2010 discharge: European Police Office (EUROPOL)

2011/2255(DEC) - 20/09/2011 - Court of Auditors: opinion, report

PURPOSE: presentation of the EU Court of Auditors' report on the annual accounts of the European Police Office (Europol) for the financial year 2010, together with the Office'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 the European Joint Undertaking for the European Police Office (Europol).

In the Court's opinion, Europol'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 Europol for the financial year ended 31 December 2010 are, in all material respects, **legal and regular.**

The report confirms that Europol's 2010 budget amounted to EUR 92.8 million and that the number of staff employed by Europol at the end of the year was 436.

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

The Court's observations:

- **budgetary and financial management** : the Court states that an amount of EUR 22.6 million has been carried forward to 2011, representing 25 % of the 2010 budget. The carry-forward rate was 49 % for administrative expenditure and 59 % for operational expenditure. The high level of appropriations carried forward, matched by the low level of accrued expenditure (EUR 2.9 million), is excessive and at odds with the budgetary principle of annuality.

EUROPOL's reply:

- EUROPOL points out that a significant amount of the carry-over was due to the unique circumstance of the Office move to its new headquarters in 2011, given a delay of the delivery of the building in 2010. Leaving aside the expenditure for the new Europol headquarters, the carry-forward rate was 10.24 % in relation to the budget revenue.

Lastly, the Court of Auditors' report contains a **summary of Europol's activities** in 2010. This is focused on the following:

- completion of six threat assessments in several Member States ;

- **operational products and services**: the Office supported competent authorities in EU Member States in 11 738 cross–border cases, an increase of 12 % over 2009. In-depth analytical and operational support was provided in over 150 significant cross-border investigations;
- operations : 35% of operations supported by the Office were in relation to drugs, but the Office's greatest operational impact was in the field of euro-counterfeiting;
- a structured and reliable operational outcomes database was developed;
- the plan to implement the regional model was finalised;
- the required capabilities to support the implementation of the Terrorist Finance Tracking Programme (TFTP) Agreement were put in place;
- a joint operational plan with Interpol was in the final stages of preparation;
- specialised training courses were put in place;
- external relations: the Office cooperates with a number of EU partners, and with third countries and organisations. The Office currently cooperates with 17 non-EU countries, 9 EU bodies and agencies and 3 other international organisations, including Interpol.