

2006 discharge: European Maritime Safety Agency EMSA

2007/2057(DEC) - 15/11/2007

PURPOSE: to present the report of the Court of Auditors on the 2006 accounts of the European Maritime Safety Agency.

CONTENT: the report notes that the appropriations entered in the Agency's budget for the financial year in question amount to **EUR 44.738 million**, of which EUR 34.287 million was committed and EUR 23.969 million was paid (in the context of differentiated appropriations). Out of this general amount, EUR 1.27 million was carried over to 2007 and EUR 19.499 million was cancelled (as payment appropriations).

The Court notes that the accounts for the financial year are reliable in all material aspects and that the underlying transactions of the Agency's accounts are, on the whole, legal and regular.

Analysis of the accounts by the Court: in terms of the implementation of the budget for the financial year 2006, the Court notes that more than 43% of payment appropriations had to be cancelled at the end of 2006. In addition, a concentration of operations during the last four months of the financial year was observed. The budgetary principle of accuracy was therefore not strictly respected, according to the Court.

The Court also notes that the procedures for drawing up the budget and the list of employees were not rigorous enough, which led to a large number of budgetary transfers, an inadequate programme for recruiting personnel (the failure to meet recruitment objectives led to a transfer which reduced the budget line of salaries by EUR 1.2 million) and an erroneous presentation of the budget.

The Court also notes that legal commitments were contracted before the corresponding budgetary commitments (to a total amount of EUR 345 000). Certain contracts even authorised prefinancing of up to 100%, which does not comply with the principle of good financial management.

Finally, the Court notes that there are shortcomings in the current inventory system. The inventory lists do not allow for the physical follow-up of all movements of goods and computer equipment is not recorded in the system.

The Agency's response: the Agency examines this set of criticisms, point by point, and notes that more than 50% of the Agency's budget was dedicated to "antipollution measures". In this context, the Agency made 4 offers to tender with a view to securing 4 contracts relating to antipollution ships. Towards the end of the procedure, 2 of the companies decided, at the last minute, to withdraw their offer meaning that only 2 contracts were secured. This resulted in the cancellation of substantial payment appropriations at the end of the year.

The Agency also notes that the relocation of the Agency from Brussels to Lisbon in 2006 had difficult budgetary implications, including the loss of around 20% of contracted staff.

It also notes that the procedures aimed at avoiding *a posteriori* commitments have been strengthened and that prefinancing conditions have been reviewed.

Lastly, as of June 2007 the Agency replaced the old inventory system with the ABAC Assets system which will eliminate the problems mentioned by the Court.