

2011 discharge: European Environment Agency

1. European Parliament decision of 17 April 2013 on discharge in respect of the implementation of the budget of the European Environment Agency for the financial year 2011 (C7-0249/2012 – 2012/2187(DEC))

The European Parliament,

- having regard to the final annual accounts of the European Environment Agency for the financial year 2011,
- having regard to the Court of Auditors' report on the annual accounts of the European Environment Agency for the financial year 2011, together with the Agency's replies¹,
- having regard to the Council's recommendation of 12 February 2013 (05753/2013 – C7-0041/2013),
- 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 Communities², and in particular Article 185 thereof,
- 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 (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 Network⁴, 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 Communities⁵, and in particular Article 94 thereof,
- having regard to Rule 77 of, and Annex VI 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 (A7-0070/2013),

1. Grants the Executive Director of the European Environment Agency discharge in respect of

¹ OJ C 388, 15.12.2012, p. 80.

² OJ L 248, 16.9.2002, p. 1.

³ OJ L 298, 26.10.2012, p. 1.

⁴ OJ L 126, 21.5.2009, p. 13.

⁵ OJ L 357, 31.12.2002, p. 72.

the implementation of the Agency's budget for the financial year 2011;

2. Sets out its observations in the resolution below;
3. Instructs its President to forward this Decision and the resolution that forms 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).

2. European Parliament decision of 17 April 2013 on the closure of the accounts of the European Environment Agency for the financial year 2011 (C7-0249/2012 – 2012/2187(DEC))

The European Parliament,

- having regard to the final annual accounts of the European Environment Agency for the financial year 2011,
 - having regard to the Court of Auditors' report on the annual accounts of the European Environment Agency for the financial year 2011, together with the Agency's replies¹,
 - having regard to the Council's recommendation of 12 February 2013 (05753/2013 – C7-0041/2013),
 - 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 Communities², and in particular Article 185 thereof,
 - 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 (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 Network⁴, 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 Communities⁵, and in particular Article 94 thereof,
 - having regard to Rule 77 of, and Annex VI 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 (A7-0070/2013),
1. Approves the closure of the accounts of the European Environment Agency for the financial year 2011;
 2. 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

¹ OJ C 388, 15.12.2012, p. 80.

² OJ L 248, 16.9.2002, p. 1.

³ OJ L 298, 26.10.2012, p. 1.

⁴ OJ L 126, 21.5.2009, p. 13.

⁵ OJ L 357, 31.12.2002, p. 72.

arrange for its publication in the *Official Journal of the European Union* (L series).

3. European Parliament resolution of 17 April 2013 with observations forming an integral part of its Decision on discharge in respect of the implementation of the budget of the European Environment Agency for the financial year 2011 (C7-0249/2012 – 2012/2187(DEC))

The European Parliament,

- having regard to the final annual accounts of the European Environment Agency for the financial year 2011,
 - having regard to the Court of Auditors' report on the annual accounts of the European Environment Agency for the financial year 2011, together with the Agency's replies¹,
 - having regard to the Council's recommendation of 12 February 2013 (05753/2013 – C7-0041/2013),
 - 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 Communities², and in particular Article 185 thereof,
 - 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 (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 Network⁴, 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 Communities⁵, and in particular Article 94 thereof,
 - having regard to Rule 77 of, and Annex VI 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 (A7-0070/2013),
- A. whereas the Court of Auditors has stated that it has obtained reasonable assurances that the annual accounts of the European Environment Agency ("the Agency") for the financial year 2011 are reliable and that the underlying transactions are legal and regular,

¹ OJ C 388, 15.12.2012, p. 80.

² OJ L 248, 16.9.2002, p. 1.

³ OJ L 298, 26.10.2012, p. 1.

⁴ OJ L 126, 21.5.2009, p. 13.

⁵ OJ L 357, 31.12.2002, p. 72.

- B. whereas the budget of the Agency for the financial year 2011 was EUR 62,2 million,
- C. whereas the European Anti-Fraud Office (OLAF) opened an internal investigation concerning the Agency;

Budgetary and financial management

1. Takes note from the final annual accounts that the Commission's subsidy to the Agency for 2011 amounted to EUR 35 445 155,69, compared to EUR 34 674 450,58 in 2010, and that the total revenue was EUR 44 447 489,45 (EUR 45 550 051,50 in 2010); is satisfied that 132 of 134 available posts had been occupied and notes that 82 contract agents and seconded national experts were employed by the end of 2011;
2. Notes from the Court of Auditors' report that the Agency made a payment to an international environmental organisation amounting to EUR 6 061 which was related to the participation of Agency staff in expeditions organised by that organisation in February and May 2011; notes that no procurement procedure had taken place and no contract had been drawn up for those expeditions ; notes that the Agency bore the travel costs, amounting to EUR 11 625; notes the Court of Auditors' findings that the Agency's Executive Director was a member of the international environmental organisation's board of trustees until April 2011 and that this could constitute a conflict of interest;
3. Acknowledges that the Executive Director resigned from the board of trustees of the other organisation on being informed, in April 2011, of a potential perception of a conflict of interests by the Court of Auditors;

Public procurement

4. Received for further clarification on the Agency's contractual relationships with Ace&Ace, a Danish video production company situated in Copenhagen; notes that in 2011, the Agency awarded Ace&Ace a video-production contract (EEA/COM/10/001 – lot 5) with a budget ceiling up to EUR 1 000 000 following an open tendering procedure; emphasises that the awarding criteria differed greatly from those used for the previous tender on video-production (EEA/CCA/07/001 – lot 1) and included narrowed criteria such as "access to editing services in the EEA vicinity"; acknowledges the Executive Director's statement¹ that 16 companies located in the Agency's vicinity applied to this tender procedure and that 15 fitted all criteria; received from the Agency a list of all applicants, including names and addresses, to the call for tender EEA/COM/10/001 ;
5. Notes that following an open call for tenders, a framework contract was awarded in 2007 to N1 Creative, a London-based company which subcontracted some services to Ace&Ace; points out that already between 2007 and 2008, two service contracts were concluded between the Agency and Ace&Ace for a total value of EUR 101 000, without passing through a public procurement procedure, but in line with the implementing rules of the Financial Regulation (exclusive rights); takes note of the details on the number and type of projects performed under this contract by N1 Creative on the one hand and by Ace&Ace on the other hand as received by the discharge authority;

¹ See replies of the Executive Director of the European Environment Agency at the hearing on the 2011 discharge of the EU decentralised agencies organised by the Committee on Budgetary Control on 24 January 2013.

6. Has been informed by the Agency's Executive Director¹ that OLAF is currently investigating these video-production contracts;

Transparency

7. Notes the Court of Auditors' observation that the Agency had improved the transparency of recruitment procedures over the years; notes, however, that the Court of Auditors' report still found confusion between eligibility and selection criteria as regards the relevant years of professional experience required; notes, furthermore, that there was no evidence that the content of, and the thresholds for, written tests were determined before applications were examined;
8. Notes that the Agency had initiated the process to implement the Court of Auditors' recommendations;

Performance

9. Emphasises that the Commission must exercise its supervisory role through its participation in the Management Board and Bureau of the Agency, within the limits set by Regulation (EC) No 401/2009 and with due respect to the Agency's legal autonomy; emphasises that Parliament is to be kept regularly informed;
10. Welcomes the fact that the Agency staff and management activities, quality control processes, products and services, administrative and building services are brought together under the strategic area in the 'EEA Strategy 2009-2013';

Conflicts of interest

11. Acknowledges that the Management Board and the Agency's administration have strengthened the Agency's conflicts of interest policy in order to avoid any problems in the future; notes the introduction of an ex ante approval by the Management Board for the Executive Director's acceptance of membership on external boards and advisory bodies;
12. Notes the introduction of a form to be signed by consultants and contractors on their rights and obligations, whereby they acknowledge that they refrain from any behaviour or action that may impair their independence or reflect adversely upon their position, their work or the image of the Union;
13. Welcomes the new procedures, as approved by the Agency's Management Board at its 65th meeting on 12 December 2012, and in particular:
 - training on the prevention of conflicts of interest in the induction programme for new staff,
 - a requirement for signature of the form A1 "Obligations of European Environment Agency officials and other servants under the Staff Regulations and Conditions of Employment" and acknowledgment of receipt of a copy of the Staff Regulations and Conditions of Employment of Other Servants of the European Union,
 - training on ethics and integrity regarding staff obligations and duties and a procedure for

¹ Ibid.

reporting improprieties (a “whistleblower” mechanism),

- receipt by staff members of a copy of the European Code of Good Administrative Behaviour and a copy of the Decision of the Management Board of 22 June 2004 for the implementation of that Code in the Agency;

acknowledges the information received from the Agency on the implementation of the abovementioned procedures, as well as on any further developments as regards the management of conflicts of interest;

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14. Refers, in respect of the other observations accompanying its Decision on discharge, which are of a horizontal nature, to its resolution of 17 April 2013¹ on the performance, financial management and control of the agencies.

¹ Texts adopted, P7_TA(2013)0134.