2011 discharge: European Maritime Safety Agency (EMSA)

2012/2193(DEC) - 11/09/2012 - Court of Auditors: opinion, report

PURPOSE: presentation of the EU Court of Auditors' report on the annual accounts of the European Maritime Safety Agency for the financial year 2011, together with the Agency'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 Maritime Safety Agency (EMSA).

In the Court's opinion, the **Agency's Annual Accounts fairly present, in all material respects, its financial position as of 31 December 2011** 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 the Agency for the financial year ended 31 December 2011 are, in all material respects, **legal and regular**.

The report confirms that the Agency's 2011 budget amounted to EUR 56.4 million and that the number of staff employed by the Agency at the end of the year was 252.

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

Court's comments:

- budget commitments: the Court states that budget commitments were not related to existing legal commitments and the Agency should have decommitted and paid back the amount to the Commission at the beginning of 2012;
- assets: the Court identified the need to improve the Agency's asset management. There are unexplained differences between the recorded annual and cumulated depreciation. For internally created intangible assets, accounting procedures and information on costs are not reliable;
- recruitment: the Court stresses the need to improve the transparency of recruitment procedures.

Agency's replies:

- the Agency states that it will review its year end procedures in order to ensure outstanding balances on commitments not related to existing legal obligations are decommitted before the closing of the year;
- differences between recorded annual and cumulated depreciation have been mainly triggered by impairment procedures and inclusion of assets transferred from third parties and already partly depreciated. Guidelines for internally generated intangible assets are being updated along with a proper cost allocation based on "formally accepted milestones" and their related percentage of completion;
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EMSA endorses the Court's recommendations and has already updated its recruitment procedures accordingly.

Lastly, the Court of Auditors' report contains a summary of the **Agency's activities in 2011**. This is focused on the following:

- organising workshops and other events;
- training sessions for Port State Control officers;
- inspections et visits;
- SafeSeaNet (available 99.4% of time 2010) ;
- ordering 2 481 satellite images and analysed through CleanSeaNet ;
- EU Long Range Identification and Tracking Data Centre (LRIT) was available during 99.36% of time throughout the year;
- 64 drills and 16 exercises with the anti-pollution vessels;
- EMSA Maritime Support Services operating on a 24/7 basis;
- THETIS, the information system in support of the new Port State Control inspection 99.07% available throughout the year.