2002 Discharge: Office for Harmonisation in the Internal Market

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PURPOSE : to present the report from the Court of Auditors on the financial statements of the Office for Harmonization in the Internal Market for the financial year 2002. CONTENT : the report concerns the results of the audit performed by the Court of the financial statements of the Office for the financial year ended 31/12/2002. This examination has enabled the Court to obtain reasonable assurance that the annual accounts for the financial year 2002 are reliable and that the underlying transactions, taken as a whole, are legal and regular. The report shows that the appropriations entered in the budget for the Office amounts to EUR 154,7 million of which EUR 97,9 million was committed and EUR 77,6 million was paid. The report states that the most striking fact of the implementation of the budget is the decrease in the fees received by the Office, which have fallen from EUR 105,1 million in 2001 to EUR 96,2 million in 2002, i.e. a drop of EUR 8,9 million. Revenue totalling EUR 1,8 million that was charged to the financial year 2001 involved income which was recorded by the accounting officer in 2002 and should have been charged to the financial year 2002, as laid down in the Office's Financial Regulation. Revenue totalling EUR 0,8 million was received from the sales of publications in the fourth quarter of 2000 and the last three quarters of 2001. The Office did not take timely action to recover this sum from the Publications Office. It should also be noted that in 2002, the Office received EUR 0,6 million from the Commission to carry out projects for which contracts totalling EUR 1,7 million had been made with the Commission. The implementation of these projects was entered in the accounts outside the budget, which is not in accordance with the principle of budgetary unity. As regards the financial statements, the allocation for the provision for procedural expenditure increased by 17 % in 2002 compared with 2001, while the total number of case-files submitted to the Office fell from 135 822 to 121 212, i.e. an 11 % reduction. Such a divergence in trends points to an increase in the time taken to process the files. The Office should attend to this problem when it makes its physical inventory, which it has introduced following the Court's previous recommendations. Concerning the issue of staff recruitment, in its report concerning the financial year 2000, the Court noted that the Office's recruitment policy led to recruitment on a local basis resulting in the integration as permanent officials of persons recruited by procedures which favour internal applicants. During the financial year 2002, out of 77 requests to fill a post, only four had been advertised widely outside the Office. An analysis of the movements of all the categories of staff during the financial year 2002 confirms the internal nature of staff recruitment. In order for equality of access to the Community public service to be better safeguarded, the Office should endeavour to advertise its employment offers very widely and, where possible, join forces with the institutions and other bodies for recruitment purposes. The office replies to the criticisms made by the Court. It takes good note of this observation of the Court of Auditors on theissue of the sales of publications. The collection of revenue of publications depends on the information provided by the Office for Official Publications of the European Communities, which has significant delays in its communication on publication sales to the Office. In the future the Office will claim the corresponding settlement list. The external recruitment has essentially been stopped on account of the economic situation. The Office has discontinued its policy of internal competitions for established posts and, at the same time, in order to fill certain vacancies and encourage mobility among its staff, published internal vacancy notices for a large number of posts at the Office. The Office has already contacted the European Personnel Selection Office (EPSO) with a view to using its services as far as possible. However, the Office did launch a recruitment procedure at the beginning of 2003 to meet specific staffing needs associated with enlargement.