2017 discharge: European Border and Coast Guard Agency (Frontex)

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The Committee on Budgetary Control adopted the report by Petri SARVAMAA (EPP, FI) on discharge in respect of the implementation of the budget of the European Border and Coast Guard Agency (Frontex) for the financial year 2017.

The committee called on the European Parliament to grant the Executive Director of the Agency discharge in respect of the implementation of the Agency's budget for the financial year 2017.

Noting that the Court of Auditors stated that it had obtained reasonable assurance that the annual accounts of the Agency for the financial year 2017 were reliable and that the underlying transactions were legal and regular, Members called on Parliament to approve the closure of the Agency's accounts.

They made, however, a number of recommendations that needed 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:

Agency's financial statements

The final budget of the European Border and Coast Guard Agency for the financial year 2017 was EUR 280 560 000, representing an increase of 20.54 % compared to 2016. This increase was related to the considerable extension of the Agency's mandate in 2017, in response to the migration crisis faced by the Union.

Budget and financial management

The budget-monitoring efforts during the financial year 2017 resulted in a budget implementation rate of 97.63 % representing a slight decrease of 0.27 % compared to 2016. Payment appropriations execution rate was low at 66.42 %, representing a slight increase of 0.35 % compared to 2016. Members noted that the initial budget of the Agency included EUR 8.8 million statutory financial operational reserve for financing the deployment of rapid border interventions and return interventions. The Agency transferred overall EUR 3.8 million from the reserve to its operational budget to fund other activities. Members noted with concern that the transfers are not in compliance with the Agency's financial regulation and called on the Agency to avoid such non-compliant actions in the future.

Members also regretted the high level of cancellations of carryovers from 2016 to 2017, amounting to EUR 11 125 174 and representing 14.96 % of the total amount carried forward, a similar rate as in 2016.

Members also made a series of observations regarding performance, staff policy, procurement and internal controls.

In particular, they noted that:

- that in 2017 systems and procedures were still in the process of being adapted to cope with the new mandate of the Agency which was updated in 2016;

- all Member States and Schengen associated countries participated in at least one joint operation and that 26 Member States took part as organisers or participants in return operations coordinated and co-financed by the Agency, amounting to two more Member States than in 2016;

- on 31 December 2017, the establishment plan was only 74.43 % filled, with 262 temporary agents appointed out of 352 temporary agents authorised under the Union budget;

- 2017 was the second year of the five-year growth plan that significantly increased resources in the area of the Agency's budget and staff. However, the Agency experiences difficulties in finding staff with the required profiles, often because of the low salary correction coefficient (66.7%);

- the headquarters agreement between the Agency and the Polish government entered into force as of 1 November 2017. This has an effect on several processes of the Agency with major consequences on the working conditions and the management facilities. Members called on the Agency to report to the discharge authority on the resulting projects, in particular the construction of the new headquarters building and the establishment of a European school in Warsaw.