2005 discharge: European Food Safety Authority

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Having examined the revenue and expenditure account for the financial year 2005 and the balance sheet of revenue and expenditure at 31 December 2005 of the European Food Safety Authority, the Council recommends the European Parliament to give a discharge to the Executive Director of the Authority in respect of the implementation of the budget for the financial year 2005.

In doing so, it confirms that EUR 3.6 million (64%) of the EUR 5.7 million in appropriations carried forward from the financial year 2004 to the financial year 2005, have been used. In addition, EUR 6.3 million in appropriations have been carried forward from the financial year 2005 to the financial year 2006 and EUR 9.5 million have been cancelled.

In parallel, the Council makes accompanying comments on the discharge which should be followed up. In particular, it:

- notes that the Court has been able to issue a statement of reasonable assurance on the reliability of the Authority's annual accounts. However, it regrets that in respect of the reasonable assurance as to the legality and regularity of the underlying transactions, taken as a whole, the Court has excluded some situations relating to the award and conclusion of contracts;
- is concerned with the fact that the Authority has not fully respected the rules in force regarding the **contract award process**, such as the statutory minimum number of tenders required to take part in the contracts procedure, the documentation of the application of the selection criteria, or the rules related to the appointment of evaluation committees. It also regrets that in one framework contract the clauses included in it had not been observed. Consequently, it calls on the Authority to pursue tightening up its internal control system of the procurement procedures;
- highlights that as regards **budgetary management**, it expects the Authority to take the appropriate measures to improve the implementation of its budget, and ensure that the resources are not mobilised unnecessarily. It also stresses the importance of the introduction by the Authority of an activity-based management, as laid down in the Authority's Financial Regulation, with a view to improving performance monitoring;
- also calls on the Authority to follow the Court's remarks regarding the need to solve the shortcomings detected in **expenditure control**, mainly concerning the carrying out of risk analysis;
- as in the previous year, the Council notes with concern that regarding **staff recruitment**, the procedures used for the selection of candidates were incorrect or not duly justified, and calls on the Authority to take the appropriate measures to remedy all the weaknesses detected by the Court, mainly by improving the application of the selection criteria in its recruitment processes.