Basic information

2012/2194(DEC) DEC - Discharge procedure	Procedure completed
2011 discharge: European Aviation Safety Agency (EASA) **Subject** 8.70.03.07 Previous discharges	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	GERBRANDY Gerben-Jan (ALDE)	29/02/2012
	Shadow rapporteur SARVAMAA Petri (PPE) AYALA SENDER Inés (S&D) STAES Bart (Verts/ALE) BRADBOURN Philip (ECR) SØNDERGAARD Søren Bo (GUE/NGL) ANDREASEN Marta (EFD) EHRENHAUSER Martin (NI)	

Committee for opinion	Rapporteur for opinion	Appointed
TRAN Transport and Tourism	MEISSNER Gesine (ALDE)	26/10/2012

European Commission

Commission DG	Commissioner
Budget	ŠEMETA Algirdas

Key events

Date	Event	Reference	Summary
25/07/2012	Non-legislative basic document published	COM(2012)0436	Summary
13/09/2012	Committee referral announced in Parliament		

19/03/2013	Vote in committee		
21/03/2013	Committee report tabled for plenary	A7-0075/2013	Summary
16/04/2013	Debate in Parliament		
17/04/2013	Decision by Parliament	T7-0140/2013	Summary
17/04/2013	Results of vote in Parliament		
17/04/2013	End of procedure in Parliament		
16/11/2013	Final act published in Official Journal		

Technical information

Procedure reference	2012/2194(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/7/10529

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee opinion	TRAN	PE500.416	24/01/2013	
Committee draft report		PE497.821	28/01/2013	
Amendments tabled in committee		PE497.869	27/02/2013	
Committee report tabled for plenary, single reading		A7-0075/2013	21/03/2013	Summary
Text adopted by Parliament, single reading		T7-0140/2013	17/04/2013	Summary

Council of the EU

Document type	Reference	Date	Summary
Document attached to the procedure	05753/2013	01/02/2013	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2012)0436	25/07/2012	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofA	Court of Auditors: opinion, report	N7-0012/2013 OJ C 388 15.12.2012, p. 0053	05/09/2012	Summary

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

Final act	
Decision 2013/0564 OJ L 308 16.11.2013, p. 0189	Summary

2011 discharge: European Aviation Safety Agency (EASA)

2012/2194(DEC) - 05/09/2012 - Court of Auditors: opinion, report

PURPOSE: presentation of the EU Court of Auditors' report on the annual accounts of the European Aviation Safety Agency for the financial year 2011, together with the Agency's reply.

CONTENT: in accordance with the tasks conferred on the Court of Auditors by the Treaty on the Functioning of the European Union, the Court presents to the European Parliament and to the Council, in the context of the discharge procedure, a Statement of Assurance as to the reliability of the annual accounts of each institution, body or agency of the EU, and the legality and regularity of the transactions underlying them, on the basis of an independent external audit.

This audit concerned, amongst others, the annual accounts of the European Aviation Safety Agency (EASA).

In the Court's opinion, the **Agency's Annual Accounts fairly present, in all material respects, its financial position as of 31 December 2011** and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of its Financial Regulation.

The Court also considers that the **transactions underlying the annual accounts** of the Agency for the financial year ended 31 December 2011 are, in all material respects, **legal and regular**.

The report confirms that the Agency's 2011 budget amounted to EUR 138.7 million and that the number of staff employed by the Agency at the end of the year was 574.

The report also makes a series of observations on the budgetary and financial management of the Agency, accompanied by the latter's response. The main observations may be summarised as follows:

Court's comments:

- transfer of appropriations: several transfers were made between Titles and budget lines which changed considerably the structure of the budget, was not put to the Agency's management board for approval. This situation is however at odds with the budgetary principle of specification;
- building issues: the Agency's current lease contract requires it to restore the rented premises at the end of the lease and to restore them to their original condition. A provision of EUR 1 million was made in the accounts on the basis of the Agency's estimate of dilapidation costs. However, the owner's estimate is EUR 4 million. The Agency needs to obtain an independent external estimate of dilapidation costs and reflect them in the accounts accordingly;
- recruitment: the Court identified further need to improve the transparency of staff selection procedures.

Agency's replies:

- the Agency stated that the surplus identified by the Court resulted mainly from events outside the Agency's control and could not have been foreseen at the budget planning stage. Following careful consideration by senior management, the available funds were reallocated to high priority projects in line with the budget transfer rules laid down in the Agency's financial regulation;
- the Agency continues its investigations in order to improve the current estimate of its future dilapidation cost. The amount of EUR 1 065 000 provisioned in the 2011 account was, however, the best estimate provided by the Agency's lawyers as of March 2012;
- to further improve the transparency of its staff selection procedure, the Agency will ensure that evidence is made available to confirm that questions for interviews and tests are set up before the screening of received applications. A new template for Vacancy Notice specifies the maximum number of candidates for the reserve list, the threshold score for being invited for interviews and for being put on the reserve list.

Lastly, the Court of Auditors' report contains a summary of the **Agency's activities in 2011**. This is focused on the following:

- opinions on a certain number of draft legislation;
- adoption of 15 rulemaking decisions;
- additional deliverables in 2011 (which leads to Rules in the forthcoming years): 20 Notice of Proposed Amendment (NPAs);
- international cooperation: 8 working agreements and 25 recommendations provided to International Civil Aviation Organization (ICAO) State Letters;
- entry into force of the EU-US Bilateral Aviation Safety Agreement and EU-Canada Bilateral Aviation Safety Agreement;
- adoption of certification decisions (type certificates, etc);
- standardisation inspections.

2011 discharge: European Aviation Safety Agency (EASA)

2012/2194(DEC) - 01/02/2013

Having examined the revenue and expenditure accounts for the financial year 2011 and the balance sheet at 31 December 2011 of the European Aviation Safety Agency, as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2011, accompanied by the Agency's replies to the Court's observations, the Council recommends 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 2011.

The observations in the Court of Auditors' report in relation to the financial year 2011 call for some comments by the Council, which may be summarised as follows:

- the Council welcomes the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2011 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Agency's Financial Regulation, and that the underlying transactions for that financial year are legal and regular;
- nevertheless, it is concerned about the Court's findings that an important cross-title transfer operation took place without the approval of the Agency's management board and despite a low implementation rate on the budget lines concerned. The Council recalls that this situation does not comply with the budgetary principle of specification and calls on the Agency to improve its budget planning and implementation, in full respect of the budgetary principle of sound financial management and in compliance with the Financial Regulation;
- furthermore, the Council recalls that in line with the budgetary principle of annuality **carry-overs should be strictly limited**;
- it also regrets that the Court found deficiencies in the Agency's asset management and urges the Agency to take appropriate action with a view to reviewing the procedures and implementing the necessary improvements;
- in terms of the **financial risk management**, the Council notes the weaknesses identified by the Court in the Agency's treasury policy and calls on the Agency to remedy them without delays;
- lastly, the Council encourages the Agency to pursue its efforts to address the shortcomings detected by the Court in its staff recruitment procedures.

2011 discharge: European Aviation Safety Agency (EASA)

2012/2194(DEC) - 21/03/2013 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Gerben-Jan GERBRANDY (ADLE, NL) on discharge to be granted to the Director of the European Aviation Safety Agency (EASA) in respect of the implementation of the Agency's budget for the financial year 2011.

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts of the FRA for the financial year 2011 are reliable and that the underlying transactions are legal and regular, Members approve the closure of EASA's accounts. However, they make 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 performance, financial management and control of EU agencies:

- **Financing, budget and financial management**: Members recall that the Agency is financed by approximately 75% in fees, charges and other revenues and approximately 25% by contribution from the Union budget. This contribution was EUR 34.4 million, which represents an increase of 0.59%.
- **Implementation rate of appropriations and carryovers**: Members acknowledge that budget monitoring efforts during the financial year contributed to the high budget implementation rate of 98.8%. They regret the significant amount of carryovers to 2012 and call on the Agency to inform the discharge authority of the actions taken to reduce the high level of carryovers as this is at odds with the budgetary principle of annuality.
- **Conflict of interest**: Members regret that according to the findings of the Court of Auditors, the Agency did not adequately manage conflict of interest situations. They regret that the Agency had no policies in place for managing conflicts of interest. They reiterate that the Agency should refrain from assigning a staff member recruited from an aircraft manufacturer to work for the certification of the aircraft he/she used to work on while employed by the manufacturer, given that this could result in a conflict of interest situation. Such a situation occurred at least in one certification case. Members call on the Agency to describe the measures taken to prevent and management conflicts of interest.

Lastly, Members made a series of observations as regards EASA's recruitment policies and internal audit procedures.

2011 discharge: European Aviation Safety Agency (EASA)

2012/2194(DEC) - 17/04/2013 - Text adopted by Parliament, single reading

The European Parliament adopted a decision on discharge to be granted to the Director of the European Aviation Safety Agency (EASA) in respect of the implementation of the Agency's budget for the financial year 2011. The vote on the decision to grant discharge covers the closure of the accounts (in accordance with Annex VI, Article 5(1) of the European Parliament's Rules of Procedure).

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts of the EASA for the financial year 2011 are reliable and that the underlying transactions are legal and regular, Parliament adopted a resolution containing 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 performance, financial management and control of EU agencies:

- **Financing, budget and financial management**: Parliament recalls that the Agency is financed by approximately 75% in fees, charges and other revenues and approximately 25% by contribution from the Union budget. This contribution was EUR 34.4 million, which represents an increase of 0.59%.
- **Implementation rate of appropriations and carryovers**: it states that budget monitoring efforts during the financial year contributed to the high budget implementation rate of 98.8%. It regrets the significant amount of carryovers to 2012 and calls on the Agency to inform the discharge authority of the actions taken to reduce the high level of carryovers as this is at odds with the budgetary principle of annuality.
- **Recruitment procedures**: Parliament acknowledges from the Court of Auditors' report the Agency's further need to improve the transparency of staff selection procedures. It calls on the Agency to ensure adequate training and qualification criteria for inspection teams and team leaders.
- **Conflict of interest**: Parliament regrets that according to the findings of the Court of Auditors, the Agency did not adequately manage conflict of interest situations in particular as regards buildings policy. Parliament reiterates that the Agency should refrain from assigning a staff member recruited from an aircraft manufacturer to work for the certification of the aircraft he/she used to work on while employed by the manufacturer, given that this could result in a conflict of interest situation. Such a situation occurred at least in one certification case. It calls on the Agency to describe the measures taken to prevent and management conflicts of interest.

Lastly, Parliament made a series of observations as regards the EASA's internal audit procedures.

2011 discharge: European Aviation Safety Agency (EASA)

2012/2194(DEC) - 17/04/2013 - Final act

PURPOSE: to grant discharge to the European Aviation Safety Agency (EASA) for the financial year 2011.

NON-LEGISLATIVE ACT: Decision 2013/564/EU of the European Parliament on discharge in respect of the implementation of the budget of the European Aviation Safety Agency for the financial year 2011.

CONTENT: with the present decision, and in accordance with Article 319 of the Treaty on the Functioning of the European Union (TFEU), the European Parliament grants discharge to the Executive Director of EASA for the implementation of its budget for the financial year 2011.

This decision is in line with the European Parliament's resolution adopted on 17 April 2013 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 17 April 2013).

A parallel decision, 2013/565/EU, adopted on the same day, approves the closure of this Agency's accounts for the 2011 financial year.

2011 discharge: European Aviation Safety Agency (EASA)

2012/2194(DEC) - 25/07/2012 - Non-legislative basic document

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2011, as part of the 2011 discharge procedure.

Analysis of the accounts of the **European Aviation Safety Agency (EASA).**

CONTENT: this Commission document sets out the consolidated annual accounts of the European Union for the financial year 2011 as prepared on the basis of the information presented by the institutions, organisations and bodies of the EU, in accordance with Article 129 (2) of the Financial Regulation applicable to the EU's General Budget, including the European Aviation Safety Agency (EASA).

In 2011, the tasks and budget of this agency were as follows:

- **description of EASA's tasks**: EASA, which is located in Cologne, was established by Regulation (EC) No 1592/2002 of the European Parliament and of the Council of 15 July 2002 and its role is to maintain a high level of civil aviation safety, to ensure the proper development of civil aviation safety, to establish certification specifications and to provide certification of aeronautical products;

- **EASA's budget for the 2011 financial year**: the Agency's budget for 2011, as presented in the Commission document on the consolidated annual accounts of the European Union, gives the following figures:

    - forecasted income budget: EUR 139 million;
    - entitlements established: EUR 111 million;
    - amounts received: EUR 111 million;

- outstanding: EUR 0 million.

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

http://easa.europa.eu/financial-regulation-budget-and-accounts.php