2022 discharge : European Fisheries Control Agency (EFCA)

2023/2150(DEC) - 11/04/2024 - Text adopted by Parliament, single reading

The European Parliament decided to **grant discharge** to the Executive Director of the European Fisheries Control Agency (EFCA) for the financial year 2022 and to approve the closure of the accounts for that year.

Noting that the Court of Auditors has stated that it has obtained reasonable assurance that the Agency's annual accounts for the financial year 2022 are reliable and that the underlying transactions are legal and regular, Parliament adopted, by 531 votes to 69 with 3 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 2022 was **EUR 34 967 797**, representing an increase of 61.73 % compared to 2021, with approximately 41 % increase in the general EU subsidy and a considerable rise in assigned revenue from multiannual contribution agreements and grants. The additional EU subsidy granted to EFCA, initiated in 2021, was linked to the legislative financial statement addressing the escalated monitoring requirements in EU waters neighbouring the United Kingdom. Approximately 84 % of the budget of the Agency derives from the Union budget and approximately 16 % from earmarked revenue.

Budgetary and financial management

Budget monitoring efforts during the financial year 2022 resulted in a budget implementation of current year commitment appropriation rate of 99.41 %, representing a slight increase of 0.34 % compared to 2021. Payment appropriations execution rate was at 57.78 %, representing a decrease of 16.70 % compared to 2021.

The Agency carried over EUR 11.9 million (41 %) of available 2022 commitment appropriations to 2023. This included EUR 1.6 million (or 53 %) of appropriations related to administrative activities (34 % in 2021), and EUR 10.1 million (or 63 %) of appropriations related to operational activities (42 % in 2021). The high rates of carry-overs contradict the budgetary principle of annuality and are indicative of structural issues in the budget process and implementation cycle. According to the Agency, these high carry-overs are the consequence of very particular circumstances which are not expected to be repeated.

2022 was marked by a recovery from the COVID-19 pandemic's impacts on the previous two financial years, while at the same time EFCA's budget and resources continued to grow for additional tasks and projects as envisaged in its Single Programming Document for 2022. The war in Ukraine could have an impact on the recognition and measurement of some assets and liabilities on the balance sheet and also on some revenue and expenses recognised in the statement of financial performance for subsequent reporting periods.

The recent revision of the Union fisheries control system will increase the Agency's supportive workload, therefore, sufficient resources will be needed in the coming years.

Other observations

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

In particular, it noted that:

- the Agency implemented 95.4 % of the Annual Work Programme (AWP) adopted by the Administrative Board in the framework of the Single Programming Document;

- during 2022, additional resources were granted to the Agency providing it with the necessary operational capacity for assisting the Member States and the Commission in the monitoring, control and surveillance regime harnessed to the Common Fisheries Policy (CFP), including the measures resulting from the Trade and Cooperation Agreement with the United Kingdom;

- the Agency reported 47 592 inspections (at sea and ashore), which led to the detection of 5 167 suspected infringements, representing a decrease in inspections of 11 % and an increase in suspected infringements of 28 % on the 2021 figures, respectively;

- on 31 December 2022, the establishment plan was 96.10 % filled, with 74 temporary agents appointed out of 77 authorised under the Union budget (65 authorised posts in 2021);

- the Agency should improve its public procurement procedures, ensuring full compliance with the applicable rules, so that they achieve the best possible value for public resources;

- internal processes for selecting and contracting external experts should be strengthened.