2008 discharge: European Food Safety Authority EFSA

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The Committee on Budgetary Control adopted the report by Véronique MATHIEU (EPP, FR) on discharge to be granted to the European Food Safety Authority, calling on the European Parliament to grant the Executive Director of the Authority discharge in respect of the implementation of the Authority' s budget for the financial year 2008.

Noting that the Authority's annual accounts for the financial year 2008 are reliable, and the underlying transactions are legal and regular, MEPs approve the closure of its accounts. However, they make a number of recommendations that need to be taken into account when the discharge is granted, in addition to the general recommendations that appear in the draft resolution on financial management and control of EU agencies (see 2010/2007(INI):

- **performance and budgetary and financial management**: Members note that the Authority has steadily improved its performance and notes that this performance improvement is offset by an increase in staffing. They also note that the Authority reached a high level of budget execution for both commitment and payment credits. Nonetheless, they note that for the third successive year the Court of Auditors has flagged up carryovers of appropriations to the following year (23% of the 2008 budget was carried over to 2009; 16% of the 2007 budget was carried over to 2008; 20% of the 2006 budget was carried over to 2007). They encourage the Authority to improve its budget management in order to reduce such high carry-over amounts. They deplore the fact that commitments for operational activities carried over from the previous year had to be cancelled and are consequently concerned that this situation is at odds with the principle of annuality and shows weaknesses in programming, monitoring contractual deadlines, and the Authority's budget. They stress that, in future, the Authority needs to accord greater importance in its grant agreement procedures to assessing the complexity of the service involved, with a view to setting better deadlines for the submission of tenders. They stress, furthermore, that the Authority should take greater care in ensuring that contractual deadlines laid down in grant agreements are met. They note the enormously high cash reserves as of 31 December 2008 (almost EUR 20 million). The Commission is called upon to examine ways of ensuring that the principle of needs-based cash management is implemented to the full and what changes in approach are needed to ensure that the Authority's cash reserves are kept as low as possible on a long-term basis;
- **internal audit**: Members consider that the audit committee (AC), created by the Authority in 2006, plays an important role in assisting the Management Board by ensuring that the work of the Internal Audit Services (IAS) of the Commission and of the internal audit capabilities (IAC) of the Authority is properly carried. They believes that this AC within the Authority might serve as an example to other agencies;
- **human resources**: Members welcome the staff increase in spite of having had difficulties in recruiting highly skilled scientific staff in Parma. They urge the Authority to ensure that all former officials inform the Authority when they take up new positions outside the institutions; if such activities could lead to a conflict with the legitimate interests of the institutions, the Authority should take the appropriate measures.