Basic information

2009/2123(DEC) DEC - Discharge procedure	Procedure completed
2008 discharge: European Food Safety Authority EFSA **Subject** 8.70.03.07 Previous discharges	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	MATHIEU HOUILLON Véronique (PPE)	01/10/2009
	Shadow rapporteur STAVRAKAKIS Georgios (S&D) GERBRANDY Gerben-Jan (ALDE) STAES Bart (Verts/ALE)	

Committee for opinion	Rapporteur for opinion	Appointed
ENVI Environment, Public Health and Food Safety	HAUG Jutta (S&D)	06/10/2009

Council of the European Union

Council configuration	Meetings	Date
Economic and Financial Affairs ECOFIN	2994	2010-02-16

European Commission

Commission DG	Commissioner
Budget	ŠEMETA Algirdas

Key events

Date	Event	Reference	Summary
23/07/2009	Non-legislative basic document published	SEC(2009)1089	Summary
07/10/2009	Committee referral announced in Parliament		

23/03/2010	Vote in committee		Summary
26/03/2010	Committee report tabled for plenary	A7-0086/2010	
21/04/2010	Debate in Parliament		
05/05/2010	Decision by Parliament	T7-0106/2010	Summary
05/05/2010	Results of vote in Parliament		
05/05/2010	End of procedure in Parliament		
25/09/2010	Final act published in Official Journal		

Technical information

Procedure reference	2009/2123(DEC)
Procedure type	DEC - Discharge procedure
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	CONT/7/01114

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE430.466	03/02/2010	
Committee opinion	ENVI	PE431.043	23/02/2010	
Amendments tabled in committee		PE439.354	03/03/2010	
Committee report tabled for plenary, single reading		A7-0086/2010	26/03/2010	
Text adopted by Parliament, single reading		T7-0106/2010	05/05/2010	Summary

Council of the EU

Document type	Reference	Date	Summary
Document attached to the procedure	05827/2010	01/02/2010	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	SEC(2009)1089	23/07/2009	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary

CofA	Court of Auditors: opinion, report	N7-0012/2010 OJ C 304 15.12.2009, p. 0001	08/10/2009	Summary
CofA	Document attached to the procedure	N7-0036/2009 OJ C 269 10.11.2009, p. 0001	10/11/2009	

Additional information		
Source	**Document**	**Date**
European Commission	EUR-Lex	

Final act	
Decision 2010/0524 OJ L 252 25.09.2010, p. 0155	Summary

2008 discharge: European Food Safety Authority EFSA

2009/2123(DEC) - 23/07/2009 - Non-legislative basic document

PURPOSE: to present the final accounts of the European Food Safety Authority (EFSA) for the financial year 2008.

CONTENT: this document sets out a detailed account of the implementation of the European Food Safety Authority's budget for the financial year 2008. It notes that the final budget amounted to EUR 66.4 million (compared to EUR 52.2 million in 2007), representing a 100% Community contribution.

As regards the staffing policy, the Authority, whose head office is based in Parma (Italy), officially set out 335 posts in its establishment plan. 318 are currently occupied with 77 other staff (auxiliary staff, contract staff and seconded national experts) totalling 395 posts assigned to administrative and operational duties.

In 2008, the Authority's main activities can be summarised as follows:

Assessment and scientific advice

- Opinions: 311
- Statements: 12
- Other technical and scientific reports: 37
- Total scientific opinions and statements: 360

Enhance risk assessment methodologies and coordinate scientific networks

- Guidance documents: 29
- Data collection reports: 21
- Other technical and scientific reports: 79

Communicate scientific advice and facilitate dialogue with interested parties

- Scientific opinions supported by communication activities: 20%

- Public consultations: 38
- Web visits: 2.1 million
- Highlights subscribers: 21 140
- Media coverage in articles and audiovisual news pieces: 11 652
- Media queries: 676
- Press releases: 30
- Web News stories: 39
- Interviews: 123

The complete version of the final accounts may be found at the following address: http://www.efsa.europa.eu/en/funding/accounts.htm

2008 discharge: European Food Safety Authority EFSA

2009/2123(DEC) - 05/05/2010 - Final act

PURPOSE: to grant discharge to the European Food Safety Authority for the financial year 2008.

LEGISLATIVE ACT: Decision 2010/524/EU of the European Parliament on the discharge for the implementation of the budget of the European Food Safety Authority for the financial year 2008.

CONTENT: with the present decision, 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 2008.

This decision is in line with the European Parliament's resolution adopted on 5 May 2010 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 5 May 2010).

A parallel Decision, adopted on the same day, approves the closure of the accounts of this EU agency.

2008 discharge: European Food Safety Authority EFSA

2009/2123(DEC) - 08/10/2009

PURPOSE: to present the report by the Court of Auditors on the 2008 annual accounts of the European Food Safety Authority (EFSA).

CONTENT: in the Court's opinion, the Authority's Annual Accounts present fairly, in all material respects, its financial position as of 31 December 2008 and the results of its operations and its cash flows for the year then ended. The transactions underlying the annual accounts of the Authority for the financial year ended are, in all material respects, legal and regular.

The Court of Auditor's report includes a detailed section on the European Food Safety Authority's expenditure and an analysis of the expenditure, as well as the Authority's replies.

- **The Court's analysis of the accounts**: in its report, the Court makes a number of observations, particularly with regard to budgetary and financial management. The Court notes that more than EUR 15.5 million of 2008 commitments (23% of 2008 budget) were carried forward to 2009, compared to 16% of the 2007 budget. The high level of commitments carried forward was mainly due to delays in either the implementation or commencement of certain actions. According to the Court, this situation is at odds with the annuality principle. The Court also notes that at the year end about EUR 2.1 million (37%) of commitments for operational activities carried over from 2007 had to be cancelled. The high cancellation rate was mainly caused by significant delays regarding the implementation of 2007 grant agreements during 2008. This situation indicates a need to better control the contractual deadlines of grant agreements. The Authority should set and monitor appropriate performance indicators for its grant agreements. In addition, for the provision of a very complex software, the Authority launched an open procedure in July 2008 with rather tight deadline for submission of offers (67 days). The Authority received only one offer from the company which had previously been contracted for the provision of the same services. Lastly, the Court states that the Authority's 2008 work programme did not establish clear links between objectives and indicators. Objectives and indicators are neither result-oriented nor measurable which makes it difficult to identify shortfalls and to assess achievements. The Authority should define precise and measurable objectives together with relevant performance indicators and promote the achieving of results.
- **The Authority's replies**: the Authority is committed to further improve its budget management in particular by reducing the carry-over of commitments and by implementing differentiated appropriations for grants in its 2009 budget. It underlines that since January 2009, the Authority integrated specific progress indicators for grants into its monthly reporting in order to improve the monitoring of their implementation. Although the Authority strictly followed the relevant provisions of its financial implementing rules, it will, for future procedures, give more importance to the complexity of the service when defining the period for tender preparation. The activity based management was first introduced in the management plan in 2008. Since January 2009, the introduction of the Risk Assessment Workflow (RAW) reinforces and allows close monitoring of the Authority's science and administrative activities.

2008 discharge: European Food Safety Authority EFSA

2009/2123(DEC) - 01/02/2010

Based on the observations contained in the revenue and expenditure account and the balance sheet of the European Food Safety Authority (EFSA) for the financial year 2008, as well as on the Court of Auditor's report and the Authority's replies to the Court's observations, the Council recommends that the Parliament grant the Director of the Authority discharge in respect of the implementation of the budget for the financial year 2008.

The Council welcomes the Court's opinion that, on the one hand, the Authority's annual accounts present fairly, in all material aspects, the financial position as at 31 December 2008 and the results of operations and cash-flows for the year then ended, in accordance with the provisions of the Authority's Financial Regulation, and that, on the other hand, the underlying transactions for the financial year ended on 31 December 2008 are, in all material respects, legal and regular.

However, the Council considers that observations made in the Court of Auditor's report call for a certain number of observations to be taken into account when granting discharge, particularly on the following points:

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budget management: the Council calls on the Authority to improve its budget management in order to reduce the carry-over of commitments and to respect the annuality principle;

- **activity based management**: the Council supports the Court's recommendation for a genuinely activity based management, which would allow to improve resource allocation and performance monitoring. It welcomes its introduction in the management plan in 2008 and encourages the Authority to pursue its efforts;
- **cancellation rate**: the Council notes with satisfaction that the Authority endeavours to reduce the high cancellation rate of appropriations and encourages the Authority to continue its efforts for a better control of the contractual deadlines of grant agreements;
- **tendering**: the Council encourages the Authority to give more importance to the complexity of the service when defining the period for tender preparation.

2008 discharge: European Food Safety Authority EFSA

2009/2123(DEC) - 05/05/2010 - Text adopted by Parliament, single reading

The European Parliament adopted by 547 votes to 40, with 53 abstentions, a decision on discharge to be granted to the Executive Director of the European Food Safety Authority, in respect of the implementation of its budget for the financial year 2008.

Furthermore, Parliament adopted a resolution with observations which are an integral part of the decision to grant discharge.

The main points are as follows:

- **performance and budgetary and financial management:** Parliament notes that the Authority has steadily improved its performance and notes that this performance improvement is offset by an increase in staffing. It also notes that the Authority reached a high level of budget execution for both commitment and payment credits. Nonetheless, it notes that for the third successive year the Court of Auditors has flagged up carryovers of appropriations to the following year (23% of the 2008 budget was carried over to 2009; 16% of the 2007 budget was carried over to 2008; 20% of the 2006 budget was carried over to 2007). It encourages the Authority to improve its budget management in order to reduce such high carry-over amounts. It deplores the fact that commitments for operational activities carried over from the previous year had to be cancelled and are consequently concerned that this situation is at odds with the principle of annuality and shows weaknesses in programming, monitoring contractual deadlines, and the Authority's budget. It stresses that, in future, the Authority needs to accord greater importance in its grant agreement procedures to assessing the complexity of the service involved, with a view to setting better deadlines for the submission of tenders. It stresses, furthermore, that the Authority should take greater care in ensuring that contractual deadlines laid down in grant agreements are met. It notes the enormously high cash reserves as of 31 December 2008 (almost EUR 20 million). The Commission is called upon to examine ways of ensuring that the principle of needs-based cash management is implemented to the full and what changes in approach are needed to ensure that the Authority’s cash reserves are kept as low as possible on a long-term basis;
- **internal audit:** Parliament considers that the audit committee (AC), created by the Authority in 2006, plays an important role in assisting the Management Board by ensuring that the work of the Internal Audit Services (IAS) of the Commission and of the internal audit capabilities (IAC) of the Authority is properly carried. It believes that this AC within the Authority might serve as an example to other agencies;
- **human resources:** Parliament welcomes the staff increase in spite of having had difficulties in recruiting highly skilled scientific staff in Parma. It urges the Authority to ensure that all former officials inform the Authority when they take up new positions outside the institutions; if such activities could lead to a conflict with the legitimate interests of the institutions, the Authority should take the appropriate measures.

Noting that the Agency’s annual accounts for the financial year 2008 are reliable, and the underlying transactions are legal and regular, Parliament approves the closure of the Centre’s accounts. However, it makes a number of recommendations that need to be taken into account when the discharge is granted, in addition to the general recommendations that appear in the draft resolution on financial management and control of EU agencies (see 2010/2007(INI) adopted in parallel).