2011 discharge: European Food Safety Authority (EFSA)

2012/2196(DEC) - 17/04/2013 - Text adopted by Parliament, single reading

The European Parliament adopted a decision on discharge to be granted to the Executive Director of the European Food Safety Agency (EFSA) in respect of the implementation of the Agency's budget for the financial year 2011. The vote on the decision to grant discharge covers the closure of the accounts (in accordance with Annex VI, Article 5(1) of the European Parliament's Rules of Procedure).

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts of EFSA for the financial year 2011 are reliable and that the underlying transactions are legal and regular, Parliament adopted a resolution containing 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:

- **Financing, budget and financial management**: Parliament recalls that EFSA's 2011 budget amounted to EUR 77.31 million, compared to EUR 74.7 million in the previous year which represents an increase of 3.49 %;
- **Implementation rate of appropriations and carryovers**: it notes that the payment appropriations execution rate was 82.05%, which represents a minor decrease in comparison to the previous year (83.51%). Members remind the Authority to respect in an improved way the principle of annuality even if they consider 2011 as a special year, due to the movement to the new headquarters and the delayed settlement of payments in this respect.
- **Building's policy**: Parliament notes that the Authority purchased a new headquarters building in December 2011 for EUR 36.8 million which will be paid in quarterly instalments over 25 years, resulting in interest payments of EUR 18.5 million. It notes, moreover, that the Court of Auditors questioned whether a **more economic alternative** could have been sought from the budgetary authority in accordance with the principle of sound financial management and ensuring full respect of the Financial Regulation. The Authority recalls that it submitted the building project to the budgetary authority in 2005 with a deferred purchase price payment agreement over 25 years, and the budgetary authority approved the building project. Parliament also notes that at the Court of Auditors' suggestion, a request was made to the Commission to seek additional payment credits in order to cover the full purchase with only one down-payment. It notes, however, that there was no possibility to increase the appropriations towards the Authority to cover a single down-payment in the current climate of tight expenditure.
- **Conflicts of interest**: Parliament notes with concern that according to the findings of the Court of Auditors, the Authority did not adequately manage conflict of interest situations, even if, in the meantime, EFSA had already developed advanced policies for managing conflicts of interest, because these policies have not led to the desired results. EFSA was criticised for a lack of transparency with respect to the publication of annual declarations of interest and the absence of training on conflicts of interest. Members urge EFSA to keep conflicts of interest high on the priority list in order to protect its credibility and to safeguard the public's trust in food safety. They call on it to start a structured dialogue with civil society on matters relating to conflicts of interest and to invite those organisations concerned to openly discuss matters of common interest. They strongly suggest that, in order to prevent its staff from moving directly from their position to work in a similar post in industry or related lobby-agency, or vice versa, an adequate cooling off period should be established and respected for the specific areas of work.

Lastly, Parliament made a series of observations as regards EFSA’s budgetary transfers and internal audit procedures.