2021 discharge: European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA)

2022/2117(DEC) - 10/05/2023 - Text adopted by Parliament, single reading

The European Parliament decided to **grant discharge** to the Executive Director of the European Agency for the Management of Large-scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA) for the financial year 2021 and to approve the closure of the accounts for that year.

Noting that the Court of Auditors stated that it had obtained reasonable assurance that the Agency's annual accounts for the financial year 2021 were reliable and that the underlying transactions were legal and regular, Parliament adopted, by 587 votes to 42 with 6 abstentions, a resolution containing a series of recommendations which form an integral part of the discharge decision and which complement the general recommendations set out in the resolution on the performance, financial management and control of EU agencies.

Agency's financial statements

The Agency's final budget for the financial year 2021 was EUR 216 513 780, representing a decrease of 9.83% compared to 2020, in line with the downward trend going on since 2019, when the Agency's budget was increased by 40.23% compared to the previous year.

Although the Court of Auditors stated that it has obtained reasonable assurance that the Agency's annual accounts are reliable, and that the underlying transactions as regards revenue are legal and regular in all material aspects, the Court identified payments of, in total, EUR 18.11 million of which it considered EUR 15.67 million not to be compliant with certain provisions of the Agency's financial regulation and EUR 2.44 million not to be compliant with the provisions of the relevant framework contracts, representing in total 6.20% of the payment appropriations available in 2021 which exceeds the materiality threshold set for the audit and, consequently, resulted in a qualified opinion on the legality and regularity of payments underlying the Agency's accounts. Except for those non-compliant payments, the Court concluded that the underlying transactions as regards payments for the year ended 31 December 2021 are legal and regular in all material respects.

Budgetary and financial management

Budget-monitoring efforts during 2021 resulted in a budget implementation rate of 100 % which represents an increase of 24.39 % compared to 2020. The payment appropriations execution rate was 94.65 %, representing an increase of 0.24 % compared to 2020.

Concerns were expressed about the excessive amount of carry-overs which is indicative of various structural issues that affect compliance with the Agency's financial rules. Moreover, budgetary planning should be improved.

Other comments

Parliament also made a series of observations concerning performance, staff policy and public procurement.

In particular, it noted that:

- the Agency achieved its objectives for 2021 and delivered the results defined in its 2021 annual work programme, both in terms of outcomes and performance;

- the continued development of new IT systems for the Entry/Exit System (EES), the European Travel Information and Authorisation System (ETIAS), and the system to identify the Member States holding information on previous convictions of third-country nationals (ECRIS-TCN) and of interoperability between the new and the existing systems were welcomed, however, the entry into operation of those new systems was postponed by several months, while the overall schedule for the completion of the interoperability architecture by end of 2023 was preserved;

- on 31 December 2021, the establishment plan was 90.61 % implemented, with 193 temporary agents appointed out of the 213 temporary agents authorised under the Union budget (compared to 202 authorised posts in 2020). Concerns about the total lack of gender balance were expressed;

- irregularities were noted concerning procurement, however, the Agency stated that the formal irregularities identified by the Court did not result in any financial prejudice to the Union’s budget;

- the Agency took additional measures in 2021 in the area of cybersecurity. New tools should be adopted in the areas of budget and procurement digitalisation such as e-Signature, e-Contracts and e-Invoicing.