Basic information

2006/2165(DEC) DEC - Discharge procedure	Procedure completed
2005 discharge: European Aviation Safety Agency **Subject** 8.70.03.07 Previous discharges	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	HERCZOG Edit (PSE)	20/04/2006

Committee for opinion	Rapporteur for opinion	Appointed
TRAN Transport and Tourism	CRAMER Michael (Verts /ALE)	21/11/2006

Council of the European Union

Council configuration	Meetings	Date
Economic and Financial Affairs ECOFIN	2787	2007-02-27

European Commission

Commission DG	Commissioner
Budget	KALLAS Siim

Key events

Date	Event	Reference	Summary
31/10/2006	Non-legislative basic document published	N6-0033/2006	Summary
29/11/2006	Committee referral announced in Parliament		
26/03/2007	Vote in committee		Summary
02/04/2007	Committee report tabled for plenary	A6-0121/2007	
24/04/2007	Decision by Parliament	T6-0124/2007	Summary
24/04/2007	Results of vote in Parliament		
24/04/2007	Debate in Parliament		
24/04/2007	End of procedure in Parliament		

15/07/2008	Final act published in Official Journal		

Technical information

Procedure reference	2006/2165(DEC)
Procedure type	DEC - Discharge procedure
Legal basis	Rules of Procedure EP 102
Stage reached in procedure	Procedure completed
Committee dossier	CONT/6/42421

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE384.444	09/02/2007	
Committee opinion	TRAN	PE382.459	01/03/2007	
Amendments tabled in committee		PE386.405	08/03/2007	
Committee report tabled for plenary, single reading		A6-0121/2007	02/04/2007	
Text adopted by Parliament, single reading		T6-0124/2007	24/04/2007	Summary

Council of the EU

Document type	Reference	Date	Summary
Supplementary non-legislative basic document	05711/2007	07/02/2007	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
OS	Non-legislative basic document	N6-0033/2006 OJ C 266 31.10.2006, p. 0010	31/10/2006	Summary
CofA	Court of Auditors: opinion, report	N6-0001/2007 OJ C 312 19.12.2006, p. 0001	19/12/2006	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Budget 2008/0529
OJ L 187 15.07.2008, p. 0156 Summary

2005 discharge: European Aviation Safety Agency

2006/2165(DEC) - 24/04/2007 - Final act

PURPOSE: to grant discharge to the European Aviation Safety Agency for the financial year 2005.

LEGISLATIVE ACT: Decision 2008/529/EC of the European Parliament on the discharge for the implementation of the budget of the European Aviation Safety Agency for the financial year 2005.

CONTENT: with the present decision, the European Parliament grants discharge to the Executive Director of the European Aviation Safety Agency for the implementation of the Agency's budget for the financial year 2005.

This decision is in line with the European Parliament's resolution adopted on 24 April 2007 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 24/04/2007).

2005 discharge: European Aviation Safety Agency

2006/2165(DEC) - 31/10/2006 - Non-legislative basic document

PURPOSE: presentation of the final accounts of the European Aviation Safety Agency for the financial year 2005.

CONTENT: this document published in the Official Journal of the EU sets out a detailed account of the implementation of the 2005 budget, including the revenue and expenditure and the balance sheet for the year concerned.

According to this document, the final budget amounted to **EUR 36.5 million** including EUR 8.6 million of revenue from fees and charges and EUR 18.6 million from Community subsidy.

As regards the staffing policy, the Agency, whose headquarters are now based in Cologne (Germany), set out a total of 200 posts in the establishment plan. 132 of these posts are currently occupied + 21 other posts totalling **153** assigned to operational, administrative and mixed tasks. Staff expenditure in 2005 accounted for EUR 16.192 million.

The Agency, set up in 2002 by Regulation 1592/2002/EC is in its second year of operation in its new headquarters.

Its activities mainly consisted of implementing the missions set out in Regulation 1592/2002/EC, such as:

- 4 opinions concerning amendments to Regulations Nos 1592/2002, 1702/2003 and 2042/2003; 1 opinion concerning the acceptance of navigation database suppliers; 5 opinions on opt-outs requested by EASA Member States; 1 amendment of CS 25 certification specifications; 1 amendment of Acceptable Means of Compliance and Guidance Material for Regulation No 2042/2003; 2 new cooperation agreements with China regarding Eurocopter and Dassault products; extension of the cooperation agreement with the Aeronautical Committee of the Commonwealth of Independent States; certification decisions including 490 Airworthiness directives; 249 European Technical Specifications; as well as standardisation inspections in several countries.

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

http://www.easa.europa.eu/home/mb_2006_en.html

2005 discharge: European Aviation Safety Agency

2006/2165(DEC) - 19/12/2006

This report from the Court of Auditors concerns the results of the audit carried out by the Court on the annual accounts of the European Aviation Safety Agency for the financial year ended 31 December 2005.

The Court has obtained reasonable assurance that the Agency's accounts for the financial year ended 31 December 2004 are, in all material respects, reliable.

The report states that the appropriations entered in the final budget amount to **EUR 31 581 000** with no appropriations being committed. However, EUR 21 056 000 was paid. EUR 6 607 000 was carried over to 2006, and EUR 3 918 000 cancelled.

The Court makes the following observations:

- the utilisation rate for commitment and payment appropriations was less than 80 %. This situation is due to the low rate of implementation of commitment and payment appropriations (69 % and 32 % respectively) for operating expenditure. The cancellation rate for appropriations for the financial year is also high (ranging from 7 % to more than 30 % depending on the title of the expenditure and the nature of the

appropriations). Cancellation rates for appropriations carried over from the previous year are also high. This situation should prompt the Agency to improve and step up the monitoring of its planning so as to ensure that resources are not mobilised unnecessarily;
- the appropriations under one budget heading were amended by EUR 1.2 million but the Agency submitted no documents to justify this reduction;
- the failure to introduce activity-based management even though the Agency's Financial Regulation provides for its introduction, along the lines applied to the general budget, so as to allow better monitoring of performance;
- the Management Board did not adopt minimal internal control standards. Management and internal-control systems and procedures were not always described;
- the principle of open competition was not observed in certain cases: the Agency used the negotiated procedure for one EUR 250 000 contract with an employment agency. For security services, the Agency renewed the contract it had signed in 2004 (value: EUR 85 557) by direct agreement and without justification.

The Agency responds point by point to the Court's observations and makes clear that the utilisation of commitment appropriations was less than forecast due to recruitment difficulties. The low rate of implementation of payment appropriations for operational activities is due essentially to the fact that the national authorities did not invoice the Agency during the first year of the implementation of Commission Regulation 488/2005/EC.

The sum of EUR 1.2 million had been erroneously entered under normal appropriations and had to be transferred under assigned revenue appropriations. The Agency will ensure that the Management Board is informed of any future changes made to the budget.

In 2006, the Agency introduced an integrated management project for certification activities, including a detailed monitoring of the Agency's activities as well as the adaptation of the financial system to allow the drawing up of analytical accounts. This project is expected to be operational as of 2008. In the meantime, the Agency is endeavouring to establish a closer link between its budget and its operational objectives and, in this connection, the 2007 budget will be presented by activities.

The anomaly raised by the Court concerning the separation of functions has been corrected. The implementation in 2006 of computer links between the operational and financial systems should improve the quality assurance of the financial information submitted by the authorising officers to the accounting officer.

Lastly, the Agency states that over the first months following its transfer to Cologne in November 2004, the Agency was unable to apply the normal purchasing procedures for goods and services due to the time limits and a human resources deficit. Since it has been in a position to set up a specialised purchasing unit, the regulatory processes have been applied.

2005 discharge: European Aviation Safety Agency

2006/2165(DEC) - 24/04/2007 - Text adopted by Parliament, single reading

The European Parliament adopted a resolution drafted by Edit **HERCZOG** (PSE, HU), and granted the executive director of the European Aviation Safety Agency discharge for the implementation of the Agency's budget for the financial year 2005. It then approved the closing of the accounts of the Agency for the financial year 2005.

The Parliamentary resolution is divided into two parts. The first contained general points, and concerned the majority of EU Agencies requiring individual discharge. The second part contained specific points relating to the Agency.

General points: Parliament considers that the ever-growing number of Community Agencies and the activities of certain of them do not seem to form part of an overall policy framework, and that the remits of some Agencies do not always reflect the real needs of the Union. Accordingly, it invites the Commission to define an overall policy framework for the setting up of new Community Agencies and to present a cost-benefit study before the setting up of any new agency, while being careful to avoid any overlap of activities between Agencies or with the remits of other European organisations. Parliament calls on the Court of Auditors to give its opinion on this cost-benefit study before Parliament takes its decision, and it asks the Commission to present every five years a study on the added value of every existing Agency. ; invites all relevant institutions In the case of a negative evaluation of the added value of an Agency, all relevant institutions are asked to take the necessary steps by reformulating the mandate of that Agency or by closing it.

In view of the constantly increasing number of Agencies, Parliament feels that the Directorates-General of the Commission charged with the setting up and monitoring of Agencies must develop a common approach to the Agencies. It also asks the Commission to improve administrative and technical support to the Agencies. Parliament regretted that the negotiations on the draft interinstitutional agreement on the operating framework for the European regulatory agencies have not yet been concluded, and calls on the Commission, in consultation with the Court of Auditors, to do their utmost to ensure that the agreement is brought to a rapid conclusion. Noting that the Commission's budgetary responsibility calls for closer linking of the Agencies to the Commission, Parliament calls on the Commission and the Council to take all necessary steps to give the Commission a blocking minority in the supervisory bodies of the regulatory Agencies by 31 December 2007 and to provide for such a minority from the outset when new Agencies are set up. It invites the Court of Auditors to create an additional chapter in its Annual Report, devoted to all Agencies to be discharged under the Commission's accounts in order to have a much clearer picture of the use of EU funds by Agencies.

Parliament goes on to ask the Commission to come up with a proposal to harmonise the format of the annual reporting by the Agencies and to develop performance indicators which would allow a comparison of their efficiency. The Commission is urged to monitor and direct the management of the Agencies, especially in relation to the proper application of tender procedures, transparency of recruitment procedures, sound financial management and, most importantly, the proper application of the rules concerning the internal control framework.

Specific points concerning the EASA: Parliament invited the Agency to improve and step up the monitoring of its planning so as to ensure that resources are not mobilised unnecessarily, noting that the utilisation rate for commitment and payment appropriations was less than 80 % and that this

situation was due to the low rate of implementation of commitment and payment appropriations (69 % and 32 % respectively) for operating expenditure. It also noted the failure to introduce activity-based management.

Parliament went on to regret that the Management Board did not adopt minimal internal-control standards by the end of 2005 and that management and internal-control systems and procedures were not always described. Furthermore, at the end of 2005, the Agency still did not have a system for ensuring that the fees which it charges its clients for the services it provides were sufficient to cover the cost of those services. At the same time, Parliament welcomed the Management Board's decision to adopt internal-control standards based on the standards adopted by the Commission and on ISO 9000, but deplored the fact that the principle of open competition was not always observed.

2005 discharge: European Aviation Safety Agency

2006/2165(DEC) - 27/02/2007

The Council, on the basis of intensive preparatory work, approved a recommendation on the discharge to be given to the Directors of the 16 European Union agencies for implementation of their budget for 2005. The recommendation will be submitted to the European Parliament, in accordance with the budgetary discharge procedure.

The Council makes reference to the **Court of Auditors report on translation expenditure** (see summary of the document annexed to the Commission's discharge procedure DEC/2006/2070 dated 8 February 2007 06162/2007). It adopted the following conclusions:

Firstly, it states that it welcomes the Court's special report on translation expenditure - which amounted to EUR 511 million in 2005 - incurred by three institutions in particular as it covers the period of the accession of 10 new Member States, increasing the number of official and working languages to 21. In this context, it underlines the importance of the translation of documents in a European Union **multilingual environment** with equal treatment of the languages of its Member States.

It emphasises that translation demands are to be met in time and in adequate quality, as an essential part of the legislative process keeping the cost under control as well as having adequate procedures to give priority to essential translations which implies efficient and effective management of translation resources. It regrets, however, that in some cases politically important information which should be translated has been included in non translated annexes of documents.

The Council notes with satisfaction that the Court of Auditors stated that the institutions have generally met translation needs in the EU-15 languages in required quality inter alia by recourse to freelance translators. It regrets that all three institutions have faced structural difficulties in providing a sufficient volume and acceptable quality into the EU-10 languages. It expects the institutions to further enhance the degree of multilingualism as regards the information provided on their websites.

Moreover, the Council regrets the fact that the institutions, with the exception of the Commission for 2002, have not calculated their total costs or the average cost per page translated and invites them to do so from now on and inform the budgetary authority on a regular basis.

It notes with concern the fact that the productivity of the EU translation services is much lower than in the private sector, partly due to more effective use of IT tools in the private sector, although the quality of internal translation is recognised to be higher. It notes the long term action plan by the Council General Secretariat to increase its productivity by reducing the number of "full-time equivalent" in the EU-15 language units.

Inter-institutional cooperation: the Council advocates inter-institutional cooperation being reinforced to all institutions in order to improve the efficiency and the procedures and to reduce the costs in the field of translations. It urges the institutions to set up proper forecasting system and improve the system of workload balancing in order to make better use of spare capacity and to avoid unnecessary outsourcing. In 2005, according to the Court, EUR 11 million of freelance translation costs could have been saved by the Commission and by the Parliament by giving the non-urgent documents to be translated for other institutions. It regrets that it was not possible for the institutions to recruit enough translators in EU-10 languages which has resulted in quality and deadline problems in the EU-10 translations and it recommends that sufficient EU-10 translator resources should be ensured by measures increasing awareness and fostering interest in the Community's translation activity in the EU-10 Member States and other Candidate Countries. It recommends that similar measures be taken for Bulgaria and Romania.

The Council emphasises that future measures are to be taken by the institutions to contain the volume translated including control of the size of documents, without prejudice of equal treatment of EU official and working languages taking into account the operational effectiveness, and adoption of a fit-for-purpose approach for authorised texts for translation and encourages the institutions to improve their work planning and comply with the deadlines for requesting translations.

Lastly, the Council requests the institutions to improve the efficiency of the translation process in particular by intensifying the recourse to IT tools, reduction of secretarial support, working methods based on best practices and teleworking. It also invites the Court to examine also the translation expenditure of the other institutions and bodies.

2005 discharge: European Aviation Safety Agency

2006/2165(DEC) - 07/02/2007

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 Aviation Safety Agency, the Council recommends the European Parliament to give a discharge to the Executive Director of the Agency in respect of the implementation of the budget for the financial year 2005.

In doing so, the Council confirms that EUR 1.2 million (85%) of the EUR 1.4 million in appropriations carried forward from the financial year 2004 to the financial year 2005, have been used. In addition, EUR 6.6 million in appropriations have been carried forward from the financial year 2005 to the financial year 2006 and EUR 4.1 million have been cancelled.

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

- calls on the Agency to take the appropriate measures to improve the **implementation of the budget** and to ensure that resources are not mobilised unnecessarily. As in the previous year, the Council calls on the Agency to develop and implement the internal control standards and to carry out an adequate risk analysis;
- calls on the Agency to follow the Court's remarks regarding the requirement to respect the principle of **open competition** in the management of public procurement.