2010 discharge: European Aviation Safety Agency (EASA)

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The Committee on Budgetary Control adopted the report by Monica Luisa MACOVEI (EPP, RO) on discharge to be granted to the Executive Director of the European Aviation Safety Agency discharge in respect of the implementation of the Agency's budget for the financial year 2010.

Noting the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts of the European Aviation Safety Agency for the financial year 2010 are reliable and that the underlying transactions are legal and regular, Members approve the closure of the Agency’s accounts. 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 call on the Agency to further take adequate measures in order to avoid deficiencies that put at risk the transparency of the procurement process as well as the principle of sound financial management;
- **Procurement procedure**: Members notes that 23 high value tendering procedures covering both operational and administrative needs were managed throughout 2010. They note that for two large procurement procedures, the evaluation method did not allow tenders offering the best financial bid to achieve the highest price score. They call on the Agency to further take adequate measures in order to avoid deficiencies that put at risk the transparency of the procurement process as well as the principle of sound financial management;
- **Human resources**: Members note, once more, the discharge authority found deficiencies in staff selection procedures which put at risk the transparency of these procedures. They acknowledge from the Court of Auditors that there was no evidence that thresholds for being invited to interview or being put on the reserve list had been defined before the examination of the applications started. They note that this could be to cover up a situation of nepotism or conflict of interest and ask that everything be done in order to avoid conflicts of interest. They call on the Commission to ensure that the Agency applies Union rules correctly. Members stress that the impact of these deficiencies is even more crucial when considering that the objectives of the Agency are as follows: issuing certification specifications, taking decisions regarding airworthiness and environmental certification and conducting standardisation inspections of the competent authorities in the Member States. They remind the Agency of the importance of ensuring adequate training and qualification criteria for inspection teams and team leaders;
- **Conflict of interest**: Members note that the Agency’s technical staff members need to be commonly recruited from national aviation authorities and the aviation industry. They understand that the staff members must have sufficient and up-to-date technical experience of working in the field of aviation to perform a technical check of documents demonstrating compliance for the purposes of ensuring an adequate level of aviation safety as requested by the applicable Union legislation. They are concerned however that **this situation could cause conflicts of interest** if a staff member recruited from an aircraft manufacturer works and takes decisions at the Agency on the certification of the aircraft he/she used to work on while employed by the manufacturer and, if not detected and adequately managed, could result in a conflict of interest situation. Members state that the Agency is in the process of setting up an Agency-wide policy in the area of codes of conduct including identification, prevention, monitoring and dealing with the consequences of potential conflict of interest cases which will help the Agency to further improve the identification and handling of conflict of interests situations in such a way that aviation safety is not put at risk at

any time. They call on the Agency to take duly into consideration the professional background of its staff members in order to avoid any conflict of interest and consider that the Agency's conflicts of interest policy should set out to which extent and under which conditions an Agency employee can be involved in the certification of an aircraft on which they worked prior to joining the Agency. Moreover, they call on the Agency to adopt effective processes that duly address potential cases of allegations of conflicts of interest within the Agency and call on the Agency to publish on its website the declaration of interests and professional background of its experts, management staff, Management Board members and of any other persons whose activities are related to the certification process;

- **Standardisation inspections process**: Members call on the Agency to further improve the documentation of inspection planning and inspection programming. They remind the Agency of the importance of documenting the risk assessment and criteria used when establishing its inspection planning in order to justify its internal decision-making process for cases presenting significant deficiencies affecting Union citizens' safety;
- **Internal audit**: Members acknowledge that several "very important" recommendations from the Internal Audit Service (IAS) aimed at reducing outstanding risks to the Agency are still open and are currently under review by the IAS. The Agency is called upon to improve this situation.