2012 discharge: European Railway Agency (ERA)

2013/2228(DEC) - 10/09/2013 - Court of Auditors: opinion, report

PURPOSE: presentation of the EU Court of Auditors' report on the annual accounts of the European Railway Agency (ERA) for the year 2012, 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 Railway Agency (ERA).

In the Court's opinion, ERA's **Annual Accounts fairly present, in all material respects, its financial position as of 31 December 2012** and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of its Financial Regulation and the accounting rules adopted by the Commission's accounting officer.

The Court also considers that the **transactions underlying the annual accounts** of the Agency for the financial year ended 31 December 2012 are, in all material respects, **legal and regular.**

The report confirms that the Agency's 2012 budget amounted to EUR 25.8 million.

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:

The Court's observations:

- Audit and internal controls: the Court states that the Agency has suppressed the internal audit capability and has replaced it with an internal control coordinator. The Agency does not comply with its internal control standard regarding business continuity.

The Agency's reply:

- audits : the Agency is planning to recruit an internal control coordinator before autumn 2013. This will be a separate function and as such, the independence of the person exercising this role will be ensured. The Commission Internal audit Service continues to be the Internal auditor of the Agency today and also for the future. It performs regular internal audits within the Agency.

Lastly, the Court of Auditors' report contains **a summary of the Agency's activities in 2012**. This is focused on the adoption of recommendations on:

- safety certification ;
- safety regulation, including evaluating the way national safety rules are made available, and examination of the transposition of the Railway Safety Directive in the Member States ;
- safety assessment, including common safety methods ;

- technical specifications for interoperability.

It has also drawn up reports on common approaches with regard to vocational competencies and a reference document of national rules for vehicle authorisation and classification of their equivalence for cross acceptance.