2014 discharge: European Railway Agency (ERA)

2015/2179(DEC) - 08/09/2015 - 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 2014, 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).

Statement of assurance: pursuant to the provisions of Article 287 of the Treaty on the Functioning of the European Union (TFEU), the Court has audited:

- the annual accounts of the Agency, which comprise the financial statements and the reports on the implementation of the budget for the financial year ended 31 December 2014, and
- the legality and regularity of the transactions underlying those accounts.

Opinion on the reliability of the accounts: in the Court's opinion, the Agency's annual accounts present fairly, in all material respects, its financial position as at 31 December 2014 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.

Opinion on the legality and regularity of the transactions underlying the accounts: in the Court's opinion, the transactions underlying the annual accounts for the year ended 31 December 2014 are legal and regular in all material respects.

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:

- **budgetary management**: the Court noted that there was a high level of committed appropriations carried over for the operational budget at EUR 2.2 million, i.e. 37.7 % due to delayed operational projects (safety, European Railways Traffic Management System — ERTMS) and delayed IT projects. This situation is at odds with the budgetary principle of annuality.

The Agency's reply:

- **budgetary management**: the Agency took note of the Court's comment and further improved the monitoring of the budgetary implementation.

Lastly, the Court of Auditors' report contains a summary of the **Agency's activities in 2014**. This is focused on:

Budget: EUR 25.7 million.

Activities:

- monitoring of and biennial report on safety performance;
- evaluating transposition of the Safety Directive;
- national safety audits and national investigating body;
- drafting a recommendation on a revised Common Safety Method for assessing CSTs and NRVs.
- running a pilot on a new regulatory monitoring matrix;
- reviewing the current framework on assessment and supervision by NSAs;
- facilitating trial 'one-stop-shop' authorisations and the migration to the 4th Railway Package;
- implementing Technical specifications for interoperability (TSIs) with extended geographical scope and guiding, supporting and advising the rail sector and Member States when implementing the telematics TSIs;
- follow-up of the development, testing and implementation of the European Rail Traffic Management System (ERTMS) and supporting harmonised operations with ERTMS;
- continuously implementing appropriate tools and resources in order to become a modern organisation which can quickly adapt to any changes.