

2010 discharge: European Environment Agency (EEA)

2011/2217(DEC) - 10/05/2012 - Text adopted by Parliament, single reading

The European Parliament adopted by 329 votes to 291, with 20 abstentions, a decision to **postpone the granting of the discharge to the Executive Director of the European Environment Agency (EEA) for the 2010 financial year**. The decision also covers the postponement of the closure of the accounts of this EU agency.

The reasons for this postponement are provided in the resolution adopted the same day by 397 votes to 212, with 29 abstentions. They may be summarised as follows:

- **Budget and Financial Management:** Parliament notes that, for five months, from 22 May 2010 to October 2010, the Agency covered its building with a green façade which cost EUR 294 641 and that the contract was realised by the companies Ramboll, as general contractor, and Green Fortune. It is surprised that there has been no public tender; demands from the Agency's Director details on how the companies were chosen as contractors. It recalls that in December 2009 the Agency paid the rent for Q1 2010, thus avoiding reducing the amount to be repaid to the Commission. It therefore calls on the Agency to explain the discharge authority why it has extracted EUR 180 872 from the budget line 'Rent', while rent is a fixed sum by contract, and to provide information and written evidence on the procedures with regards to the budgetary transfers. It expects the Agency to complete all the requested actions by the end of August 2012. It notes that in December 2011 the Agency awarded a Framework Service Contract for the provision of media monitoring for 48 months, for a total value of EUR 250 000, which is much higher than the costs of similar services in the previous years. It observes that based upon this contract the Agency will spend on average EUR 62 500 per year for media monitoring and believes that **these costs are excessive** and contrary to the principle of efficient use of the taxpayers' money;
- **Carryover appropriations:** Members take note from the Agency's Final Accounts that EUR 12 809 551,05 of the 2010 appropriations have been carried forward to 2011 and that cancellation of unused payment appropriations carried over from the previous year amounted to EUR 585 282,87. They regret that the Court of Auditors did not consider the level of the Agency's appropriations carried forward and cancelled to be sufficiently high to warrant a mention in its report;
- **Procurement Procedures:** in an amendment adopted in plenary, Parliament notes the Agency's statement that the Court of Auditors has carried out in October 2011 an audit on the procurement procedures concerning canteen services, cleaning services, security services and furniture. It calls on the Agency to provide the discharge authority with the findings of this audit and its replies and actions undertaken by the end of September 2012 ;
- **Human Resources:** Parliament takes note that, for the last five years, the Agency hosted 12 guest scientists working at its premises. For the sake of transparency, they call on the Agency to complete publishing the curriculum vitae – including at least the educational and work background – of the guest scientists, in order to increase transparency;
- **Conflict of interest:** Parliament notes that, from June 2010 until April 2011, the Executive Director of the Agency was a trustee and a member of the International Advisory Board of Earthwatch - an international environmental charity engaging people in scientific field research and education - and was reported to be a member of the European Advisory Board of Worldwatch Europe. It is seriously concerned that in 2010, while the Executive Director was directly involved with Earthwatch, 29

staff members of the Agency, including the Executive Director, went for up to 10 days of research on different biodiversity projects in the Caribbean or Mediterranean managed by Earthwatch and that the Agency paid a total of EUR 33 791.28 to the NGO. In an amendment adopted in plenary, Parliament is also surprised that Worldwatch Institute Europe, founded on 5 November 2010, indicated as its address that of the Agency and used its premises as its own without any rent to the Agency, **thus using premises paid by the EU budget**. It regrets that the Director's letter of 30 April 2012 refers only to Worldwatch Institute US based and not to the Worldwatch Institute Europe which used the Agency's premises without any rent. It takes further note that the executive director of Worldwatch Institute Europe was an Agency's guest scientist. It calls on the Agency to provide the discharge authority with concrete details and documentary evidence on this matter, including the person in the Agency who authorised this, the concrete date when Worldwatch Institute Europe ceased to use the Agency's premises. Commending the cooperation between the Agency and NGOs working in the environmental area, **Parliament recalls that even the mere appearance of conflict of interest is damaging trust in the institutions and raises concerns of taxpayers**. It calls on the Agency to adopt immediately an action plan to publish on its website the declarations of interest and, when they are not available, the curriculum vitae – including at least the educational and work background – for the management staff, etc.

- **Performance:** Parliament acknowledges from comments in the Agency's Annual Management Plan, the Agency's efforts with various international and Union bodies, Eionet and the Scientific Committee to establish a networking structure in order to be able to maintain links to the research and scientific community, disseminate and utilise the results, particularly information and data, from research activities at European and national levels, in a more systematic way. It calls on the Agency to inform in detail the budget authority, in particular the Budget Control Authority, of the evidence of the possible added value brought by the Agency's reports compared with other bodies' reports on environmental matters. It encourages the Agency to continue its efforts to further develop its communication methods in order to attract more media coverage for its findings;
- **Internal audit:** Parliament calls on the Agency to adopt without further delay measures to **address the weaknesses found by the IAS** in its previous audits on quality management and on grant management in order to assure supervision of quality controls and to realise on-the-spot controls and verification of grants.

Lastly, Parliament postpones its decision concerning the discharge on the implementation of the Agency's budget until it has received the responses and seen evidence of the practical steps taken in follow up to the criticisms and requests addressed to it.