2010 discharge: European Agency for the Management of Operational Cooperation at the External Borders (FRONTEX)

2011/2231(DEC) - 13/09/2011 - Court of Auditors: opinion, report

PURPOSE: presentation of the EU Court of Auditors' report on the annual accounts of the European Agency for the Management of Operation Cooperation at the External Borders of the Member States (FRONTEX), together with the Agency's reply.

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

This audit concerned, amongst others, the annual accounts of FRONTEX.

In the Court's opinion, **FRONTEX's Annual Accounts fairly present, in all material respects, its financial position as of 31 December 2010** 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 considers that **the transactions underlying the annual accounts** of FRONTEX for the financial year ended 31 December 2010 are, in all material respects, **legal and regular.**

The report confirms that FRONTEX's 2010 budget amounted to EUR 93 million, and that the number of staff it employed at the end of the year was 279.

The report also makes a series of observations on the budgetary and financial management of FRONTEX, accompanied by the latter's response. The main observations may be summarised as follows:

The Court's observations:

- budgetary and financial management:an amount of 26,5 million euro, representing 28% of the available budget, was carried forward to 2011. Only 12 million euro of this amount was matched by accruals. This situation is at odds with the principle of annuality.
- weaknesses were noted in the system for reconciling suppliers' statements with the corresponding records at the Agency.

The Agency's responses:

- Frontex will continue to decrease as much as possible the volume of carried forward appropriations by strengthening its monitoring of joint activities in order to adjust the grants as early as possible.
- Most of the public entities do not have centralised accounting systems and some of them do not implement accrual based accounting, making difficult the process of vendor balances' reconciliation. Frontex will take contact with the national authorities to try to implement alternative procedures in view to reconcile its balances with those of its suppliers.

Lastly the Court of Auditors' report contains a **summary of the College's activities** in 2010. These may be described as follows:

- risk analyses and publication of analytical reports for FRONTEX management, other organisations or institutions;
- joint operation actions (17 joint operations and 40 joint return operations, as well as the Rapid Border Intervention Team Operation in Greece);
- training activities: 176 activities with the participation of 4015 persons;
- launch of the FRONTEX Situation Centre which delivered 500 situation reports, early alerts notices and 14 mission awareness reports to internal and external customers;
- dissemination of daily news bulletins;
- implementation of the FRONTEX One-Stop-Shop, a web-based information portal, used by 30 countries and 900 users.