2003 discharge: European Aviation Safety Agency

2004/2052(DEC) - 30/12/2004

This report from the Court of Auditors concerns the results of the audit carried out by the Court on the annual accounts of the the European Aviation Safety Agency for the financial year ended 31 December 2003. The European Aviation Safety Agency was established by Council Regulation 1592/2002/EC of 15 July 2002 therefore the year 2003 was the first in which the Agency actually began to carry out its operational activities.

The Court has obtained reasonable assurance that the annual accounts for the financial year ended 31 December 2003 were reliable and that the underlying transactions, taken as a whole, were legal and regular.

The report indicates that the final budget appropriations amount to EUR 4.7 million with EUR 3.9 million being committed and EUR 1 million being paid. EUR 2.9 million were carried over to 2004 and EUR 800 000 were cancelled.

In its report, the Court states that the Executive Director, who is the authorising officer, is also empowered to sign banking instructions. This is contrary to Article 37 of the Agency's financial regulation. The Court also notes the lack of consistency of the accounting officer to validate systems or justify accounting information.

Furthermore, the Court highlights that an examination of the recruitment files revealed that they contained formal deficiencies and that some documents were missing. In view of the scale of recruitment forecast between now and 2006 (around 300 persons), steps must be taken to ensure

improved compliance with the regulatory provisions. An analysis of the computer system control environment showed that it requires strengthening in advance of the forecast increase in the Agency's activities.

The Agency responds point by point to the observations made by the Court. Firstly, it states that until the end of 2003, the Executive Director was the Agency's only temporary staff member. In practice, he signed banking transactions alongside the accountant. Other temporary staff have been hired during the second half of 2004, eliminating this incompatibility.

The financial systems were validated by the accountant at the beginning of February 2004. A computer system for managing fixed assets, to be implemented by the authorising officer, is currently being acquired and will be validated at a later stage.

The shortcomings identified by the Court are related to the fact that the Agency was in its start-up phase. A Human Resources department with a special recruitment unit was set up in February 2004. It has already implemented procedures and tools. The Agency is considering setting up a computerised recruitment management system as of January 2005.

The fact that the Agency is based on the premises of the Commission has had a major impact on its IT environment. The Agency will move to its new premises in Cologne, Germany, in November 2004, which will lead to a considerable improvement in its IT environment and the implementation of a new computer architecture.