2009 discharge: EU general budget, European Data Protection Supervisor

2010/2150(DEC) - 09/09/2010 - Court of Auditors: opinion, report

PURPOSE: to present the report of the Court of Auditors on the implementation of the budget for the financial year 2009 (other institutions – European Data Protection Supervisor).

CONTENT: the Court of Auditors published its 33rd annual report on the implementation of the general budget of the European Union, covering the financial year 2009.

Pursuant to the Treaty on the Functioning of the European Union (TFEU), the Court of Auditors provides the European Parliament and the Council with a Statement of Assurance concerning the reliability of the accounts and the legality and regularity of the underlying transactions ('the DAS').

For the first time, the Court is forwarding its annual report to national parliaments at the same time as to the European Parliament and the Council, as provided for under Protocol No 1 to the Treaty of Lisbon.

This audit concerns, in particular, the budget implementation of the European Data Protection Supervisor (EDPS).

Based on its audit work, the Court concludes that the payments for the year ended 31 December 2009 for administrative expenditure of the institutions were free from material error. The Court notes that all the institutions operated satisfactorily the supervisory and control systems required by the Financial Regulation and the transactions tested were free from material error of legality and regularity.

Although the legality and regularity of the transactions underlying the accounts have been confirmed by the Court of Auditors, it does however draw attention to a number of findings which should be taken into consideration by the institutions concerned. It recalls that the main risks in the administrative and other expenditure policy group are non-compliance with the provisions on procurement, the implementation of contracts, recruitment procedures and the calculation of salaries and allowances.

Based on its audit work, the Court states that in the area of the payment of social allowances, the Court recommended to the Institutions and bodies concerned that they request their staff to deliver at appropriate intervals documents confirming their personal situation and that they implement a system for the timely monitoring of these documents.

The specific observations that follow and which are presented by Institution or body of the European Union are based on the Court's audit. These findings do not call into question the positive assessments as they are not material to administrative expenditure as a whole but are significant in the context of the individual Institution concerned.

In the specific case of the European Data Protection Supervisor's audit, the Court notes the following:

- **payment of social allowances to staff members**: the audit found that, in four cases out of ten, information available to the European Data Protection Supervisor's services, in order to ensure that allowances provided for by the Staff Regulations are paid to staff in compliance with relevant community regulations and national legislation, was not up-to-date. According to the Court, this situation leads to the risk of making incorrect or undue payments. Staff should be requested to deliver at appropriate intervals documents proving their personal situation. In this respect, the

European Data Protection Supervisor should improve its system for the timely monitoring and control of these documents;

- **standards of internal control**: the EDPS had not put in place a system of ex-post verification, where appropriate, as required by the Financial Regulation. In addition, the standards of internal control adopted by the European Data Protection Supervisor did not provide that exceptions to standard financial procedures are duly recorded in a central register.

The EDPS has decided to resolve these problems in the future.