 96,97 % and that the execution rate of payments against payment appropriations was 96,86 %;
10. Notes with concern, however, that the budget implementation rate for Title I (staff expenditure) was low at 74 %; ascertains from the Court's report that this is mainly related to the high turnover of staff and the outstanding adoption of the regulations on salary adjustments; calls on the Institute in this regard to effectively address its staffing policies to avoid the high turnover of staff;

Commitments and carry-overs

11. Notes with concern that the Institute carried over committed appropriations under Title II (Administrative expenditure) amounting to EUR 193 420 or 24 %; acknowledges that these carry-overs mainly concerned invoices not yet received and ongoing IT projects; points out with concern that 29 % of the committed appropriations carried over from 2012 to 2013 were not implemented, largely due to overestimated costs for a Governing Board meeting;

12. Is concerned that under Title III (Operational expenditure), where the Institute had budgeted EUR 34 078 025 for KICs grants, the execution rate was relatively low at 82 %; takes note that the low execution rate is due to KICs not fully absorbing the available funding for 2012 activities; calls on the Institute to inform the discharge authority on the actions it will take in order to increase absorption capability of the KICs by 1 September 2015;

Internal audit

13. Observes from the Institute's annual activity report that its Internal Audit Function (IAF) resigned as of 31 December 2012 and the recruitment of the new Institute's Internal Auditor took longer than expected, as the vacancy notice had to be republished owing to an insufficient number of suitable applicants; takes note that the new Internal Auditor started on 1 January 2014 and therefore, no IAF audits were carried out in 2013;
14. Acknowledges from the Institute that in order to bridge the period between the departure of the former Internal Auditor and the arrival of the new one, it decided to set up an Audit Committee of the Governing Board which provides support to the Governing Board in increasing the quality of the follow-up and implementation of the audit recommendations, for which the Institute's Director bears sole responsibility;
15. Notes that in 2014, the Commission's Internal Audit Service (IAS) followed up the status of implementation of the accepted recommendations from the 'Limited Review on Grant Management — Preparation of Annual Grant Agreements' in the Institute; notes moreover that this limited review resulted in six recommendations, of which one marked as 'Critical' and four as 'Very Important', and that the Institute responded to the six recommendations by a detailed action plan comprising 25 actions, amongst which 13 were due by 31 August 2013 or before and 10 were reported as 'Ready For Review' by this date;
16. Regrets the fact that when the IAS performed a desk review of the status of implementation of these 10 actions, it concluded on 24 September 2013 that either the degree of implementation was insufficient or that additional on-the-spot checks were necessary to confirm the implementation in practice; takes note of the fact that the Institute subsequently reformulated some of the actions and revised the related deadlines to address the IAS remarks;
17. Is concerned about the IAS conclusions in its follow-up report which emphasises the risk that the Institute would not be able to fully implement all actions in time, in particular those actions scheduled for completion in the second quarter of 2014; finds the delays unacceptable given that the IAS considers that delays in the implementation would lead to an even increased risk for the organisation;
18. Acknowledges the Institute's commitment to monitor the *ex ante* verifications in order to obtain reasonable assurance on the legality and regularity of grant transactions;
19. Calls on the Institute to provide the discharge authority with a detailed report on the implementation of the IAS' recommendations as well as on actions taken regarding the recommendations by the Institute's IAF by 1 September 2015;
20. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 29 April 2015 ⁽¹⁾ on the performance, financial management and control of the agencies.

⁽¹⁾ Texts adopted of that date, P8_TA(2015)0130 (see page 431 of this Official Journal).

DECISION (EU) 2015/1706 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on the closure of the accounts of the European Institute of Innovation and Technology for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Institute of Innovation and Technology for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the European Institute of Innovation and Technology for the financial year 2013, together with the Institute's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the Institute in respect of the implementation of the budget for the financial year 2013 (05304/2015 — C8-0054/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 208 thereof,
 - having regard to Regulation (EC) No 294/2008 of the European Parliament and of the Council of 11 March 2008 establishing the European Institute of Innovation and Technology ⁽⁵⁾, and in particular Article 21 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁶⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁷⁾, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0077/2015),
1. Notes that the final annual accounts of the European Institute of Innovation and Technology are as annexed to the Court of Auditors' report;

⁽¹⁾ OJ C 442, 10.12.2014, p. 184.

⁽²⁾ See footnote 1.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 97, 9.4.2008, p. 1.

⁽⁶⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁷⁾ OJ L 328, 7.12.2013, p. 42.

2. Postpones the closure of the accounts of the European Institute of Innovation and Technology for the financial year 2013;
3. Instructs its President to forward this decision to the Director of the European Institute of Innovation and Technology, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1707 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the ARTEMIS Joint Undertaking for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the ARTEMIS Joint Undertaking for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the ARTEMIS Joint Undertaking for the financial year 2013, together with the Joint Undertaking's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the joint undertaking in respect of the implementation of the budget for the financial year 2013 (05306/2015 — C8-0049/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 209 thereof,
 - having regard to Council Regulation (EC) No 74/2008 of 20 December 2007 on the establishment of the 'ARTEMIS Joint Undertaking' to implement a Joint Technology Initiative in Embedded Computing Systems ⁽⁵⁾,
 - having regard to Council Regulation (EC) No 561/2014 of 6 May 2014 establishing the ECSEL Joint Undertaking ⁽⁶⁾, and in particular Article 1(2) and Article 12 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁷⁾,
 - having regard to Commission Delegated Regulation (EU) No 110/2014 of 30 September 2013 on the model financial regulation for public-private partnership bodies referred to in Article 209 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁸⁾,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0103/2015),
1. Postpones its decision on granting the Executive Director of the ECSEL Joint Undertaking discharge in respect of the implementation of the ARTEMIS Joint Undertaking's budget for the financial year 2013;

⁽¹⁾ OJ C 452, 16.12.2014, p. 8.

⁽²⁾ OJ C 452, 16.12.2014, p. 9.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 30, 4.2.2008, p. 52.

⁽⁶⁾ OJ L 169, 7.6.2014, p. 152.

⁽⁷⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁸⁾ OJ L 38, 7.2.2014, p. 2.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this decision and the resolution forming an integral part of it to the Executive Director of the ECSEL Joint Undertaking, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget for the Artemis Joint Undertaking for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the Artemis Joint Undertaking for the financial year 2013,
- having regard to Rule 94 of and Annex V to its Rules of Procedure,
- having regard to the report of the Committee on Budgetary Control (A8-0103/2015),
- A. whereas the Artemis Joint Undertaking ('the Joint Undertaking') was set up in December 2007 for a period of 10 years to define and implement a 'Research Agenda' for the development of key technologies for embedded computing systems across different application areas in order to strengthen Union competitiveness and sustainability and to allow for the emergence of new markets and societal applications,
- B. whereas the Joint Undertaking started to work autonomously in October 2009,
- C. whereas the maximum contribution for the period of 10 years from the Union to the Joint Undertaking is EUR 420 000 000 to be paid from the budget of the Seventh Research Framework Programme,
- D. whereas financial contributions from Artemis Member States should amount in total to at least 1,8 times the Union's financial contribution and the in-kind contribution of research and development organisations participating in projects over the duration of the Joint Undertaking shall be equal to or greater than the contribution of public authorities.
- E. whereas the Artemis and ENIAC Joint Undertakings were merged to create the Electronic Components and Systems for European leadership Joint Technology Initiative (ECSEL JTI) which has started its activity in June 2014 and will run for 10 years,
- F. whereas the Court of Auditors' report for the financial year 2013 has been produced on a going-concern principle,

Budgetary and financial management

1. Notes that the Court of Auditors ('the Court') stated that the 2013 annual accounts of the Joint Undertaking fairly present, in all material respects, its financial position as of 31 December 2013 and the results of its operations and its cash flows for the year-end, in accordance with the provisions of its Financial Rules;
2. Takes note that the Joint Undertaking's *ex post* audit strategy which was adopted on 25 November 2010 has been modified on 20 February 2013; ascertains from the Court's report that with the modifications made in 2013, the strategy is a key tool for assessing the legality and regularity of the underlying transactions;
3. Notes that according to the Court's report, payments made in 2013 relating to certificates of acceptance of costs issued by the national funding authorities ('NFAs') of the Member States amounted to EUR 11 700 000, which accounts for 57 % of the total operational payments;
4. Observes with concern that the administrative agreements signed with the NFAs do not include practical arrangements for *ex post* audits, although the audit of project cost claims has been delegated to the NFAs;
5. Notes that the *ex post* strategy adopted by the Joint Undertaking states that it must assess at least once a year whether the information sent by the NFAs provide sufficient assurance as to the regularity and legality of the executed transactions;

6. Notes that according to the Court's report, the Joint Undertaking received audit reports from the NFAs covering approximately 46 % of the costs relating to completed projects; notes with concern that the Joint Undertaking did not assess the quality of those audits and that, by the end of March 2014, the Joint Undertaking had not received information on the audit strategies of seven out of 23 NFAs; notes moreover that the Joint Undertaking was therefore not in a position to assess whether *ex post* audits provide sufficient assurance as to the legality and regularity of the underlying transactions;
7. Acknowledges from the Joint Undertaking that in addition to the improvements to its *ex post* audit strategy, an action plan was submitted which aims to remedy the deficiencies identified by the Court in its qualified opinion; acknowledges receipt from the Joint Undertaking of the last update with regard to the *ex-post* audit implementation in the Joint Undertaking; awaits the Court's opinion on the new formula proposed for the calculation of an estimated residual error rate in the Joint Undertaking's transactions; notes that the implementation of the action plan commenced in 2014; looks forward to the successful implementation of the entire action plan as well as to the Court's opinion on its outcome; points out that difficulties may arise as to the boundaries between NFA's sovereign authority and the Joint Undertaking's authority; calls on the Joint Undertaking to provide a first interim evaluation report on the implementation of the action plan;
8. Ascertains from the Court's report that the Joint Undertaking's initial 2013 budget included commitment appropriations amounting to EUR 68,9 million and was amended at the end of the year, thus reducing commitment appropriations to EUR 32,6 million; notes with concern that after the reduction, the utilisation rate of payment appropriations was only 69 %, while the utilisation rate for operational commitment appropriations was 99,4 %; the low budget implementation rate is mainly due to the lengthy and complex process for the financial closure of projects;
9. Takes note that the maximum total budget of the Joint Undertaking, as per its establishing Regulation, amounts to EUR 410 million in order to cover the operational expenses; notes furthermore that the current amount of committed appropriations for the calls for proposals accounts for EUR 201 million, representing 49 % of the total budget;
10. Is concerned that there is poor information regarding the evaluation of the Member States' and Research and Development organisations' contributions corresponding to the actual level of Union's payments; in line with the information received, the contribution of the Member States is under the level of 1,8 as requested by the Joint Undertaking's statute; calls on the Joint Undertaking to submit a report to the discharge authority concerning the contributions of all members other than the Commission, including the application of the evaluation rules, together with an assessment by the Commission;

Legal framework

11. Takes into consideration that the new Financial Regulation applicable to the general budget of the Union was adopted on 25 October 2012 and took effect on 1 January 2013 while the model financial regulation for public-private partnership bodies referred to in Article 209 of the new Financial Regulation did not enter into force until 8 February 2014; notes that the financial rules of the Joint Undertaking have not been amended to reflect these changes because of the merger into ECSEL Joint Undertaking;
12. Notes the Joint Statement by the Parliament, the Council and the Commission ⁽¹⁾ and the subsequent political agreement reached on the separate discharge to be given by the Parliament upon recommendation of the Council, for Joint Undertakings under Article 209 of the Financial Regulation;
13. Reiterates its demand to the Court to present a complete and appropriate financial assessment of rights and obligations of the Joint Undertaking for the period up to the date of the ECSEL Joint Undertaking starting activity;

Internal control systems

14. Is concerned that the Joint Undertaking has not set up an internal audit capability as required by Article 6(2) of its establishing Regulation; notes moreover that although the mission charter of the Commission's Internal Audit Service (IAS) was adopted by the Governing Board on 25 November 2010, the financial rules of the Joint Undertaking have not been amended in order to include the provision of the model financial regulation referring to the powers of the IAS;

⁽¹⁾ OJ L 163, 29.5.2014, p. 21.

15. Takes note that in 2013, the IAS performed an audit on the adequacy and effectiveness of the Joint Undertaking's internal control system with regard to management of experts; acknowledges from the audit conclusions that the current internal control system provides reasonable assurance for the achievement of the Joint Undertakings objectives as regards the management of experts; furthermore, notes that several important recommendations were made regarding the adoption of a comprehensive confidentiality policy as well as for the sensitivity of the programme officer's post and for the rules for the allocation of the workload for the remote evaluators;
16. Acknowledges that the Joint Undertaking, along with the Clean Sky, ENIAC, FCH and IMI Joint Undertakings has been the subject of an IT risk assessment of their shared IT infrastructure performed by the IAS;
17. Acknowledges from the Court's report that the Disaster Recovery Plan for the Joint Undertaking's common IT infrastructure has not been approved; notes that the Joint Undertaking has taken measure at its own level in order to deal with emergency situations;

Conflicts of interest

18. Notes with great concern that the Joint Undertaking failed to respect the 2014 recommendations of the discharge authority and did not adopt a comprehensive policy for the prevention and management of conflict of interests; reiterates the need for a clear definition of the concept of conflict of interest, which has to include the financial as well as the non-financial interest;
19. Urges the Joint Undertaking to proceed to a rapid, complete and in-depth disclosure of CVs and declaration of interests by its Executive Director and members of the Governing Board by September 2015; requests as well the creation of a regularly updated database which includes all information related to conflicts of interest and a procedure to manage them along with a mechanism for dealing with breaches of the policy by September 2015;
20. Calls upon the Joint Undertaking to adopt comprehensive policies for the management of conflict of interest situations such as divestment of the interest by the public official, recusal of the public official from involvement in an affected decision-making process, restriction of access by the affected public official to particular information, rearrangement of the public official's duties or resignation of the public official from their office;
21. As the Joint Undertaking has merged in 2014, the discharge authority calls on the ECSEL Joint Undertaking not to perpetuate the lack of a policy on management of conflicts of interest;

Monitoring and reporting of research results

22. Takes note that the Seventh Framework Programme Decision ⁽¹⁾ establishes a monitoring and reporting system related to the protection, dissemination and transfer of research results; ascertains that the Joint Undertaking has developed in this regard procedures in order to monitor the protection and dissemination of their research results at different project stages; note with concern from the Court's report the further need of development in order to fully meet the provisions of the Decision;
23. Acknowledges that between September 2012 and February 2013, the Commission's Second Interim Evaluation was carried out assessing the Joint Undertaking together with the ENIAC Joint Undertaking in terms of relevance, effectiveness, efficiency and research quality; takes note that the report was issued in May 2013 and contained several recommendations for the Joint Undertaking; notes that these recommendations relate to the efficiency of project reviews, the improvement of the match of the project portfolio to strategic European aims and the appropriateness of the metrics for measuring the impact and success of its projects;
24. Calls on the Joint Undertaking to submit a report to the discharge authority on the social-economic benefits of the already completed projects; calls for that report to be submitted to the discharge authority together with an assessment by the Commission;

⁽¹⁾ Article 7 of Decision No 1982/2006/EC of the European Parliament and the Council of 18 December 2006 concerning the Seventh Framework Programme of the European Community for research, technological development and demonstration activities (2007-2013) (OJ L 412, 30.12.2006, p. 6).

25. Recalls that the discharge authority has previously requested the Court to draw up a special report on the capacity of the joint undertakings, together with their private partners, to ensure added value and efficient execution of Union research, technological development and demonstration programmes.
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DECISION (EU) 2015/1708 OF THE EUROPEAN PARLIAMENT
of 29 April 2015
on the closure of the accounts of the Artemis Joint Undertaking for the financial year 2013

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the Artemis Joint Undertaking for the financial year 2013,
- having regard to the Court of Auditors' report on the annual accounts of the Artemis Joint Undertaking for the financial year 2013, together with the Joint Undertaking's replies ⁽¹⁾,
- having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the joint undertaking in respect of the implementation of the budget for the financial year 2013 (05306/2015 — C8-0049/2015),
- having regard to Article 319 of the Treaty on the Functioning of the European Union,
- having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
- having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 209 thereof,
- having regard to Council Regulation (EC) No 74/2008 of 20 December 2007 on the establishment of the 'Artemis Joint Undertaking' to implement a Joint Technology Initiative in Embedded Computing Systems ⁽⁵⁾,
- having regard to Council Regulation (EC) No 561/2014 of 6 May 2014 establishing the ECSEL Joint Undertaking ⁽⁶⁾, and in particular Article 1(2) and Article 12 thereof,
- having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁷⁾,
- having regard to Commission Delegated Regulation (EU) No 110/2014 of 30 September 2013 on the model financial regulation for public-private partnership bodies referred to in Article 209 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁸⁾,
- having regard to Rule 94 of and Annex V to its Rules of Procedure,
- having regard to the report of the Committee on Budgetary Control (A8-0103/2015),

1. Postpones the closure of the accounts of the Artemis Joint Undertaking for the financial year 2013;

⁽¹⁾ OJ C 452, 16.12.2014, p. 8.

⁽²⁾ OJ C 452, 16.12.2014, p. 9.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 30, 4.2.2008, p. 52.

⁽⁶⁾ OJ L 169, 7.6.2014, p. 152.

⁽⁷⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁸⁾ OJ L 38, 7.2.2014, p. 2.

2. Instructs its President to forward this Decision to the Executive Director of the ECSEL Joint Undertaking, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

DECISION (EU) 2015/1709 OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the ENIAC Joint Undertaking for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the ENIAC Joint Undertaking for the financial year 2013,
 - having regard to the Court of Auditors' report on the annual accounts of the ENIAC Joint Undertaking for the financial year 2013, together with the Joint Undertaking's replies ⁽¹⁾,
 - having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the joint undertaking in respect of the implementation of the budget for the financial year 2013 (05306/2015 — C8-0049/2015),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 209 thereof,
 - having regard to Council Regulation (EC) No 72/2008 of 20 December 2007 setting up the ENIAC Joint Undertaking ⁽⁵⁾,
 - having regard to Council Regulation (EC) No 561/2014 of 6 May 2014 establishing the ECSEL Joint Undertaking ⁽⁶⁾, and in particular Article 1(2) and Article 12 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁷⁾,
 - having regard to Commission Delegated Regulation (EU) No 110/2014 of 30 September 2013 on the model financial regulation for public-private partnership bodies referred to in Article 209 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁸⁾,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0104/2015),
1. Postpones its decision on granting the Executive Director of the ECSEL Joint Undertaking discharge in respect of the implementation of the ENIAC Joint Undertaking's budget for the financial year 2013;

⁽¹⁾ OJ C 452, 16.12.2014, p. 26.⁽²⁾ OJ C 452, 16.12.2014, p. 27.⁽³⁾ OJ L 248, 16.9.2002, p. 1.⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.⁽⁵⁾ OJ L 30, 4.2.2008, p. 21.⁽⁶⁾ OJ L 169, 7.6.2014, p. 152.⁽⁷⁾ OJ L 357, 31.12.2002, p. 72.⁽⁸⁾ OJ L 38, 7.2.2014, p. 2.

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this decision and the resolution forming an integral part of it to the Executive Director of the ECSEL Joint Undertaking, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget for the ENIAC Joint Undertaking for the financial year 2013**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the ENIAC Joint Undertaking for the financial year 2013,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0104/2015),
- A. whereas the ENIAC Joint Undertaking ('the Joint Undertaking') was set up on 20 December 2007 for a period of 10 years to define and implement a 'research agenda' for the development of key competences for nanoelectronics across different application areas;
- B. whereas the Joint Undertaking was granted its financial autonomy in July 2010;
- C. whereas the founding members of the Joint Undertaking are the Union, represented by the Commission, Belgium, Germany, Estonia, Ireland, Greece, Spain, France, Italy, the Netherlands, Poland, Portugal, Sweden, the United Kingdom and the Association for European Nanoelectronics Activities (AENEAS);
- D. whereas the maximum contribution for the period of 10 years from the Union to the Joint Undertaking is EUR 450 000 000, to be paid from the budget of the Seventh Research Framework Programme;
- E. whereas AENEAS is to make a maximum contribution of EUR 30 000 000 to the Joint Undertaking's running costs and the Member States are to make in-kind contributions to the running costs and to provide financial contributions of at least 1,8 times the Union contribution;
- F. whereas the ARTEMIS and ENIAC Joint Undertakings were merged to create the Electronic Components and Systems for European leadership Joint Technology Initiative (ECSEL JTI) which has started its activity in June 2014 and will run for 10 years;
- G. whereas the Court of Auditors report for the financial year 2013 has been produced on a going-concern principle;

Budgetary and financial management

1. Notes that the Court of Auditors ('the Court'), in its report on the Joint Undertaking's annual accounts for the financial year 2013 ('the Court's report'), stated that the Joint Undertaking's annual accounts present fairly, in all material respects, its financial position as of 31 December 2013 and the results of its operations and its cash flows for the year-end, in accordance with the provisions of its Financial Rules and the accounting rules adopted by the Commission's Accounting Officer;
2. Is deeply concerned that the Court issued a qualified opinion, for a third consecutive year, on the legality and regularity of the transactions underlying the annual accounts, on the grounds of not being able to conclude whether or not the *ex post* audit strategy, which relies heavily on the National Funding Authorities (NFAs) auditing project cost claims, provides sufficient assurance with respect to the legality and regularity of the underlying transactions; considers that the qualified opinion put into question the willingness of the Joint Undertaking to be effective and efficient according to the principle of 'value for money'; urges therefore the Joint Undertaking to report to the discharge authority on its strategy to change swiftly those current practices;
3. Notes that the Court considers the information available on the implementation of the Joint Undertaking's *ex post* audit strategy as insufficient for it to conclude whether this key control tool is functioning effectively; reiterates its call for the Court, through its independent audits, to provide the discharge authority with its own opinion on the legality and the regularity of the transactions underlying the Joint Undertaking's annual accounts;

4. Recalls that the Joint Undertaking adopted an *ex post* audit strategy in 2010 and that its implementation started in 2011; notes that the audit of project cost claims has been delegated to the NFAs of the Member States; takes note that the Joint Undertaking's *ex post* audit strategy relies on the NFAs to audit project cost claims;
5. Notes furthermore that the Joint Undertaking carried out a limited review of cost claims in 2012 that concluded that the error rate in the programme is below 2 %; notes the Court's opinion that the exercise did not include any audits and did not provide assurance as to the regularity of the cost claims reviewed;
6. Acknowledges from the Joint Undertaking that an action plan, was submitted which aims to remedy the deficiencies identified by the Court in its qualified opinion; acknowledges receipt from the Joint Undertaking of the last update with regard to the *ex-post* audit implementation in the Joint Undertaking; awaits the Court's opinion on the new formula proposed for the calculation of an estimated residual error rate in the Joint Undertaking's transactions; notes that the implementation of the action plan commenced in 2014; looks forward to the successful implementation of the entire action plan, as well as to the opinion of the Court on its outcome; points out that difficulties may arise on the boundary between the NFA's sovereign authority and the Joint Undertaking's authority; calls on the Joint Undertaking to provide a first interim evaluation report on the implementation of the action plan;
7. Takes note that the Joint Undertaking's operational budget for 2013 initially included commitment appropriations of EUR 115 600 000 and payment appropriations of EUR 59 700 000; notes that the Governing Board adopted an amending budget at the year-end, increasing commitment appropriations to EUR 170 000 000 and decreasing payment appropriations to EUR 36 100 000 and resulting in an implementation rate for operational commitment appropriations of 100 % and 95 % for payment appropriations;
8. Is concerned that there is limited information available regarding the evaluation of the Member States' and AENEAS' contributions corresponding to the actual level of Union payments; in line with the information received, the contribution of the Member States is under the level of 1,8 as requested by the Joint Undertaking's statute; calls on the Joint Undertaking to submit a report to the discharge authority concerning the contributions of all members other than the Commission, including the application of the evaluation rules, together with an assessment by the Commission;
9. Calls on the Joint Undertaking to submit a report to the discharge authority on the social-economic benefits of the already completed projects; calls for that report to be submitted to the discharge authority together with an assessment by the Commission;

Internal control systems

10. Acknowledges that the Commission's Internal Audit Service (IAS) audited the adequacy and effectiveness of the Grant Management process in 2013, reaching the conclusion that the procedures in place are providing reasonable assurances; notes that the report includes a number of recommendations, the main two of them concerning the setting up of a documented process for selecting experts and control over access rights having been addressed by the Joint Undertaking;
11. Takes note that the Joint Undertaking, along with Clean Sky, Artemis, FCH and IMI Joint Undertakings, was the subject of an IT Risk Assessment performed by the IAS on the common IT infrastructure they share; notes from the report the need to formalise IT security policies as well as the need to include detailed procedures in future contracts with IT service providers;
12. Takes note that the Seventh Framework Programme Decision establishes a monitoring and reporting system related to the protection, dissemination and transfer of research results; ascertains that the Joint Undertaking has developed in this regard procedures in order to monitor the protection and dissemination of their research results at different project stages; note with concern from the Court's report the further need of development in order to fully meet the provisions of the Decision;
13. Acknowledges that between September 2012 and February 2013, the Commission carried out its Second Interim Evaluation in order to assess the Joint Undertaking and the ARTEMIS Joint Undertaking in terms of relevance, effectiveness, efficiency and research quality; takes note that the report was issued in May 2013 and contained several recommendations for the Joint Undertaking; recalls that the measures concern the efficiency of project reviews, measures to be taken to improve the match of the project portfolio to strategic Union aims and the appropriate metrics for measuring the impact and success of its projects;

Calls for proposals

14. Acknowledges that the last two calls for proposals were launched in 2013 and enabled the Joint Undertaking to use the remaining EUR 170 000 000;

Legal Framework

15. Takes into consideration that the new Financial Regulation applicable to the general budget of the Union was adopted on 25 October 2012 and took effect on 1 January 2013 while the model financial regulation for public-private partnership bodies referred to in Article 209 of the new Financial Regulation did not enter into force until 8 February 2014; notes that the Joint Undertaking's financial rules have not been amended to take into account the model financial regulation because of the merger into the ECSEL Joint Undertaking;
16. Notes the Joint Statement by the Parliament, the Council and the Commission ⁽¹⁾ and the subsequent political agreement reached on the separate discharge for Joint Undertakings under Article 209 of the Financial Regulation;
17. Reiterates its demand to the Court to present a complete and appropriate financial assessment of rights and obligations of the Joint Undertaking for the period up to the date of ECSEL Joint Undertaking starting activity;

Prevention and management of conflicts of interests and transparency

18. Acknowledges that the Joint Undertaking has taken comprehensive measures to prevent conflicts of interest and has published them on its website; notes from the Court's report that further improvements should be considered such as setting up a database to include all information concerning conflicts of interest;
19. Calls on the Joint Undertaking to inform the discharge authority about the progress of the database concerning conflicts of interest;
20. Recalls that the discharge authority has previously requested the Court to draw up a special report on the capacity of the joint undertakings, together with their private partners, to ensure added value and efficient execution of Union research, technological development and demonstration programmes.

⁽¹⁾ OJ L 163, 29.5.2014, p. 21.

DECISION (EU) 2015/1710 OF THE EUROPEAN PARLIAMENT
of 29 April 2015
on the closure of the accounts of the ENIAC Joint Undertaking for the financial year 2013

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the ENIAC Joint Undertaking for the financial year 2013,
- having regard to the Court of Auditors' report on the annual accounts of the ENIAC Joint Undertaking for the financial year 2013, together with the Joint Undertaking's replies ⁽¹⁾,
- having regard to the statement of assurance ⁽²⁾ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2013, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council's recommendation of 17 February 2015 on discharge to be given to the joint undertaking in respect of the implementation of the budget for the financial year 2013 (05306/2015 — C8-0049/2015),
- having regard to Article 319 of the Treaty on the Functioning of the European Union,
- having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽³⁾,
- having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽⁴⁾, and in particular Article 209 thereof,
- having regard to Council Regulation (EC) No 72/2008 of 20 December 2007 setting up the ENIAC Joint Undertaking ⁽⁵⁾,
- having regard to Council Regulation (EU) No 561/2014 of 6 May 2014 establishing the ECSEL Joint Undertaking ⁽⁶⁾, and in particular Article 1(2) and Article 12 thereof,
- having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁷⁾,
- having regard to Commission Delegated Regulation (EU) No 110/2014 of 30 September 2013 on the model financial regulation for public-private partnership bodies referred to in Article 209 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁸⁾,
- having regard to Rule 94 of and Annex V to its Rules of Procedure,
- having regard to the report of the Committee on Budgetary Control (A8-0104/2015),

1. Postpones the closure of the accounts of the ENIAC Joint Undertaking for the financial year 2013;

⁽¹⁾ OJ C 452, 16.12.2014, p. 26.

⁽²⁾ OJ C 452, 16.12.2014, p. 27.

⁽³⁾ OJ L 248, 16.9.2002, p. 1.

⁽⁴⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁵⁾ OJ L 30, 4.2.2008, p. 21.

⁽⁶⁾ OJ L 169, 7.6.2014, p. 152.

⁽⁷⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁸⁾ OJ L 38, 7.2.2014, p. 2.

2. Instructs its President to forward this decision to the Executive Director of the ECSEL Joint Undertaking, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Martin SCHULZ

The Secretary-General
Klaus WELLE

RESOLUTION OF THE EUROPEAN PARLIAMENT**of 29 April 2015****on discharge in respect of the implementation of the budget of the European Union agencies for the financial year 2013: performance, financial management and control**

THE EUROPEAN PARLIAMENT,

- having regard to its decisions on discharge in respect of the implementation of the budget of the European Union agencies for the financial year 2013,
 - having regard to the Commission's report on the follow-up to the discharge for the 2012 financial year (COM(2014) 607), and to the accompanying Commission staff working documents (SWD(2014) 285, SWD(2014) 286),
 - having regard to the Court of Auditors' specific annual reports ⁽¹⁾ on the annual accounts of the decentralised agencies for the financial year 2013,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽²⁾,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 ⁽³⁾, and in particular Article 208 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽⁴⁾,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽⁵⁾, and in particular Article 110 thereof,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinions of the Committee on Employment and Social Affairs and the Committee on Civil Liberties, Justice and Home Affairs (A8-0070/2015),
- A. whereas this resolution contains, for each body within the meaning of Article 208 of Regulation (EU, Euratom) No 966/2012, cross-cutting observations accompanying the discharge decisions in accordance with Article 110 of Delegated Regulation (EU) No 1271/2013 and Article 3 of Annex V to Parliament's Rules of Procedure;
- B. whereas there has been a substantial increase in the number of agencies over the last decade, from three in 2000 to 32 in 2013;
1. Reiterates the importance of the tasks performed by agencies and their direct impact on the daily lives of Union citizens, the autonomy of the agencies, in particular of the regulatory agencies and those with the function of independent information collection; reminds that the main reason for establishing agencies was for the purpose of making independent technical or scientific assessments; points out that the role of the decentralised agencies is to help the Commission implement Union policies on behalf of the Union itself; calls on the Commission and the Union Agencies Network (the 'Network') to improve their communication policies to ensure agencies communicate effectively with citizens, in order to raise awareness of productivity and achievements;

⁽¹⁾ OJ C 442, 10.12.2014.

⁽²⁾ OJ L 248, 16.9.2002, p. 1.

⁽³⁾ OJ L 298, 26.10.2012, p. 1.

⁽⁴⁾ OJ L 357, 31.12.2002, p. 72.

⁽⁵⁾ OJ L 328, 7.12.2013, p. 42.

2. Acknowledges the role of the agencies in supporting Union policies; calls for the broader use of this expertise and capacity in the relevant stages of the European Semester policy process; emphasises the contribution of the agencies in working towards the targets of the Europe 2020 Strategy;
3. Acknowledges the high number of agencies which have been set up in the area of freedom, security and justice but reiterates the importance of the missions which they carry out and their direct impact on citizens' everyday lives; stresses that all the new agencies have been set up in response to a specific need; notes that some agencies in the area of freedom, security and justice are operational ones and that the implementation of their budget also depends on external factors;
4. Considers that the discussion of the draft annual work programmes and the multiannual strategies of the agencies in the committees responsible helps to ensure that the programmes and strategies reflect the actual political priorities;
5. Notes from the Court of Auditors' summary of the results of its 2013 annual audits of the European Agencies and other bodies (the 'Court's summary') that the agencies' 2013 budget amounted to some EUR 2 billion, representing an increase of 25 % compared to 2012 and about 1,4 % of the Union's general budget; notes that this increase mainly results from the newly established agencies and new responsibilities for some agencies; observes from the Court's summary that the agencies employ around 6 500 permanent and temporary officials representing 14 % of the total number of Union officials authorised under the general Union budget; notes furthermore that around 2 900 contract or seconded staff are working for the agencies;
6. Reminds that the reputational risk related to the agencies is high for the Union, as they have significant influence on policy and decision making and programme implementation in areas of vital importance to the Union citizens;
7. Notes that the principle of 'value for money' also holds for agencies and that they should demonstrate that their performance is effective, ensuring that the citizens are well informed of the results of the agencies' activities; requests the Network to keep the discharge authority closely informed of the use and added value of the common set of principles and handbooks on performance measurement systems and frameworks, multi-annual and annual programming documents, key performance indicators, reporting and evaluating tools;

Common approach and Commission's Roadmap

8. Recalls that in July 2012, Parliament, the Council and the Commission adopted a Common Approach on decentralised agencies (the 'Common Approach'), a political agreement concerning the future management and reform of the agencies; takes note that the Commission is responsible for the follow-up to this agreement;
9. Welcomes the Commission's 'Roadmap on the follow-up to the Common Approach on EU decentralised agencies' (the 'Roadmap') set out in December 2012 and invites all involved parties to continue their progress made in implementing the ideas expressed therein; acknowledges that the Commission set out in its Roadmap a detailed plan of how to perform the follow-up to the Common Approach and listed 90 issues for which action was needed from all actors involved;
10. Acknowledges the Commission's progress report on the implementation of the Common Approach, its agenda for 2013 and beyond, as well as the efforts made jointly by the Commission and the decentralised agencies which resulted in demonstrable progress; welcomes in this regard the clarification of the modalities and roles of agencies' internal control functions and internal audit services in the revised Framework Financial Regulation ⁽¹⁾ (FFR), as well as the guidelines for agencies' anti-fraud strategies elaborated upon by the European Anti-Fraud Office (OLAF);
11. Acknowledges from the Network that the agencies have advanced well in terms of implementation of the actions foreseen in the Common Approach; acknowledges furthermore that, according to the survey that the Network launched among agencies subject to the Roadmap, the completion rate of the agency-relevant roadmap actions is 96 %;

⁽¹⁾ Delegated Regulation (EU) No 1271/2013.

12. Takes note that the Commission services developed standard provisions which include appropriate legal provisions to reflect the principles agreed upon in the Common Approach, as well as other provisions usually part of the agencies' founding acts; acknowledges that these standard provisions are used as a reference point when new agencies are created or when existing founding acts are revised;
13. Notes that on the basis of the agencies' contribution, the Commission elaborated guidelines with standard provisions for headquarter agreements between decentralised agencies and host Member States; notes with concern that 10 agencies still do not have a headquarter agreement; exhorts these agencies to tackle the issue of headquarter agreements effectively and as a priority in order to increase efficiency and save costs; expresses concern that the lack of headquarter agreements may have serious implications for the staff of the agencies and calls on the Member States to complete the agreements before the start of the next discharge procedure;
14. Considers it necessary to carry out a serious assessment to evaluate the possibility of merging agencies that perform similar tasks, not only to avoid wasting resources but also to create a critical mass that makes the agencies truly effective;
15. Ascertains that the Commission improved its service to agencies both in the form of general and specific recommendations by using the information and suggestions provided by the Network; notes that in the context of constrained financial and human resources, these improvements have led to the consideration of possible structural measures to rationalise the functioning of the agencies; notes that these measures already produced results such as sharing services between agencies and encourages agencies to continue these efforts;

Budget and financial management

16. Reminds that the principle of annuality is one of the three basic accounting principles, together with unity and balance, which are indispensable to ensuring the efficient implementation of the Union budget; notes that decentralised agencies sometimes do not fully comply with that principle; calls on the agencies to minimise the errors in that regard;
17. Notes from the Court's summary that a high level of committed appropriations carried over remains the most frequent issue of the budgetary and financial management and that that issue concerned 24 agencies; acknowledges that a high level of carry-overs is at odds with the budgetary principle of annuality;
18. Takes note that in seven cases, the Court of Auditors still noted a high level of cancellations of carry-overs from previous years; observes that such carry-overs indicate that the appropriations carried over were made on the basis of over-estimated needs or were otherwise not justified; calls upon the agencies to do everything in their power, especially to implement better budgetary planning processes, to prevent future carry-overs, in particular concentrating on those agencies, that cancelled carry-overs from previous years;
19. Acknowledges that the Commission has adopted the new FFR on 30 September 2013 with a view to simplifying rules applicable to the agencies;
20. Notes that in order to ensure better consistency and comparability between documents produced by the agencies, the Commission is working together with them on guidelines for the programming document, consisting of an annual and a multiannual component, as well as on a template for consolidated annual activity reports (AARs) adapted to the requirements set by the FFR;
21. Notes that the FFR provides for a consolidated AAR to be sent by 1 July each year to the Commission, the Court of Auditors and the discharge authority which combines information from the AAR, internal and external audit reports as well as financial reports as required by the previous framework financial regulation; notes that the discharge reports remain separate due to their specific nature and addressees of the provisional accounts;

22. Regrets the fact that in the case of the European Institute of Innovation and Technology and Frontex, the Court of Auditors still had to issue qualified opinions on the legality and regularity of the transactions underlying their accounts; is concerned by the still high number (97) of comments by the Court of Auditors affecting 35 agencies; urges the Network to see to it that the agencies concerned take all necessary measures to follow up on the Court's observations;

Cooperation among agencies — shared services and synergies

23. Expresses its doubts about the geographical locations of agencies, many of which are located far away from the other European institutions; is of the opinion that for the protection of the independence of the agencies geographical distance is not necessary, nor is it in itself a safeguard against undesirable interferences from either the Commission or Member States, but in all cases it brings with it additional travel costs, and it makes it more difficult to benefit from synergies, such as more centralised administrative and financial services shared by all or a number of agencies;
24. Notes that all agencies have examined their internal administrative processes in line with the previous recommendations from the discharge authority; notes furthermore that a number of agencies already have a regular process assessment carried out in accordance with ISO Certification (ISO 9001) as well as audits performed by their quality and internal audit departments; acknowledges that some agencies have contracted the assistance of consultants to undertake an evaluation of their internal administrative processes;
25. Welcomes the fact that the FFR provides for the possibility of sharing or transferring services where cost efficiency might be gained; recalls that the agencies already seek synergies, exchange best practices and share services for their efficient operation and in order to make the most of their resources; acknowledges the evolution of the agencies' cooperation amongst themselves which will intensify further in the coming years and enable them to continue to deliver on their objectives; notes that 82 % of the agencies have signed a memorandum of understanding with other agencies; calls on the agencies to continue to expand their already well-established cooperation and shared services; invites the agencies to proactively seek further collaboration amongst each other in order to enhance efficiency and efficacy of their work;
26. Acknowledges from the agencies that an online communication tool was created which serves as a platform for the exchange of information, knowledge and best practices among the agencies and includes a database of shared services in various areas and references to new initiatives; takes note that the cooperation between the agencies continuously increases in their respective specialised areas and that, in the near future, 65 % of the agencies expect to conclude new initiatives and sign new memorandums of understanding with other agencies;

Performance

27. Welcomes that a common set of principles for efficient and effective results oriented management, as well as common guidelines on performance measurement systems, multi-annual and annual programming documents and reporting and evaluation tools have been agreed upon; emphasises that it is important that the Network becomes a member of the new Inter-institutional Working Group on Performance to encourage common understanding of the concept of a good and improved performance; requests that the Court of Auditors provides an evaluation of the agencies' performance and results in time for the review in the 2016 Multiannual Financial Framework;
28. Is of the opinion that the trend to focus reporting more on effectiveness and results achieved is a positive one; asks that the reporting system be further strengthened in this respect to enhance the democratic accountability of the agencies;

Human resources management

29. Takes note that the Commission adopted in July 2013 a Communication ⁽¹⁾ to establish a programming of human and financial resources for decentralised agencies for the 2014-2020 period, with a view to ensuring compatibility of resources with the constraints set in this regard by the multiannual financial framework 2014-2020;

⁽¹⁾ COM(2013) 519.

30. Ascertains from the Network that most of the agencies have already implemented, although with great difficulty, the requested staff reduction of 5 % in their respective multiannual staff policy plans; regrets the fact that the Commission has created an additional redeployment pool of 5 % of the staff, thus effectively imposing additional cuts to the agencies' establishment plans and going beyond the agreed 5 % target;
31. Acknowledges from the Network that some agencies are already facing serious difficulties in fulfilling their mandates with the limited resources at their disposal; notes with concern that it will be difficult for the agencies to provide the same level of quality of work if this process of additional staff reductions continues as the Union is entrusting an increasing number of tasks and responsibilities to them; calls on the Commission to review its plan regarding the additional staff reductions and to adapt it according to the workload and resource demands of each agency;
32. Recalls Parliament's position on the budgetary procedure that staff financed by fees paid by industry, and consequently not financed by the Union budget, should not be affected by the 1 % yearly cut applied by the Union; considers that the Commission should treat agencies financed primarily by the Union budget as a separate case and put forward a specific framework for agencies financed mainly by industry, which should be in proportion to the services provided by the agency concerned;
33. Considers, in overall terms, that improvements need to be made with regard to recruitment procedures, with a focus on their transparency, among other things;
34. Notes that the Network agreed to establish an inter-agency pool of investigators in order to carry out disciplinary investigations; acknowledges that the candidates nominated by the agencies will participate in a specific training action for that purpose that is carried out by the Commission's Investigation and Disciplinary Office;

Cooperation of the Network with Parliament

35. Is satisfied with the cooperation of the Network with the responsible parliamentary committee and notes the availability and openness of the directors of the agencies contacted by the committee in the framework of the annual discharge procedure; calls on the Network and the individual agencies to further expand their communication and cooperation with Parliament beyond the discharge procedure;

Conflicts of interest and transparency

36. Observes that, following the Roadmap action, the Commission published the 'Guidelines on the prevention and management of conflicts of interest in EU decentralised agencies' (the 'Guidelines') in December 2013; notes that those Guidelines include provisions concerning the publication of declarations of interests for management board members, executive directors, experts in scientific committees or other such bodies and staff; notes furthermore that the Guidelines provide a clear reference for the policies adopted by the agencies; takes note that a number of agencies have issued or updated their policies on prevention and management of conflicts of interest in order to reflect the Guidelines;
37. Notes that the Guidelines are not legally binding on the agencies and calls upon the Commission to examine how more binding agreements with the agencies can be concluded to promote transparency and to avoid conflicts of interest;
38. Acknowledges from the agencies that the trust of the Union citizens in the European institutions, agencies and bodies is of the highest importance; notes that the agencies have introduced a number of concrete measures and tools to adequately address the risks of actual and perceived conflicts of interest; notes that 88 % of the agencies have already adopted relevant policies for prevention and management of conflicts of interest, while the remaining 12 % are in the process of doing so; notes that the policies of 81 % of the agencies take into account seconded national experts, and external and interim staff;

39. Notes, however, that a number of agencies still experience difficulties with the implementation of their independence policies, especially with regard to staffing of expert groups and scientific panels and committees; recommends to the agencies to address this issue together with the Commission, taking into account also the recommendations raised by the European Ombudsman's own initiative inquiry (OI/6/2014/NF) opened on 12 May 2014, outlined in the letter to the Commission concerning the composition of the Commission's expert groups;
40. Takes note that 61 % of the agencies have already published the CVs and declarations of interests of their management board members, management staff and external and in-house experts on their website; acknowledges that the remaining agencies have agreed to publish the same information upon adoption of revised policies and expects these agencies to adopt the revised policies and publish this information without unnecessary delay;
41. Notes that seconded national experts, external and interim staff are not specifically mentioned in the guidelines and that especially in the case of so-called independent experts, there is still room for interpretation, for example, in the case of academics who have also undertaken research for individual companies or the business community at large; calls upon the Network to ensure a harmonised approach in this respect, which will also prevent any indirect conflicts of interest;
42. Acknowledges that OLAF elaborated guidelines for agencies' anti-fraud strategies and that it has taken the agencies' contribution into account when doing so; notes that OLAF has provided support to the agencies to facilitate their implementation of those guidelines;
43. Invites the Court of Auditors to follow-up on its Special Report No 15/2012 'Management of conflicts of interest in selected EU Agencies';
44. Encourages the Commission to conduct regular evaluation of transparency and integrity of the agencies and to make the results of such evaluation publicly available;

Visibility

45. Regrets the lack of visibility and democratic accountability of the agencies, as they are generally not well known with citizens and are vulnerable in respect of external influences from specialist lobbyists, in particular from those representing big business;
46. Acknowledges that in 2014, nearly all agencies have included on their websites the statement that they are agencies of the Union; urges the remaining agencies to add the statement as a matter of urgency and calls on the agencies to ensure that they and their work are associated with the Union;
47. Welcomes the initiative of some of the agencies to introduce public consultations on some of their policies; invites the agencies to continue in this practice;
48. Notes that, in relation to the social accountability, all contracts signed by the agencies for external services bind the contractors to comply with the local labour and tax legislation; acknowledges that the agencies also undertook further actions promoting social accountability, either due to the social profile of their specific missions or in relation to the local communities in which they are based;
49. Notes in particular the following actions:
 - the European Medicines Agency is publishing the overwhelming proportion of its output on its website, in order to improve public information and awareness,
 - the European Centre for the Development of Vocational Training is actively supporting the municipality of Thessaloniki in exploring possibilities to map and match skills at local and regional level as well as redistributing its declassified IT equipment to local schools and charities based on a transparent process of application and allocation,

- the European Training Foundation's innovative programme of social media activities during the European Year for Combating Poverty and Social Exclusion in 2010 won international awards and such participative approach was further disseminated across its activities;
50. Notes that only one agency, the Translation Centre for the Bodies of the European Union (CdT), publishes its AAR in all the official languages of the Union, while three agencies translate summaries of their AAR in 23 official languages, with Gaelic being the exception;
51. Takes note that under the lead of CdT, the Network has carried out a survey on the agencies' approaches to multilingualism; notes that that survey shows a great variation in the current approaches to multilingualism and observes that, as each agency has different target audiences, stakeholder demands as well as varying budgets and scales, there can be no 'one size fits all' language policy for all the agencies;
52. Acknowledges nevertheless that all agencies are working towards applying a multilingual practice in their online presence and aim to have at least a section or document on their website that provides basic information about the agency in all the official languages of the Union; points out that although a multilingual approach requires a significant financial commitment, there is a need for the agencies to take immediate actions in this area;
53. Takes note that the results of the agencies' work are made publicly available through the inclusion of their AAR on their websites; notes moreover that parts of the AAR include descriptions that explain in accessible terms how Union funds are used in the agencies' budget; observes that most of the agencies produce reports related to the impact of their specific tasks on Union citizens and which explain why their work is important;
54. Notes that many of the agencies have strengthened their presence online and have put substantial efforts into raising their visibility and welcomes the proactive approach in this regard; further invites the agencies to expand their visibility through other tools such as social networks, open days, presence at fairs and other similar tools in order ensure that the European citizens are well informed in a transparent manner about the agencies' work;

Internal controls

55. Observes that 10 agencies had in total 17 comments related to internal control issues, which represents progress in comparison with 2012, when 22 agencies had 34 comments regarding the same issues; notes that in four cases those issues related to the implementation of internal control standards which were not adopted at year-end or adopted but only partially implemented, or for which corrective actions were still ongoing; notes that comments regarding fixed assets management and grant management decreased in comparison to 2012;
56. Takes note that the roles of the Commission's Internal Audit Service (IAS) and of the agencies' Internal Audit Capabilities (IACs) have been further clarified by the FFR by setting the premises for enhanced coordination of work, exchange of information and overall synergies between them; notes that the FFR gives the agencies the possibility of sharing their IACs and calls on them to do so, where possible;
57. Invites the Court of Auditors to further focus on auditing the sound financial management of the agencies, namely the economy, efficiency and effectiveness with which the agencies have used their appropriations in carrying out their responsibilities;

Self-financed agencies

58. Reiterates that the Union bodies to which the financial rules laid down in the FFR do not apply should establish, for the sake of consistency, similar rules, where appropriate. ⁽¹⁾; stresses that current surpluses must be dealt with as soon as possible, and the possibility of re-allocating the money to the Union budget should be explored, refers the issue to the Inter-institutional Working Group on Performance for consideration;

⁽¹⁾ Currently CPVO (Community Plant Variety Office) at Angers and OHIM (Office for Harmonization in the Internal Market) at Alicante.

Other comments

59. Welcomes the efforts made by the agencies to address the issue of cost-effectiveness and environment-friendliness of work environment; encourages the agencies to further pursue cost-effective and environment-friendly solutions with regard to work and building management and to increase the utility of digital solutions such as videoconferences in order to reduce travel and other expenses;
 60. Instructs its President to forward this resolution to the agencies subject to this discharge procedure, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).
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