Basic information

2005/2119(DEC) DEC - Discharge procedure	Procedure completed
2004 discharge: European Food Safety Authority **Subject** 8.70.03.07 Previous discharges	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	GUIDONI Umberto (GUE/NGL)	20/04/2005

Committee for opinion	Rapporteur for opinion	Appointed
ENVI Environment, Public Health and Food Safety	HAUG Jutta (PSE)	21/06/2005

Council of the European Union

Council configuration	Meetings	Date
Economic and Financial Affairs ECOFIN	2716	2006-03-14

European Commission

Commission DG	Commissioner
Budget	

Key events

Date	Event	Reference	Summary
14/04/2005	Non-legislative basic document published	N6-0014/2005	Summary
19/01/2006	Committee referral announced in Parliament		
21/03/2006	Vote in committee		Summary
27/03/2006	Committee report tabled for plenary	A6-0105/2006	
26/04/2006	Debate in Parliament		
27/04/2006	Decision by Parliament	T6-0180/2006	Summary
27/04/2006	Results of vote in Parliament		
27/04/2006	End of procedure in Parliament		

06/12/2006	Final act published in Official Journal		

Technical information

Procedure reference	2005/2119(DEC)
Procedure type	DEC - Discharge procedure
Legal basis	Rules of Procedure EP 102
Stage reached in procedure	Procedure completed
Committee dossier	CONT/6/28459

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE367.994	03/02/2006	
Committee opinion	ENVI	PE367.654	23/02/2006	
Amendments tabled in committee		PE370.241	28/02/2006	
Committee report tabled for plenary, single reading		A6-0105/2006	27/03/2006	
Text adopted by Parliament, single reading		T6-0180/2006	27/04/2006	Summary

Council of the EU

Document type	Reference	Date	Summary
Supplementary non-legislative basic document	05972/2006	06/02/2006	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
OS	Non-legislative basic document	N6-0014/2005 OJ C 269 28.10.2005, p. 0021	14/04/2005	Summary
CofA	Court of Auditors: opinion, report	N6-0007/2006 OJ C 332 28.12.2005, p. 0045-0052	07/12/2005	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Budget 2006/0846
OJ L 340 06.12.2006, p. 0134-0134 Summary

2004 discharge: European Food Safety Authority

2005/2119(DEC) - 27/04/2006 - Final act

PURPOSE: to grant discharge to the European Food Safety Authority for the financial year 2004.

LEGISLATIVE ACTS: Decisions 2006/846/EC and 2006/847/EC of the European Parliament on the discharge for the implementation of the budget of the European Food Safety Authority for the financial year 2004 and closure of accounts for the year in question.

CONTENT: with the present decisions, the European Parliament grants discharge to the Executive Director of the European Food Safety Authority for the implementation of the Authority's budget for the financial year 2004 and approves the closure of the accounts.

This decision is in line with the European Parliament's resolution adopted on 27 April 2006 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 27/04/2006).

2004 discharge: European Food Safety Authority

2005/2119(DEC) - 27/04/2006 - Text adopted by Parliament, single reading

The European Parliament adopted a resolution drafted by Umberto **GUIDONI** (GUE/NGL, IT) and granted discharge to the Executive Director of the European Food Safety Authority for the implementation of the Authority's budget for the financial year 2004. In its accompanying comments, Parliament was disappointed to note that the Court of Auditors had again discovered anomalies in the application of the rules concerning staff recruitment. It urged the Authority to apply with more transparency the rules regarding selection procedures.

Parliament was also concerned by the irregularities noted by the Court of Auditors in contract award procedures. It urged the Authority to improve by any means necessary the transparency of its decisions on the award of contracts in order to avoid any suspicion of bias, as stressed by the Court of Auditors.

2004 was the second operating year for the Authority. Due to the delayed decision by the Council on its permanent seat, the Authority continued operating on a transitional basis. It was not able to complete its establishment plan largely due to the announced move to Parma in 2005. Parliament considered it understandable, therefore, that with fewer staff the Authority was not possible fully to implement all actions in the operating budget.

Parliament also made a series of general remarks on the agencies. As well as spending money properly, agencies should also strive to spend money as efficiently and effectively as possible. The Court of Auditors was asked to consider the possibility of extending its specific annual reports on the agencies to include an examination of performance and achievement of objectives. The following aspects should be taken into account: duplication of work among the agencies must be avoided as much as possible and measures designed to improve transparency and communication with the public must be clarified, along with Community affirmative action measures at all levels of recruitment, training and the assignment of responsibilities.

Parliament noted that Community agencies did not always have a good image or good press and that many of them did not deserve such a negative image. EU citizens should be made aware of this, and Parliament called on the Commission to act accordingly, using whatever means it considers necessary.

Furthermore, the enlargement of the European Union in 2004 had affected the structures and operating arrangements of the Community agencies in many ways, and several of the agencies draw attention to these effects in their activity reports, focusing in particular on the increase in the number of administrators. The Commission needed to assess the problems encountered and recommend the regulatory changes required.

The Commission had made a commitment to harmonising the way in which activity reports concerning its directorates-general were presented. Parliament called for a similar approach to be taken in respect of the activity reports of the Communities" agencies, which differed significantly in terms of content. The Commission should point out to the agencies the information and activity indicators that they must provide.

Finally, Parliament asked the Commission to improve synergies between agencies by making cooperation more effective, avoiding duplication of work and addressing shortcomings, in particular as regards common areas such as training, the implementation of Community policies across the board, the use of the latest management systems and solving problems relating to sound management of the budget.

2004 discharge: European Food Safety Authority

2005/2119(DEC) - 06/02/2006 - Supplementary non-legislative basic document

Having examined the Authority's revenue and expenditure account and the observations made by the Court of Auditors, 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 2004.

In doing so, the Council confirms that EUR 3.2 million (76 %) of the EUR 4.2 million in appropriations carried over from the financial year 2003 to the financial year 2004, have been used. In addition, EUR 5.7 million in appropriations have been carried forward from the financial year 2004 to the financial year 2005 and EUR 8.5 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 for the financial year ended 31 December 2004. 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 recruitment of staff and the award of contracts;

§ notes that the Authority, as one of the recently established agencies, has had to manage a period of transition, and that 2004 is the second year of the applicability of the new Financial Regulation and its implementation rules. It calls on the Authority to pursue actively the implementation of the appropriate measures to meet the Court's reservations concerning staff recruitment and public procurement;

§ shares the Court's concerns on the procedures used for the selection of candidates, which were incorrect or not duly justified. In this context, it urges the Authority to take the appropriate measures to remedy all the weaknesses detected by the Court, and to improve the transparency of its decisions in order to guarantee observance of the rules in force;

§ regrets that the Authority has not fully respected certain aspects of the general Financial Regulation and its implementation rules especially on the issue of public procurement, such as the number of tenders required for the conclusion of contracts, or the conclusion of a contract by direct negotiation. Consequently, it urges on the Authority to pursue the reinforcement of the rules governing the award of contracts;

§ calls on the Authority to follow the Court's remarks regarding the treatment of carry-overs when calculating the economic outturn, and the methods used to compile the physical inventory.

2004 discharge: European Food Safety Authority

2005/2119(DEC) - 14/03/2006

The Council approved, without discussion, recommendations to the European Parliament on the discharge to be given to the directors of the following Community bodies for execution of the 2004 budget:

- European Agency for Safety and Health at Work
- European Environment Agency
- European Training Foundation
- European Foundation for the Improvement of Living and Working Conditions
- European Maritime Safety Agency
- Eurojust
- European Food Safety Authority
- European Centre for the Development of Vocational Training
- Translation Centre for the Bodies of the European Union
- European Medicines Agency
- European Monitoring Centre on Racism and Xenophobia
- European Monitoring Centre for Drugs and Drugs Addiction
- European Aviation Safety Authority
- European Agency for Reconstruction

(for details of the Council recommendations, please refer to the respective summaries of 6 February 2006).

2004 discharge: European Food Safety Authority

2005/2119(DEC) - 07/12/2005 - Court of Auditors: opinion, report

This report from the Court of Auditors concerns the annual accounts of the European Food Safety Authority for the financial year ended 31 December 2004.

The Court states that the Authority’s accounts for the financial year ended 31 December 2004 are, in all material respects, reliable. Except for the situation of the recruitment of personnel, the transactions underlying the Authority’s annual accounts, taken as a whole, are legal and regular.

The report shows that the appropriations entered in the final budget amount to EUR 29 092 000 with EUR 21 252 000 committed and EUR 15 919 000 paid. EUR 5 684 000 were carried over to 2005 and EUR 7 488 000 were cancelled. The outstanding commitments carried over from the previous year amount to EUR 4 233 000.

Valuation of the part of the carry-overs of appropriations that is to be treated as expenditure when calculating the economic outturn for the financial year is based on the declarations of the authorising officers by delegation. These declarations must be drawn up in such a way as to enable the accounting officer to assess the Authority’s actual expenses, which has not often been the case.

As regards the management of fixed assets, the Court highlights significant weaknesses, in particular as regards the identification of the items to be entered in the inventory. Moreover, the methods used to compile the physical inventory are unsatisfactory.

On the recruitment of staff, decisions relating to the rejection of applicants are not substantiated and the final reports on the selection procedures are often incomplete or even, in the case of auxiliary staff, non-existent. The computer application used during the first stages of the selection procedure for candidates does not guarantee the integrity of the data recorded.

The grading of the staff recruited is often not substantiated or certified by supporting documents. Moreover, auxiliary staff were recruited without a selection procedure. Furthermore, persons who had delivered attestations in favour of certain candidates also acted as members of the selection board for these candidates. Attestations had been delivered in favour of two people stating that they were going to be recruited as temporary staff, although the Appointing Authority had reached no decision in this connection. In one case, a successful candidate who was not appointed was recruited directly to a different post.

Concerning the issue of procurement, one contract was concluded on the basis of two bids, even though the financial regulation stipulates that there should be at least three tenderers for contracts to the value in question. In another case, the Chairman of an Evaluation Committee was a former employee of the company which won the contract. The members of this Committee included a direct subordinate of its

Chairman. In one last case, a contract was concluded by direct negotiation without any of the conditions laid down by the provisions being observed. The Court stresses that the Authority must make every effort to improve the transparency of its decisions on staff recruitment and the award of contracts in order to guarantee observance of the rules in force and to avoid all suspicion of bias.

The Authority responds point by point to the Court’s observations:

- the Authority will ensure that the system implemented, intended to inform the accounting officer of expenditure for the financial year, is more accurate and reliable. The Authority will carry out a full check of its inventory in November 2005, once the move to Parma is complete. The method used involves entering goods in the inventory as soon as they are received or, at the latest, at the time of payment of the goods;

- selection procedures have been strengthened in order to improve their transparency, as well as that of the recruitment decisions. The shortcomings observed by the Court were due to the speed with which the Authority had to be set up. The computer application referred to by the Court is now only used as a database. Since September 2004 a simplified selection procedure has been organised for the recruitment of auxiliary staff. Members of the selection board are obliged to state if a candidate is known to them at the time of the interviews for selection. The Authority is examining measures to minimise the risk of bias in selection boards. An attestation of recruitment as temporary staff was issued for two successful candidates for posts to be filled once the budget allowed it, namely six months later;

- in order to adhere more closely to the rules governing the award of contracts, the Authority has taken various measures and has set up an internal network aimed at improving understanding of the rules in force and at training the relevant staff. As regards the cases described by the Court, the composition of Evaluation Committees is determined by EFSA in accordance with the general principles in use and depending on the number of people able to carry out a technical evaluation, which is limited in a small institution. The conclusion of a contract by direct negotiation was due to a complication in planning. Since then, the service has been the subject of a procurement procedure.

To conclude, the Authority states that it has always sought to comply with the rules in force and will continue its efforts in terms of equal treatment and transparency in both its recruitment and public procurement policy.

2004 discharge: European Food Safety Authority

2005/2119(DEC) - 14/04/2005 - Non-legislative basic document

PURPOSE : presentation of the final accounts of the European Food Safety Authority for the financial year 2004.

CONTENT : this document published in the Official Journal of the EU sets out a detailed account of the implementation of the 2004 budget, including the revenue and expenditure and the balance sheet for the year concerned.

According to this document, the final budget amounted to EUR 29,1 million (against EUR 12,6 million in 2003) including a 100% Community contribution.

As regards the staffing policy, the Authority, whose headquarters are now based in Parma (Italy), officially set out 138 posts in its establishment plan. 102 are currently occupied with + 37 other staff (auxiliary contracts, seconded national experts, local staff, and employment agency staff) totalling 139 posts assigned to administrative and operational duties.

Staff expenditure amounted to EUR 8,2 million.

The Authority’s main tasks are to supply the scientific information needed for Community legislation to be drawn up, to collect and analyse data that allow risks to be identified and monitored and to provide independent information on these risks. The Authority’s competences and activities are summarised below:

- 158 opinions were adopted and published in 2004. They covered many areas including aromatic plants, genetically modified organisms (with the WHO), bovine spongiform encephalopathy (BSE)

or transmissible spongiform encephalopathy (TSE);

- 2 scientific symposia on specific topics, the development of scientific expertise within the Authority, the identification of emerging risks and the placing on the network and gathering of scientific data were organised;

- the Advisory Forum met 4 times with a view to working as a network with the national authorities on specific topics such as coordination in the event of a crisis scenario;

Operational expenditure represented roughly EUR 7,5 million in commitment appropriations. A positive economic result of EUR 775 000 was shown.

The complete version of the final accounts may be found at the following address:

http://www.efsa.eu.int/about_efsa/efsa_funding/accounts/catindex_en.html