2007 discharge: European Agency for the Management of Operational Cooperation at the External Borders Frontex

2008/2272(DEC) - 23/04/2009 - Text adopted by Parliament, single reading

The European Parliament adopted by 568 votes to 20, with 41 abstentions, a decision on discharge in respect of the implementation of the budget of the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union (FRONTEX) for the financial year 2007. The decision to grant discharge is also an approval of the closure of the accounts of this EU agency.

Moreover, the Parliament adopted a resolution with observations which form an integral part of the decision to grant discharge.

The Parliament stresses that:

- the Agency's 2007 budget (EUR 42.1 million) more than doubled compared with the 2006 budget (EUR 19.2 million;
- commitments carried over to 2008 pertaining to grant agreements linked to operational activities amounted to EUR 18.4 million, and a substantial part of these commitments were based on excessive cost estimates;
- the high amount of cash retained by the Agency stays unused on excessively low interest bearing bank accounts (the Agency held EUR 32.6 million in cash and cash equivalents at 31 December 2007). In this context, the Parliament calls on the Agency to adopt a treasury policy and to report on the action taken and the results achieved in its general report 2008.

In terms of **follow up to the 2006 discharge exercise**, the Parliament regrets that the ECA, in its 2007 annual report, found several weaknesses which it had already highlighted in its 2006 annual report, in particular: (i) high level of carry-overs and cancellations; (ii) legal commitments made before budgetary commitments; (iii) recruitment procedures which, were not in line with the rules.

Noting the Agency’s replies on these points, the Parliament calls on the Agency to seriously address the problem of **carry-overs** as well as the recurrent problems in its commitment system and to report on the results achieved in its general report 2008. It also calls on the Agency to improve its financial management by strengthening cooperation between the Agency and Member States whereby the Agency relies on **equipment provided by Member States** for its operations, as this has a serious impact on the management of its budget. Moreover, it is determined to closely monitor the impact of the Agency's cooperation with Member States on its financial management in the future.

On the issue of **recruitment**, the Parliament regrets that the Agency had to implement recruitment procedures which were not fully in line with the general provisions for implementing the Staff Regulations in order to attract highly qualified specialists. Noting that the Agency does not accept the ECA's criticism that it did not respect the principle of equal treatment, the Parliament notes that the Commission has drafted model decisions for this type of provision. The Parliament also calls on the Agency, in agreement with the Council recommendation, to strictly respect the recruitment criteria.

Lastly, noting that the Agency’s annual accounts for the financial year 2007 are reliable, and the underlying transactions are legal and regular, the Parliament approves the closure of the Agency’s

accounts and refers, for other observations accompanying its decision on discharge, to its resolution on financial management and control of EU agencies - see 2008/2207(INI) - adopted in parallel.