

2007 discharge: European Food Safety Authority EFSA

2008/2267(DEC) - 05/12/2008

PURPOSE: to present the report by the Court of Auditors on the 2007 annual accounts of the European Food Safety Authority (EFSA).

CONTENT: the Court of Auditor's report includes a detailed section on the European Food Safety Authority's expenditure and an analysis of the expenditure, as well as the Authority's replies.

- **Analysis of the accounts by the Court:** in its report, the Court makes a number of observations, particularly with regard to the presentation of the budget. The budget included contributions from the Commission to prepare the accession of Croatia and Turkey. These contributions should have been treated as assigned revenue in the budget but were instead treated as if they were part of the normal Community subsidy. The Court considers that this situation was in contradiction of the Financial Regulation. The Court regrets the fact that appropriations amounting to EUR 8.6 million were carried over to 2008 and EUR 4.8 million were cancelled. Moreover, Over 25% of the appropriations for operating activities carried over from last year had to be cancelled by the year end, at odds with the principle of annuality. In addition, in terms of recruitment, the Court showed that, in general, the Authority did not set clear and transparent selection criteria for selecting candidates. Lastly, the Court notes discrepancies in the payment of mission costs of national experts as well as in terms of rules applicable to procurement (irregularities in the financial evaluation procedure for framework contracts, purchase orders for services not covered by the relevant framework contracts, and technical evaluations based on quality criteria and weightings not clearly explained in the tender documents);
- **The Agency's replies:** the Authority notes that, since 2008, all new projects for which the Authority receives specific contributions from the Commission, are registered and monitored on assigned revenue budget lines. Several measures were also taken in 2008, such as the planning of the call for tender and grant calls. The Authority notes that, with the new procedures relating to the processing of carry-forward and in compliance with the principle of annuality, the 2007 carry-forward rate (17% of final budget) decreased in comparison to the 2006 rate (22 %). With regard to the issue of selection criteria for recruitment, the Authority notes that a selection board now sets the criteria for reserve lists. The Authority also notes that the evaluation of financial offers for fixed price contracts will be based on a comparable basis. It states that, for future framework contracts, efforts will be made to have a complete description of possible services, in order to limit the risk of error and to better set quality criteria for offers to be kept.