2010 discharge: European Railway Agency (ERA)

2011/2229(DEC) - 04/04/2012 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Monica Luisa MACOVEI (PPE, RO) on discharge in respect of the budget of the European Railway Agency, and called on the European Parliament to grant the Executive Director of the European Railway Agency discharge in respect of the implementation of the Agency's budget for the financial year 2010.

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts for the financial year 2010 are reliable and that the underlying transactions are legal and regular, Members approve the closure of the accounts of the European Railway Agency for the financial year 2010. However, they make a number of recommendations that need to be taken into account when the discharge is granted, 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 note the low rate of utilisation for payment appropriations, particularly for operational expenditure and appreciate the fact that the Agency provides information on the use of the appropriations carried forward from 2009 to 2010. They take the view that it is extremely important to optimise the use of budgetary resources at a time of financial crisis and urges the Commission and the Agency to analyse and establish the real budgetary requirements in order for the Agency to be able to carry out all the tasks assigned to it.
- **Transfers**: Members regret that the errors in budgetary forecasts resulted in the cancellation or delay of certain investments. It urges the Agency to inform immediately the discharge authority of the measures implemented in order to allow for better expenditure forecasts.
- **Carryover of appropriations**: once more, Members note the significant carryover of credits and are of the opinion that the Agency did not adequately address the problem of appropriations being carried forward from one year to the next. They call on the Agency to inform the discharge authority about actions taken to improve the annual budget implementation and to decrease the carryovers of budget appropriations.
- **Performance**: the committee urges the Agency to create a Multi-Annual Plan translating long-term objectives into multi-annual tasks and associated Key Performance Indicators. This would better provide stakeholders with information on the objectives/activities, strategic priorities and resource allocation.
- **Two locations**: Members consider that using two locations (Lille and Valenciennes) for carrying out its activities exposes the Agency to additional costs. They note, also, that this observation has been made since 2006 and that no action has been taken by the Council to change the situation.
- **Internal audit**: lastly, Members call on the Agency to implement the Internal Audit Service (IAS) recommendations related to the audit on Human Resources (HR) management undertaken by the IAS in 2009.