2015 discharge: European Agency for the Management of Operational Cooperation at the External Borders (Frontex)

2016/2179(DEC) - 07/02/2017 - Supplementary non-legislative basic document

Having examined the revenue and expenditure accounts for the financial year 2015 and the balance sheet at 31 December 2015 of the European Agency for the Management of Operational Cooperation at the External Borders of the Member States (Frontex), as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2015, accompanied by the Agency's replies to the Court's observations, the Council recommended the European Parliament to give a discharge to the Executive Director of the Agency in respect of the implementation of the budget for the financial year 2015.

The Council welcomed the Court's opinion that the transactions underlying the Agency's annual accounts for the year ended on 31 December 2015 are legal and regular in all material respects.

However, the Council regretted that the Court issued a **qualified opinion on the reliability of the Agency's accounts due to the underestimation of costs incurred in 2015 of services related to maritime surveillance** that resulted in a material misstatement in the Agency's balance sheet and statement of financial performance. The Council called on the Agency to fully recover irregular payments identified by the Court related to the depreciation of a vessel participating in joint operations. It also called on the Agency to address the risks of double funding of the same actions under the Internal Security Fund.

The Council made the following observations:

- **financial programming**: the Council noted that a high level of commitment appropriations was carried over to 2016. It encouraged the Agency to continue improving its financial programming and monitoring of the budget implementation, in order to reduce the level of commitments carried over to the following financial year to the minimum strictly necessary;
- **reimbursement of costs**: the Council noted the cumbersome system of reimbursing costs based on real values. It invited the Agency to consider simplified cost options in order to achieve its policy objectives more efficiently;
- **recruitment**: the Council encouraged the Agency to continue improving its recruitment procedures in order to ensure transparency and equal treatment of candidates;
- **monitoring balances**: the Council recommended the Agency to continue monitoring supplier balances more regularly and to improve the documentation supporting the expenditure claimed by cooperating countries, including by audit certificates, to ensure the legality and regularity of transactions;
- **associated countries**: the Council invited the Agency to continue refining the calculation of contributions from Schengen associated countries (Switzerland, Liechtenstein, Iceland and Norway) to reflect better the related legal provisions.