2009 discharge: European Railway Agency ERA

2010/2180(DEC) - 16/09/2010 - Court of Auditors: opinion, report

PURPOSE: presentation by the Court of Auditors of its report on the annual accounts of the European Railway Agency (ERA) for the financial year 2009, together with the Agency's replies

CONTENT: in accordance with the tasks and objectives conferred on it by the Treaty on the Functioning of the European Union (TFEU), the Court of Auditors, in the context of the discharge procedure, addresses to the European Parliament and the Council a Statement of Assurance on the reliability of the annual accounts, as well as of the legality and regularity of the transactions underlying them of each EU institution, body or agency, on the basis of an external, independent audit.

This audit also covered the annual accounts of the European Railway Agency (ERA).

In the Court's opinion, **the Agency's annual accounts presented "fairly, in all material respects", its financial position as of 31 December 2009** and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of its Financial Regulation.

The Court also stated that the **transactions underlying the annual accounts** of the Agency for the financial year ended 31 December 2009 were, "in all material respects, **legal and regular**".

The report again confirmed that the Agency's 2009 final budget amounted to EUR 21 million and that it employed 127 agents during the financial year.

The report also included comments on the Agency's budgetary and financial management, together with the Agency's replies.

The main comments are as follows:

The Court's comments:

- the transfer and carry-over of a large amount of appropriations: in 2009, the volume of appropriations carried forward was considerable (61% of operational expenditure);
- significant changes made to the annual work programme during the year resulted in delays in the implementation of the activities and was at odds with the budgetary principle of annuality;
- shortcomings in the system for registering incoming invoices;
- shortcomings in the management of the fixed assets inventory between the Agency's two locations in Lille and Valenciennes.

The Agency's replies:

- important carry-overs were due to delays in the execution of payments and to the late conclusion of procurement procedures;
- continued efforts to improve and respect the procurement planning and to decrease the payment delays with the limited resources allocated.;
- the establishment of a system for the central registration of commercial invoices as of 1 September 2010;
- use of the ABAC ASSETS since 1 January 2010 for the physical inventory.

Lastly, the Court of Auditor's report contained a summary of the **Agency's activities in 2009** in the following areas:

- series of recommendations relating to rail transport safety;
- recommendations regarding technical specifications in relation to interoperability;
- publication of a report on interoperability;
- compilation of technical opinions
- other actions designed to i) set up and maintain a series of registers for interoperability; ii) act as the System Authority and Change Control Manager for ERTMS; iii) define and compile the Reference Document of national rules for vehicle authorisation.