

Discharge for 2017: Second reports for Council and EASO

During the October II plenary session, the European Parliament is expected to vote on the second reports of the Committee on Budgetary Control concerning the discharge in respect of the Council's accounts for the year 2017, as well as the implementation of the budget of the European Asylum Support Office. In both cases, Parliament had decided on 26 March 2019 to postpone the discharge decision for the 2017 financial year.

The discharge procedure

In the framework of the annual [discharge procedure](#), the European Parliament decides to grant, postpone or reject the discharge to different bodies. It can also make recommendations for improving the financial management and implementation of the EU Budget. After receiving a recommendation from the Council, the European Parliament ascertains whether the European Commission has upheld the principles of sound financial management, and respected the applicable rules and regulations when implementing the budget. The Parliament also grants separate discharge to the other EU institutions for the management of their sections of the general budget, and to the decentralised agencies (among which the European Asylum Support Office – EASO) and joint undertakings for the implementation of their budgets.

Discharge to the Council and the European Council

Since 2003, the European Parliament has prepared a separate discharge decision for the Council – since 2011 for the Council and the European Council. The procedure of giving discharge separately to each institution and body concerning the management of its administrative budget is a long-standing practice accepted by all institutions except for the Council.

According to the Council, the rules allow the Parliament to grant discharge only to the Commission for implementing the entire EU budget in cooperation with the Member States. Parliament has refused to grant discharge to the Council since 2009 because of its reluctance to provide the information requested by Parliament.

European Parliament position on the discharge to the Council and European Council

Following the [decision](#) taken by Parliament on 26 March 2019 to postpone discharge to the Council and the European Council for the 2017 financial year, the Committee on Budgetary Control (CONT) adopted its [second report](#) on 25 September 2019. In this report, it proposes to Parliament to refuse to grant discharge to the Council and the European Council for that financial year. The Committee regrets that the Council has again failed to provide answers to the written questions sent by Parliament. In previous discharge resolutions, Parliament had also requested the separation of the budgets of the European Council and the Council. However, Council has not complied with this request. CONT members are also concerned about the high amount of appropriations carried over from 2017 to 2018. Another issue relates to the Commission proposal for a mandatory [transparency register](#) that the Council has still not implemented, even though it had given its agreement on 6 December 2017.

The CONT committee has also expressed its concern about the information reported by European media regarding the cooperate sponsorship of Member States holding the Council Presidency. It insists that the Council must be transparent and fully accountable to Union citizens for the funds entrusted to it, ensuring the same degree of scrutiny as for the other institutions. Additionally, it urges the Council to react to the most recent proposal sent to the Council on 16 July 2018 concerning possible new arrangements for the discharge exercise. In this respect, informal exchanges on possible [solutions](#) have taken place.

Discharge 2017 – EU general budget: European Council and Council, [2018/2168\(DEC\)](#). Committee responsible: CONT; Rapporteur: Isabel Garcia Muñoz (S&D, Spain).

European Parliament position on the discharge to the European Asylum Support Office (EASO)

On 26 March 2019, Parliament [decided](#) to postpone discharge to EASO for the 2017 financial year. In its [second report](#), adopted on 25 September 2019, the CONT committee proposes to refuse to grant the Executive Director of the EASO discharge in respect of the implementation of EASO's budget for the 2017 financial year. A proposal to close the accounts of EASO for the 2017 financial year would be submitted at a subsequent part-session. Last year too, the European Parliament had [refused](#) to grant the Executive Director of EASO discharge in respect of the implementation of the Office's budget for the 2016 financial year.

The Court of Auditors in its annual [report](#) on EU agencies for the 2017 financial year had pointed to problems related to public procurement and recruitment procedures underlying payments. The CONT committee regrets that these systematic instances of non-compliance of payments with the EASO Financial Regulation and other applicable rules and provisions demonstrate an insufficient internal control system. It recalls that all decentralised agencies must be transparent and fully accountable for the funds entrusted to them.

The report also focuses on the outcome of the investigation of the European Anti-Fraud Office (OLAF). In June 2018, EASO's Management Board had released the former Executive Director from his duties with immediate effect, and a new Executive Director was appointed on 16 June 2019. OLAF had carried out investigations into the previous leadership of EASO. The CONT committee urges EASO to report to Parliament on the follow-up of the measures proposed by OLAF.

Even though the Committee notes with appreciation the commitment of the new Executive Director to deliver significant reforms and to cooperate closely with the European Parliament, it highlights that this report concerns the discharge procedure for the 2017 financial year.

Discharge 2017 – European Asylum Support Office (EASO), [2018/2208\(DEC\)](#). Committee responsible: CONT; Rapporteur: Petri Sarvamaa (EPP, Finland).

