



Plenary sitting

A8-0154/2019

4.3.2019

REPORT

on discharge in respect of the implementation of the budget of the European Union Agency for Law Enforcement Cooperation (Europol) (before 1 May 2017: European Police Office) for the financial year 2017 (2018/2200(DEC))

Committee on Budgetary Control

Rapporteur: Petri Sarvamaa

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1. PROPOSAL FOR A EUROPEAN PARLIAMENT DECISION

on discharge in respect of the implementation of the budget of the European Union Agency for Law Enforcement Cooperation (Europol) (before 1 May 2017: European Police Office) for the financial year 2017 (2018/2200(DEC))

The European Parliament,

- having regard to the final annual accounts of the European Union Agency for Law Enforcement Cooperation (Europol) for the financial year 2017,
- having regard to the Court of Auditors' report on the annual accounts of the European Union Agency for Law Enforcement Cooperation (Europol) for the financial year 2017, together with Europol's reply¹,
- having regard to the statement of assurance² 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 2017, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council recommendation of 12 February 2019 on discharge to be given to Europol in respect of the implementation of the budget for the financial year 2017(05825/2019 – C8-0090/2019),
- having regard to Article 319 of the Treaty on the Functioning of the European Union,
- 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 1605/2002³, and in particular Article 208 thereof,
- having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012⁴, and in particular Article 70 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 Regulation (EU) 2016/794 of the European Parliament and of the Council of 11 May 2016 on the European Union Agency for Law Enforcement

¹ OJ C 434, 30.11.2018, p. 165.

² OJ C 434, 30.11.2018, p. 165.

³ OJ L 298, 26.10.2012, p. 1.

⁴ OJ L 193, 30.7.2018, p. 1.

⁵ OJ L 121, 15.5.2009, p. 37.

Cooperation (Europol) and replacing and repealing Council Decisions 2009/371/JHA, 2009/934/JHA, 2009/935/JHA, 2009/936/JHA and 2009/968/JHA¹, and in particular Article 60 thereof,

- 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 Council², and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex IV 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 (A8-0154/2019),
1. Grants the Executive Director of the European Union Agency for Law Enforcement Cooperation (Europol) discharge in respect of the implementation of Europol's budget for the financial year 2017;
 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 Law Enforcement Cooperation (Europol), 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).

¹ OJ L 135, 24.5.2016, p. 53.

² OJ L 328, 7.12.2013, p. 42.

2. PROPOSAL FOR A EUROPEAN PARLIAMENT DECISION

on the closure of the accounts of the European Union Agency for Law Enforcement Cooperation (Europol) (before 1 May 2017: European Police Office) for the financial year 2017 (2018/2200(DEC))

The European Parliament,

- having regard to the final annual accounts of the European Union Agency for Law Enforcement Cooperation (Europol) for the financial year 2017,
- having regard to the Court of Auditors' report on the annual accounts of the European Union Agency for Law Enforcement Cooperation (Europol) for the financial year 2017, together with Europol's reply¹,
- having regard to the statement of assurance² 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 2017, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council recommendation of 12 February 2019 on discharge to be given to Europol in respect of the implementation of the budget for the financial year 2017 (05825/2019 – C8-0090/2019),
- having regard to Article 319 of the Treaty on the Functioning of the European Union,
- 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 1605/2002³, and in particular Article 208 thereof,
- having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012⁴, and in particular Article 70 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 Regulation (EU) 2016/794 of the European Parliament and of the Council of 11 May 2016 on the European Union Agency for Law Enforcement

¹ OJ C 434, 30.11.2018, p. 165.

² OJ C 434, 30.11.2018, p. 165.

³ OJ L 298, 26.10.2012, p. 1.

⁴ OJ L 193, 30.7.2018, p. 1.

⁵ OJ L 121, 15.5.2009, p. 37.

Cooperation (Europol) and replacing and repealing Council Decisions 2009/371/JHA, 2009/934/JHA, 2009/935/JHA, 2009/936/JHA and 2009/968/JHA¹, and in particular Article 60 thereof,

- 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 Council², and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex IV 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 (A8-0154/2019),
1. Approves the closure of the accounts of the European Union Agency for Law Enforcement Cooperation (Europol) for the financial year 2017;
 2. Instructs its President to forward this decision to the Executive Director of the European Union Agency for Law Enforcement Cooperation (Europol), 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).

¹ OJ L 135, 24.5.2016, p. 53.

² OJ L 328, 7.12.2013, p. 42.

3. MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

**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 Law Enforcement Cooperation (Europol) (before 1 May 2017: European Police Office) for the financial year 2017
(2018/2200(DEC))**

The European Parliament,

- having regard to its decision on discharge in respect of the implementation of the budget of the European Union Agency for Law Enforcement Cooperation (Europol) for the financial year 2017,
 - having regard to Rule 94 of and Annex IV 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 (A8-0154/2019),
- A. whereas, according to its statement of revenue and expenditure¹, the final budget of the European Union Agency for Law Enforcement Cooperation (‘Europol’) for the financial year 2017 was EUR 119 234 720, representing an increase of 14,35 % compared to 2016; whereas the increase was due to additional tasks expanding its mandate; whereas Europol’s budget mainly derives from the Union budget;
- B. whereas the Court of Auditors (the ‘Court’), in its report on the annual accounts of the European Union Agency for Law Enforcement Cooperation (Europol) for the financial year 2017 (the ‘Court's report’), states that it has obtained reasonable assurances that Europol’s annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes with satisfaction that the budget monitoring efforts during the financial year 2017 resulted in a high budget implementation rate of 99,72 %, representing a slight decrease of 0,03 % compared to 2016; notes that the payment appropriations execution rate was 89,01 %, indicating a decrease of 1,97 % compared to 2016;
2. Notes that following the growth prognosis for Europol an additional permanent building will be required as of 2023; asks Europol to consider to be vigilant in relation to the additional costs;

Cancellation of carry-overs

3. Notes with concern that the cancellations of carry-overs from 2016 to 2017 amounted to EUR 834 972, representing 9,08 % of the total amount carried over, showing a notable decrease of 6,35 % compared to 2016;

¹ OJ C 108, 22.3.2018, p.245.

Performance

4. Notes with satisfaction that Europol monitored its performance through **33** Key Performance Indicators, 36 other performance indicators and the implementation of around 140 specific actions planned in its Work Programme, with the performance reporting framework in general aimed at assessing the added value of Europol's activities and at enhancing its budget management;
5. Notes that Europol achieved 78 % of the targets set for performance indicators (86 % in 2016) and that it progressed in the implementation of 80 % of the actions contained within the 2017 Work Programme (76 % in 2016);
6. Notes with satisfaction that in May 2017 Regulation (EU) 2016/794 of the European Parliament and of the Council¹ became applicable, enhancing Europol's mandate to effectively counter continuously evolving threats from cross-border crimes and terrorism across the Union and beyond;
7. Requests Europol to provide more information on the tasks and budgetary implications of its Internet Referral Unit (EU-IRU), which is not explicitly listed in the budget, but forms part of its European Counterterrorism Centre (ECTC); reminds that Article 4(1) of Regulation (EU) 2016/794 makes a reference to referrals of internet content in relation with terrorism to the online service providers, whereas Europol in close cooperation with industry actually supports related investigations by competent authorities; specifically requests information on the subsequent follow-up on cases identified and referred of terrorist internet content, including at the request of competent authorities in Member States;
8. Recalls the importance and the added value of Europol in the fight against organised crime across Europe and, in particular, its role in funding Joint Investigation Teams ('JITs'); welcomes, in that regard, the recent conclusion of a new memorandum of understanding between Europol and Eurojust² laying down criteria and conditions for the financial support to JITs activities provided by both of them;
9. Notes with appreciation that Europol carries out security tasks side-by-side with the European Border and Coast Guard Agency, the European Asylum Support Office and national authorities; notes moreover that Europol shared legal advice with other Union agencies located in the Netherlands and joined in multiple interinstitutional-interagency procurement procedures; encourages Europol to further develop its cooperation with the other institutions, bodies, offices and agencies of the Union in the field of justice and home affairs;
10. Emphasizes that Europol is one of the nine agencies on justice and home affairs; expresses its disappointment with the outcome in this respect of the IIWG on decentralised agencies, as no specific proposals were developed to merge or co-locate agencies concentrating on related policy fields; asks Europol to cooperate with the eight

¹ Regulation (EU) 2016/794 of the European Parliament and of the Council of 11 May 2016 on the European Union Agency for Law Enforcement Cooperation (Europol) and replacing and repealing Council Decisions 2009/371/JHA, 2009/934/JHA, 2009/935/JHA, 2009/936/JHA and 2009/968/JHA (OJ L 135, 24.5.2016, p. 53).

² Memorandum of Understanding on the joint establishment of rules and conditions for financial support to joint investigation team activities between Europol and Eurojust, signed on the 1 June 2018.

other agencies on justice and home affairs to investigate possible mergers;

Staff policy

11. Notes that, on 31 December 2017, the establishment plan was 97,27 % executed, with 535 temporary agents appointed out of 550 temporary agents authorised under the Union budget (compared with 505 authorised posts in 2016); notes that, in addition, 159 contract agents and 71 seconded national experts worked for Europol in 2017; urges Europol to refrain from relying too heavily on contract agents and to not replace permanent staff by more expensive contract agents;
12. Regrets the gender imbalance within Europol's senior management members, with 133 out of 151 members being male and 18 being female, and within the members of the management board, with 11 out of 53 being female; asks in this regard the Commission and the Member States to take into account the importance of ensuring gender balance when presenting their nominations for members of the management board; asks as well Europol to take measures ensuring better gender balance within its senior management;
13. Notes that Europol has adopted a policy on protecting the dignity of the person and preventing harassment; acknowledges that Europol organised training sessions and enabled confidential counselling;
14. Notes with concern that four formal procedures in the form of administrative inquiries were opened with regard to sexual harassment and inappropriate behaviour during the course of 2017; notes that Europol completed the administrative inquiries with disciplinary action swiftly, where applicable and initiated corresponding actions to address the matter and that no case was taken to court; takes note of the fact that no administrative inquiry into allegations of sexual harassment was brought forward in Europol in 2018; calls on Europol to do its utmost to avoid structural deficiencies as regards inappropriate behaviour in order to prevent such cases from happening in the first place;
15. Welcomes the suggestion of the Court to also publish vacancy notices on the website of the European Personnel Selection Office in order to increase publicity; understands the concern of Europol as regards translation costs;
16. Encourages Europol to consider adopting a fundamental rights strategy; including a reference to fundamental rights in a code of conduct that could define the duties of its staff and training for staff; setting up mechanisms ensuring that any violation of fundamental rights be detected and reported, and that risks of such violations be swiftly brought to the attention of the main bodies of Europol; establishing, whenever relevant, the position of a fundamental rights officer, reporting directly to the management board to ensure a certain degree of independence vis-a-vis other staff, in order to ensure that threats to fundamental rights shall be immediately addressed, and that a constant upgrading of the fundamental rights policy within the organization; developing a regular dialogue with civil society organisations and relevant international organizations on fundamental rights issues; making compliance with fundamental rights a central component of the terms of reference of the collaboration of Europol concerned with external actors, including in particular members of national administrations with whom it interacts at operational level;

Prevention and management of conflicts of interest and transparency

17. Notes Europol's existing measures and ongoing efforts to secure transparency, prevention and management of conflicts of interest and whistleblower protection; takes note of the proactive measures taken against the four potential conflict of interest cases identified in 2017; notes that Europol has published declarations of absence of conflicts of interest rather than declarations of interest; acknowledges however the adoption in October 2018 of a new model declaration on the declaration of interests, by the management board, on the basis of a proposal from Europol; notes with satisfaction that this new model declaration is being applied for all members of the management board, as well as for the Executive Director and deputy executive directors; notes, however, that to this date not all declarations have been updated to the new model; calls on Europol to swiftly proceed in this sense and publish the new declarations;

Internal controls

18. Notes that in 2016 the Commission's Internal Audit Service (IAS) performed an audit on procurement and that in 2017 the final IAS audit report on procurement was released containing three recommendations graded as "important"; notes that Europol developed an action plan in 2017 and reported to the IAS in August 2018 on the implementation of those recommendations; notes, moreover, that the IAS undertook a risk assessment over the entire organisation's process landscape without grading any process area as "enhance risk mitigation";

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19. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of ...2019¹ on the performance, financial management and control of the agencies.

¹ Texts adopted of that date, P8_TA-PROV(2019)0000.

17.1.2019

OPINION OF THE COMMITTEE ON CIVIL LIBERTIES, JUSTICE AND HOME AFFAIRS

for the Committee on Budgetary Control

on discharge in respect of the implementation of the budget of the European Union Agency for Law Enforcement Cooperation (Europol) (before 1 May 2017: European Police Office) for the financial year 2017
(2018/2200(DEC))

Rapporteur for opinion: Romeo Franz

SUGGESTIONS

The Committee on Civil Liberties, Justice and Home Affairs calls on the Committee on Budgetary Control, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Welcomes the Court of Auditors' conclusions that the annual accounts of Europol present fairly its financial position on 31 December 2017 and that its transactions are legal and regular;
2. Highlights that in response to challenges imposed by migration Europol's budget increased and its staff reinforced; notes that in 2017 the budget of Europol increased from 104 to 118 million Euros and its staff increased from 737 to 834 full-time equivalents; welcomes in this context of growing activities the lack of remarks of the Court of Auditors regarding the execution of the 2017 budget of Europol; welcomes as well that all of the recommendations issued by the Court of Auditors for previous years have been closed; highlights, in particular, that as from 2017 the Court of Auditors does no longer report excessive carry-overs of commitment appropriations from the previous year (2016) to the current year (2017) for Title II (administrative expenditure);
3. Requests Europol to provide more information on the tasks and budgetary implications of its Internet Referral Unit (EU-IRU), which is not explicitly listed in the budget, but

forms part of its European Counterterrorism Centre (ECTC); reminds that Article 4(1) of Regulation (EU) 2016/794 of the European Parliament and of the Council¹ makes a reference to referrals of internet content in relation with terrorism to the online service providers, whereas Europol in close cooperation with industry actually supports related investigations by competent authorities; specifically requests information on the subsequent follow-up on cases identified and referred of terrorist internet content, including at the request of competent authorities in Member States;

4. Recalls the importance and the added value of Europol in the fight against organised crime across Europe and, in particular, its role in funding Joint Investigation Teams ('JITs'); welcomes, in that regard, the recent conclusion of a new memorandum of understanding between Europol and Eurojust² laying down criteria and conditions for the financial support to JITs activities provided by both of them;
5. Notes that Europol has managed to fill all its vacancies; regrets that Europol does not publish vacancy notices on the website of the European Personnel Selection Office (EPSO) but only on its own website and in social media; acknowledges that the working language of Europol is principally English; acknowledges the concerns of Europol with regard to additional translation costs; points out that the publication of Europol vacancy notices on the EPSO website would be useful and relevant as it would increase transparency and publicity and allow Union citizens to identify vacancies published by the different Union institutions and agencies collectively; requests Europol to also publish its vacancy notices on the EPSO website; invites the Commission to consider measures aimed at reducing the financial burden for the translation of vacancy notices upon the agencies, including by establishing an ad hoc framework agreement with the Translation Centre for the Bodies of the European Union (CdT);
6. Welcomes the commitment of Europol to address the three recommendations identified by the Commission's Internal Audit Service in its 2017 audit report on "Procurement in the European Police Office".

¹ Regulation (EU) 2016/794 of the European Parliament and of the Council of 11 May 2016 on the European Union Agency for Law Enforcement Cooperation (Europol) and replacing and repealing Council Decisions 2009/371/JHA, 2009/934/JHA, 2009/935/JHA, 2009/936/JHA and 2009/968/JHA (OJ L 135, 24.5.2016, p. 53)

² Memorandum of Understanding on the joint establishment of rules and conditions for financial support to joint investigation team activities between Europol and Eurojust, signed on the 1 June 2018.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	10.1.2019
Result of final vote	+: 43 -: 2 0: 1
Members present for the final vote	Asim Ademov, Martina Anderson, Heinz K. Becker, Monika Beňová, Michał Boni, Caterina Chinnici, Rachida Dati, Frank Engel, Laura Ferrara, Romeo Franz, Kinga Gál, Ana Gomes, Nathalie Griesbeck, Sylvie Guillaume, Monika Hohlmeier, Sophia in 't Veld, Cécile Kashetu Kyenge, Monica Macovei, Roberta Metsola, Claude Moraes, Ivari Padar, Judith Sargentini, Birgit Sippel, Csaba Sógor, Helga Stevens, Traian Ungureanu, Bodil Valero, Marie-Christine Vergiat, Udo Voigt, Josef Weidenholzer, Kristina Winberg, Tomáš Zdechovský, Auke Zijlstra
Substitutes present for the final vote	Dennis de Jong, Anna Hedh, Lívia Járóka, Marek Jurek, Jean Lambert, Jeroen Lenaers, Andrejs Mamikins, Angelika Mlinar, Maite Pagazaurtundúa Ruiz, Christine Revault d'Allonnes Bonnefoy
Substitutes under Rule 200(2) present for the final vote	Norbert Erdős, Fernando Ruas, Adam Szejnfeld

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

43	+
ALDE	Nathalie Griesbeck, Sophia in 't Veld, Angelika Mlinar, Maite Pagazaurtundúa Ruiz
ECR	Marek Jurek, Monica Macovei, Helga Stevens, Kristina Winberg
EFDD	Laura Ferrara
GUE/NGL	Dennis de Jong, Marie-Christine Vergiat
PPE	Asim Ademov, Heinz K. Becker, Michał Boni, Rachida Dati, Frank Engel, Norbert Erdős, Kinga Gál, Monika Hohlmeier, Livia Járóka, Jeroen Lenaers, Roberta Metsola, Fernando Ruas, Csaba Sógor, Adam Szejnfeld, Traian Ungureanu, Tomáš Zdechovský
S&D	Monika Beňová, Caterina Chinnici, Ana Gomes, Sylvie Guillaume, Anna Hedh, Cécile Kashetu Kyenge, Andrejs Mamikins, Claude Moraes, Ivari Padar, Christine Revault d'Allonnes Bonnefoy, Birgit Sippel, Josef Weidenholzer
VERTS/ALE	Romeo Franz, Jean Lambert, Judith Sargentini, Bodil Valero

2	-
ENF	Auke Zijlstra
NI	Udo Voigt

1	0
GUE/NGL	Martina Anderson

Key to symbols:

+ : in favour

- : against

0 : abstention

INFORMATION ON ADOPTION IN COMMITTEE RESPONSIBLE

Date adopted	20.2.2019
Result of final vote	+: 19 -: 0 0: 1
Members present for the final vote	Nedzhmi Ali, Inés Ayala Sender, Zigmantas Balčytis, Dennis de Jong, Tamás Deutsch, Martina Dlabajová, Ingeborg Gräßle, Jean-François Jalkh, Wolf Klinz, Monica Macovei, Georgi Pirinski, José Ignacio Salafranca Sánchez-Neyra, Petri Sarvamaa, Claudia Schmidt, Bart Staes, Marco Valli, Derek Vaughan, Joachim Zeller
Substitutes present for the final vote	Karin Kadenbach
Substitutes under Rule 200(2) present for the final vote	Petra Kammerevert

FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE

19	+
ALDE	Nedzhmi Ali, Martina Dlabajová, Wolf Klinz
ECR	Monica Macovei
EFDD	Marco Valli
GUE/NGL	Dennis de Jong
PPE	Tamás Deutsch, Ingeborg Gräßle, José Ignacio Salafranca Sánchez-Neyra, Petri Sarvamaa, Claudia Schmidt, Joachim Zeller
S&D	Inés Ayala Sender, Zigmantas Balčytis, Karin Kadenbach, Petra Kammerevert, Georgi Pirinski, Derek Vaughan
VERTS/ALE	Bart Staes

0	-

1	0
ENF	Jean-François Jalkh

Key to symbols:

+ : in favour

- : against

0 : abstention