2018 discharge: European Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA)

2019/2097(DEC) - 13/05/2020 - 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) for the financial year 2018 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 2018 are reliable and that the underlying transactions are legal and regular, Parliament adopted by 604 votes to 82 with 7 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:

Agency's financial statements

The final budget of the Agency for the financial year 2018 was EUR 205 657 227, representing a significant increase of 32 % compared to 2017. The increase was related to additional tasks and to the strengthening of the Agency's mandate.

Budget and financial management

Budget-monitoring efforts during the financial year 2018 resulted in a budget implementation rate of 75.18 %. The low implementation rate is due to outstanding commitments, mainly related to operational expenditure, which is subject to adoption of their legal basis.

The payment appropriations execution rate was 94.08 %, representing an increase of 2.55 % compared to 2017. Parliament noted that having suffered considerable delays, the construction of the Agency's new premises in Strasbourg had a 88.17 % completion rate, according to the latest accepted works progress report from April 2018, and that the Agency protects its financial interests with a EUR 1.2 million performance guarantee.

The Agency's budget implementation rate was less than planned because of the late adoption or entry into force of legal acts (a matter which is outside the Agency's control), affecting both the evolution and the development of existing and new systems.

Other observations

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

In particular, they noted that:

- the Agency manages three separate, non-integrated, large-scale IT systems in accordance with the respective legal instruments governing those systems, and that the different development timelines and constraints stemming from these legal frameworks have caused the IT systems to be built separately and in a non-integrated way. The Agency recognises that this approach is neither sustainable nor efficient from an operational or budgetary perspective. It has begun an initiative to streamline system architecture and design with the Commission's interoperability initiative as the main driver;

- on 31 December 2018 the establishment plan was only 89.71 % executed, with 122 temporary agents appointed out of 136 temporary agents authorised under the Union budget. The Agency acknowledges the significant risks for the continuity of its operations of having a small number of staff and has requested additional staff in its programming documents. Such a staff increase is subject to approval by Parliament and Council, and that the Agency is trying to mitigate

the risk through reprioritisation of tasks and speedy recruitment;

- the lack of gender balance on the management board (40 men and 6 women) remains an issue;

- the Agency should ensure compliance with public procurement provisions and address dependence on external recruitment;

- in November 2018, the Agency finalised the implementation of the new rules on the prevention and management of conflicts of interest for members of the management board and of the advisory groups. It also adopted a new model of

declarations of interests;

- as regards the delays in the reconstruction of the Agency's operational site in Strasburg and the construction of the new headquarters building in Tallinn, the headquarters reconstruction project was finalised by the Estonian government in accordance with the original plan, and that the Agency was moved to its permanent location in July 2018;

- reconstruction works at the operational site in Strasbourg were contractually finalised in June 2018, that the delay was attributed to the changes in design agreed with the contractor, and the Agency is working closely with the contractor to remedy technical inefficiencies spotted and to progress with the acceptance of works.