2010 discharge: European Food Safety Authority (EFSA)

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The Committee on Budgetary Control adopted the report by Monica Luisa MACOVEI (EPP, RO) on granting discharge to the European Food Safety Authority. The committee **postpones its decision** on granting the Executive Director of the European Food Safety Authority discharge in respect of the implementation of the Authority's budget for the financial year 2010. It also postpones the closure of the accounts of the European Food Safety Authority for the financial year 2010 and makes a number of recommendations, in addition to the general recommendations that appear in the draft resolution on performance, financial management and control of EU agencies:

- **Budget and Financial Management**: Members recall that the Authority had a budget execution rate of only 83.5% in terms of payment appropriations in 2010 due to delays in contracting scientific cooperation activities. They urge the Authority to take further action to enable a satisfactory budget execution in terms of both commitment and payment appropriations and to inform the discharge authority of the progress achieved. They also find it unacceptable that while the Management Board of the Authority consists of only 15 members, each meeting costs on average EUR 92 630, which represents an amount of EUR 6 175 per member (this amount is nearly three times higher than the second most expensive Management Board of a decentralised agency);
- **Carryovers and contract management process**: Members acknowledge from the Authority that 6% of commitments for operational activities carried over from 2009 had to be cancelled. They urge, once more, the Authority to improve its budget management in order to reduce its high carryover amounts. They urge, in addition, the Authority to improve the reporting on contract implementation in order to guarantee effective supervision and management of its operational activities;
- **Human resources**: Members call on the Authority to address its weaknesses in recruitment procedures, which put at risk the transparency of the procedures. They acknowledge, in particular, from the Court of Auditors that the Authority did not ensure the anonymity of the written tests and decided pass marks for the various stages of the selection process after the evaluation process had already started;
- **Conflict of interest and 'revolving door' cases**: Members note that in September 2010 the Chair of the Management Board was reported to have direct links to the food industry, and to be a member of the Board of Directors of the International Life Science Institute (ILSI) – Europe. They consider that, while a dialogue with industry on product assessment methodologies is legitimate and necessary, this dialogue should not undermine the independence of the Authority nor the integrity of risk assessment procedures. Members ask therefore the Authority to consider as a conflict of interest the current or recent past participation of its Management Board, panel and working group members or staff in ILSI activities such as taskforces, scientific committees or chairs for conferences. They note that ILSI is financed by firms in the food, chemical and pharmaceutical sectors. They consider, therefore, that a thorough case-by-case analysis of these reports and of possible and actual conflicts of interest should be carried out ;
- Members note that in March 2010 a German NGO turned to the European Ombudsman, complaining that the Authority did not adequately address a potential conflict of interest concerning the move of its Head of Genetically Modified Organisms Unit to a biotechnology company in 2008 less than two months after the staff member in question left the Authority, without a ‘cooling off’ period. The Ombudsman concluded that the Authority had not carried out a thorough assessment of the alleged potential conflict of interest and called on the Authority to improve the way in which it applies its rules and procedures in future ‘revolving door’ cases. They once more, urge the

Authority to take appropriate measures in cases of conflict of interests and 'revolving door' cases, including when cases occur within the Management Board, and to inform both the discharge authority and the public promptly of the measures taken. They call therefore on the Authority to inform the discharge authority in writing by 30 June 2012 of the steps undertaken to implement the new policy on independence and scientific decision-making processes and to conform to the OECD definition of conflict of interest when renewing its panels and its scientific committee;

- **Performance**: Members underline the need for the Authority to ensure that its advice is of a high quality and is independent, in order to guarantee compliance with Union safety standards, scientific excellence and independence on all matters with a direct or indirect impact on food and feed safety, and plant protection. They consider that the main tasks of the Authority are the provision of independent scientific advice on matters with a direct or indirect impact on food safety, the conduct of risk assessments to provide Union institutions, Member States and policy-making bodies with a sound scientific basis for defining policy-driven legislative or regulatory measures and the collection and analysis of scientific data;
- **Internal Audit**: Members acknowledge that six “very important” recommendations from the IAS still need to be implemented and that three of them have already been delayed for over 12 months. They call, therefore, on the Authority to rapidly address these deficiencies, and to inform the discharge authorities of the results achieved.