2016 discharge: European Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA)

2017/2178(DEC) - 18/04/2018 - Text adopted by Parliament, single reading

The European Parliament decided to **grant discharge** to the Executive Director of the European Agency for the operational management of large-scale IT systems in the area of freedom, security and justice (eu-LISA) in respect of the implementation of the Institute's budget for the financial year 2016, and to approve the closure of the accounts for the financial year in question.

Noting that the Court of Auditors has stated that it has obtained reasonable assurances that the agency's annual accounts for the financial year 2016 are reliable and that the underlying transactions are **legal and regular**, Parliament adopted by 553 votes to 133 with 5 abstentions, a resolution containing a series of recommendations, which form an integral part of the decision on discharge and which add to the general recommendations set out in the resolution on performance, financial management and control of EU agencies:

- **Follow-up to the 2013 and 2015 discharges: there are** a number of outstanding issues and ongoing corrective measures in response to the Court's comments in 2013 and 2015 related to a framework contract for the procurement of services and to the relation between the Agency and Schengen associated countries. Parliament urged the Agency to take corrective actions without further delay.
- **Agency's financial statements**: the final budget of the Agency for the financial year 2016 was EUR 82 267 949, representing an increase of 21.77 % compared to the year 2015, entirely derived from the Union budget.
- **Comments on the legality and regularity of transactions**: Members condemned the fact that the Agency received and accepted supplies amounting to EUR 2.8 million without having budget and legal commitments (contracts) in place. They called on the Agency to significantly improve budget planning and budget implementation.
- **Budget and financial management**: budget monitoring efforts during the financial year 2016 resulted in a budget implementation rate of 97.9 % and that the payment appropriations execution rate was 97.6 %. Members noted that the Agency signed a construction contract for its premises in Strasbourg with a value of EUR 21.5 million in June 2015.
- **Commitments and carry-overs**: Members noted that the committed appropriations for administrative expenditure carried over amounted to EUR 5 million (63 % of committed appropriations), compared to EUR 9 million (50 %) in 2015. These concerned mainly building maintenance and consultancy services to be delivered in 2017. These carry-overs may be justified and do not necessarily indicate weaknesses in budget planning and implementation.

Members also made a series of observations regarding procurement and staff policy, internal audits and the prevention and management of conflicts of interests. They expressed concern as to the potential risk for the competitiveness of the **EUR 194 million framework contract award procedure** for the further development and maintenance of the Visa Information System and the Biometrics Matching System (BMS) for a maximum period of six years.

Members also observed with concern that the growing operational risk facing the Agency’s operations is related to **understaffing** of the Agency. Reducing staff and outsourcing work increase the risks of 'revolving doors' and information leaks. They went on to deplore the **lack of gender balance** among posts occupied by 31 December 2016, given that the ratio was 28 % female to 72 % male members of staff.

Lastly, Members noted that a level of information exchange between the Agency and the Commission that would allow thorough preparation for activities after Brexit has not been completely arranged as some legal aspects, such as access to the systems managed by the Agency and use of data entered by the United Kingdom into them **after Brexit**, need further elaboration. The Commission is called on to help the Agency with solutions as soon as the negotiation process with the United Kingdom provides them with enough information.