

| Basic information                                                                                        |                     |
|----------------------------------------------------------------------------------------------------------|---------------------|
| <b>2016/2174(DEC)</b><br>DEC - Discharge procedure                                                       | Procedure completed |
| 2015 discharge: European Food Safety Authority (EFSA)<br><br><b>Subject</b><br>8.70.03.05 2015 discharge |                     |

| Key players         |                                                            |                      |                                                                                                                                                                                                    |
|---------------------|------------------------------------------------------------|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| European Parliament | <b>Committee responsible</b>                               |                      | <b>Rapporteur</b>                                                                                                                                                                                  |
|                     | <div>CONT</div> Budgetary Control                          |                      | AYALA SENDER Inés (S&D)                                                                                                                                                                            |
|                     |                                                            |                      | Shadow rapporteur<br>ZDECHOVSKÝ Tomáš (PPE)<br>FITTO Raffaele (ECR)<br>ALI Nedzhmi (ALDE)<br>DE JONG Dennis (GUE /NGL)<br>JÁVOR Benedek (Verts /ALE)<br>VALLI Marco (EFDD)<br>KAPPEL Barbara (ENF) |
|                     |                                                            |                      |                                                                                                                                                                                                    |
|                     | <b>Committee for opinion</b>                               |                      | <b>Rapporteur for opinion</b>                                                                                                                                                                      |
|                     | <div>ENVI</div> Environment, Public Health and Food Safety |                      | LA VIA Giovanni (PPE)                                                                                                                                                                              |
|                     |                                                            |                      | 31/08/2016                                                                                                                                                                                         |
| European Commission | <b>Commission DG</b>                                       | <b>Commissioner</b>  |                                                                                                                                                                                                    |
|                     | Budget                                                     | GEORGIEVA Kristalina |                                                                                                                                                                                                    |

| Key events |                                          |                                                                                                        |         |
|------------|------------------------------------------|--------------------------------------------------------------------------------------------------------|---------|
| Date       | Event                                    | Reference                                                                                              | Summary |
| 11/07/2016 | Non-legislative basic document published | COM(2016)0475<br> | Summary |

|            |                                            |                                                                                     |                         |
|------------|--------------------------------------------|-------------------------------------------------------------------------------------|-------------------------|
| 04/10/2016 | Committee referral announced in Parliament |                                                                                     |                         |
| 22/03/2017 | Vote in committee                          |                                                                                     |                         |
| 29/03/2017 | Committee report tabled for plenary        | <a href="#">A8-0098/2017</a>                                                        | <a href="#">Summary</a> |
| 26/04/2017 | Debate in Parliament                       |  |                         |
| 27/04/2017 | Decision by Parliament                     | <a href="#">T8-0168/2017</a>                                                        | <a href="#">Summary</a> |
| 27/04/2017 | Results of vote in Parliament              |  |                         |
| 27/04/2017 | End of procedure in Parliament             |                                                                                     |                         |
| 29/09/2017 | Final act published in Official Journal    |                                                                                     |                         |

| Technical information      |                           |
|----------------------------|---------------------------|
| Procedure reference        | 2016/2174(DEC)            |
| Procedure type             | DEC - Discharge procedure |
| Stage reached in procedure | Procedure completed       |
| Committee dossier          | CONT/8/07477              |

Documentation gateway

European Parliament

| Document type                                       | Committee | Reference    | Date       | Summary |
|-----------------------------------------------------|-----------|--------------|------------|---------|
| Committee opinion                                   | ENVI      | PE592.293    | 31/01/2017 |         |
| Committee draft report                              |           | PE593.881    | 07/02/2017 |         |
| Amendments tabled in committee                      |           | PE599.885    | 06/03/2017 |         |
| Committee report tabled for plenary, single reading |           | A8-0098/2017 | 29/03/2017 | Summary |
| Text adopted by Parliament, single reading          |           | T8-0168/2017 | 27/04/2017 | Summary |

Council of the EU

| Document type                                | Reference  | Date       | Summary |
|----------------------------------------------|------------|------------|---------|
| Supplementary non-legislative basic document | 05873/2017 | 07/02/2017 | Summary |

European Commission

| Document type                  | Reference                                                                                            | Date       | Summary |
|--------------------------------|------------------------------------------------------------------------------------------------------|------------|---------|
| Non-legislative basic document | COM(2016)0475<br> | 11/07/2016 | Summary |

Other institutions and bodies

| Institution/body | Document type | Reference | Date | Summary |
|------------------|---------------|-----------|------|---------|
|                  |               |           |      |         |

|      |                                    |                                                              |            |                         |
|------|------------------------------------|--------------------------------------------------------------|------------|-------------------------|
| CofA | Court of Auditors: opinion, report | N8-0120/2016<br><a href="#">OJ C 449 01.12.2016, p. 0097</a> | 13/09/2016 | <a href="#">Summary</a> |
|------|------------------------------------|--------------------------------------------------------------|------------|-------------------------|

| Additional information |                         |      |
|------------------------|-------------------------|------|
| Source                 | Document                | Date |
| European Commission    | <a href="#">EUR-Lex</a> |      |

| Final act                                                                                                                   |
|-----------------------------------------------------------------------------------------------------------------------------|
| Budget 2017/1669<br><a href="#">OJ L 252 29.09.2017, p. 0225</a> <span style="float: right;"><a href="#">Summary</a></span> |

## 2015 discharge: European Food Safety Authority (EFSA)

2016/2174(DEC) - 27/04/2017 - Final act

**PURPOSE:** to grant discharge to the in European Food Safety Authority (EFSA) in respect of the budget for the financial year 2015.

**NON- LEGISLATIVE ACT:** Decision (EU) 2017/1669 of the European Parliament on discharge in respect of the implementation of the budget of the European Food Safety Authority for the financial year 2015.

**CONTENT:** with the present decision, the European Parliament grants discharge to the Executive Director of the European Food Safety Authority the implementation of its budget for the financial year 2015.

This decision is in line with the European Parliament's resolution adopted on 27 April 2017 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 April 2017).

Amongst Parliament's main observations in the resolution accompanying the discharge decision, it noted that, pending the adoption of implementing rules on whistleblowing, the Authority implemented in January 2016 a new standard operating procedure on the handling of requests by whistleblowers facing retaliation. It acknowledged the fact that the Authority is awaiting further guidance from the Commission before formulating its internal whistleblowing rules. Parliament welcomed that the Authority adopted its anti-fraud strategy and a related action plan in March 2015, and that an implementation report submitted to the management board in December 2016 indicated that all actions had been implemented.

In 2015, the Authority established a liaison office in Brussels to improve communication and dialogue with Union institutions, the media and stakeholders which was welcomed by the Parliament.

## 2015 discharge: European Food Safety Authority (EFSA)

2016/2174(DEC) - 13/09/2016 - Court of Auditors: opinion, report

**PURPOSE:** presentation of the EU Court of Auditors' report on the annual accounts of the European Food Safety Authority (EFSA) for the year 2015, together with the Authority'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 Food Safety Authority (EFSA). In brief, the Authority's main tasks are to supply the scientific information needed for Union legislation to be drawn up concerning food and food safety, to collect and analyse data that allow risks to be identified and monitored and to provide independent information on these risks.

**Statement of assurance:** pursuant to the provisions of Article 287 of the Treaty on the Functioning of the European Union (TFEU), the Court has audited:

- the annual accounts of the Authority, which comprise the financial statements and the reports on the implementation of the budget for the financial year ended 31 December 2015, and

- the legality and regularity of the transactions underlying those accounts.

**Opinion on the reliability of the accounts:** in the Court's opinion, the Authority's annual accounts present fairly, in all material respects, its financial position as at 31 December 2015 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of its Financial Regulation and the accounting rules adopted by the Commission's accounting officer.

**Opinion on the legality and regularity of the transactions underlying the accounts:** in the Court's opinion, the transactions underlying the annual accounts for the year ended 31 December 2015 are legal and regular in all material respects.

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

#### The Court's observations:

- **internal controls:** the Court noted that the Authority has not yet put in place a clear and comprehensive financial ex-post control strategy covering all areas of operations and specifying the frequency and scope of such controls.

#### The Authority's reply:

- **internal controls:** the Authority noted that the internal control system are always perfectible, hence EFSA will consider the Court's comment and whether this optional and additional control step fits for purpose in a risk-based assessment environment.

Lastly, the Court of Auditors' report contains **a summary of the Authority's key figures in 2015:**

- **Budget:** EUR 78.8 million.
- **Staff:** 434 including officials, temporary and contract staff and seconded national experts.

## 2015 discharge: European Food Safety Authority (EFSA)

2016/2174(DEC) - 29/03/2017 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Inés AYALA SENDER (S&D, ES) on discharge in respect of the implementation of the budget of the European Food Safety Authority (EFSA) for the financial year 2015.

The committee called on the European Parliament to grant the Executive Director of the Authority discharge in respect of the implementation of the Authority's budget for the financial year 2015.

Noting that the Court of Auditors stated that it had obtained reasonable assurance that the annual accounts of the Authority for the financial year 2015 were reliable and that the underlying transactions were legal and regular, Members called on Parliament to approve the closure of the Authority's accounts. They made, however, a number of recommendations that needed 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](#):

- **Authority's financial statements:** Members noted that the final budget for the financial year 2015 was EUR 79 659 347. The entire budget derived from the Union budget.
- **Budget and financial management:** Members noted that the amount of unused appropriations was EUR 1 089 million. This under-execution corresponded to the unused assigned revenue (the Authority's outturn of 2014), which was reused in 2016.

Members also made a series of observations regarding procurement and recruitment procedures, as well as internal audits and controls.

As regards **conflicts of interest**, Members stressed that experts with financial interests linked to companies whose substances are evaluated by the Authority shall not be allowed to sit in the Authority's scientific panels or working groups, and that **no such expert should be appointed by the Authority before two years after his/her interests have expired**. Members stated that the Authority should be endowed with a sufficient budget to hire **independent in-house experts with no conflicts of interest**. They called on the Authority to incorporate into its new independence policy a **two-year cooling-off period** for all material interests related to the companies whose products are assessed by the Authority and to any organisations funded by them.

They regretted that the Authority has not included research funding in the list of interests to be covered by the two-year cooling-off period and called on it to swiftly implement the measure in line with the discharge authority's repeated requests. They acknowledged the fact that, since the adoption of its 2011 policy on independence, the Authority assesses and validates 100 % of the declarations of interest submitted by its experts, which on average corresponds to a grand total ranging from 6000 to 7000 declarations of interest per year. Members insisted that the Authority implement its independence policy consistently, and in particular for panel chairs and vice-chairs.

They noted that, after the matter was brought to the attention of the Authority by the discharge authority, all declarations of interest of Management Board members are now published on the Authority's website.

In addition, they noted that, pending the adoption of implementing rules on whistleblowing, the Authority implemented in January 2016 a new standard operating procedure on the **handling of requests by whistle-blowers facing retaliation**. They called on the Authority to report to the discharge authority on the establishment and implementation of its whistleblowing rules.

Lastly, Members noted that the Authority launched in 2015 the "Transparency and Engagement in Risk Assessment" project to provide clarity regarding, and further develop approaches towards transparency and engagement in, its scientific processes. They also noted that in July 2016, the

Authority's Management Board endorsed a new approach to stakeholder engagement, which enables the Authority to interact with a large range of stakeholders through a variety of channels in order to broaden outreach to representative organisations, including consumer bodies and other civil society actors in the food chain. In this respect, Members considered that the Authority should continue **paying special attention to public opinion**, and commit itself, as much as possible, to openness and transparency.

## 2015 discharge: European Food Safety Authority (EFSA)

2016/2174(DEC) - 07/02/2017 - Supplementary non-legislative basic document

Having examined the revenue and expenditure accounts for the financial year 2015 and the balance sheet as at 31 December 2015 of the European Food Safety Authority (EFSA), as well as the Court of Auditors' report on the annual accounts of the Authority for the financial year 2015, accompanied by the Authority's replies to the Court's observations, the Council recommended 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 2015.

The Council welcomed the Court's opinion that, in all material respects, the Authority's annual accounts present fairly its financial position as at 31 December 2015 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Authority's Financial Regulation, and that the underlying transactions for 2015 are legal and regular in all material respects.

Nevertheless, some observations were made by the Council:

- **assessments and internal controls:** the Council noted the Court's observation that the Authority has not yet put in place a comprehensive financial ex-post control strategy. It invited the Authority to establish and implement such a strategy. It welcomed the measures taken by the Authority thus far regarding its internal controls.

## 2015 discharge: European Food Safety Authority (EFSA)

2016/2174(DEC) - 27/04/2017 - Text adopted by Parliament, single reading

The European Parliament decided by 488 votes to 129, with 10 abstentions, to **grant discharge** to the Executive Director of the European Food Safety Authority (EFSA) in respect of the implementation of the Authority's budget for the financial year 2015.

The vote on the decision on discharge covers the closure of the accounts (in accordance with Annex IV, Article 5 (1)(a) to Parliament's Rules of Procedure).

Noting that the Court of Auditors has stated that it has obtained reasonable assurances that the Authority's annual accounts for the financial year 2015 are reliable and that the underlying transactions are legal and regular, Parliament adopted by 491 votes to 115 with 11 abstentions, a resolution containing a series of recommendations, which form an integral part of the decision on discharge and which add to the general recommendations set out in the [resolution on performance, financial management and control of EU agencies](#).

These recommendations may be summarised as follows:

- **Authority's financial statements:** Parliament noted that the final budget for the financial year 2015 was EUR 79 659 347. The entire budget derived from the Union budget.
- **Budget and financial management:** It noted that the amount of unused appropriations was EUR 1 089 million. This under-execution corresponded to the unused assigned revenue (the Authority's outturn of 2014), which was reused in 2016.

Parliament also made a series of observations regarding procurement and recruitment procedures, as well as internal audits and controls.

As regards **conflicts of interest**, Parliament stressed that experts with financial interests linked to companies whose substances are evaluated by the Authority shall not be allowed to sit in the Authority's scientific panels or working groups, and that **no such expert should be appointed by the Authority before two years after his/her interests have expired**. It stated that the Authority should be endowed with a sufficient budget to hire **independent in-house experts with no conflicts of interest**. Members called on the Authority to incorporate into its new independence policy a **two-year cooling-off period** for all material interests related to the companies whose products are assessed by the Authority and to any organisations funded by them. They regretted that the Authority has not included research funding in the list of interests to be covered by the two-year cooling-off period and called on it to swiftly implement the measure in line with the discharge authority's repeated requests.

Parliament acknowledged the fact that, since the adoption of its 2011 policy on independence, the Authority assesses and validates 100 % of the declarations of interest submitted by its experts, which on average corresponds to a grand total ranging from 6000 to 7000 declarations of interest per year. It insisted that the Authority implement its independence policy **consistently**, and in particular for panel chairs and vice-chairs.

It noted that, after the matter was brought to the attention of the Authority by the discharge authority, all declarations of interest of Management Board members are now published on the Authority's website.

**Whistleblowers:** Parliament noted that the Authority implemented in January 2016 a new standard operating procedure on the **handling of requests by whistle-blowers facing retaliation**. It called on the Authority to report to the discharge authority on the establishment and implementation of its whistleblowing rules.

**Transparency:** Parliament noted that the Authority launched in 2015 the "Transparency and Engagement in Risk Assessment" project to provide clarity regarding, and further develop approaches towards transparency and engagement in, its scientific processes. It also noted that in July 2016, the

Authority's Management Board endorsed a new approach to stakeholder engagement, which enables the Authority to interact with a large range of stakeholders through a variety of channels in order to broaden outreach to representative organisations, including consumer bodies and other civil society actors in the food chain. It called on the Authority to publish its **list of Food Safety Organisations**, as well as the outcome of its evaluations of experts' interests. In this regard, Parliament considered that the Authority should continue **paying special attention to public opinion**, and commit itself, as much as possible, to openness and transparency.

## 2015 discharge: European Food Safety Authority (EFSA)

2016/2174(DEC) - 11/07/2016 - Non-legislative basic document

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2015, as part of the 2015 discharge procedure.

Analysis of the accounts of the **European Food Safety Authority (EFSA)**.

CONTENT: the organisational governance of the EU consists of institutions, agencies and other EU bodies whose expenditure is included in the general budget of the Union.

The EU's operational expenditure of these institutions takes different forms, depending on how the money is paid out and managed.

From 2014 onwards, the Commission classifies its expenditure as follows:

- **Direct management:** the budget is implemented directly by the Commission services.
- **Indirect management:** the Commission confers tasks of implementation of the budget to bodies of EU law or national law, **such as the EU agencies**.
- **Shared management:** under this method of budget implementation tasks are delegated to Member States. About 80 % of the expenditure falls under this management mode covering such areas as agricultural spending and structural actions.

This Commission document concerns the EU's consolidated accounts for the year 2015 and details how spending by the EU institutions and bodies was carried out. The consolidated annual accounts of the EU provide financial information on the activities of the institutions, agencies and other bodies of the EU from an accrual accounting and budgetary perspective.

It is the responsibility of the Commission's Accounting Officer to prepare the EU's consolidated annual accounts and ensure that they present fairly, in all material aspects, the financial position, the result of the operations and the cash flows of the EU institutions and bodies, including the European Food Safety Authority (EFSA), with a view to granting discharge.

**Discharge procedure:** the final step of a budget lifecycle is the discharge of the budget for a given financial year. It represents the political aspect of the external control of budget implementation and is the decision by which the European Parliament, acting on a Council recommendation, "releases" the Commission (and other EU bodies) from its responsibility for management of a given budget by marking the end of that budget's existence. The European Parliament is the discharge authority within the EU.

The discharge procedure may produce three outcomes: (i) the granting; (ii) postponement or; (iii) the refusal of the discharge.

The final discharge report including specific recommendations to the Commission for action is adopted in plenary by the European Parliament and are subject to an annual follow up report in which the Commission outlines the concrete actions it has taken to implement the recommendations made.

Each agency is subject to its own discharge procedure, including the EFSA.

**The European Food Safety Authority:** the Authority, which is located in Parma, was established by [Regulation \(EC\) No 178/2002 of the European Parliament and of the Council](#) in order to provide scientific opinions and scientific and technical support for the legislation and policies which have a direct or indirect impact on food and feed safety.

As regards the Authority's accounts, these are presented in detail in the document on the consolidated annual accounts of the European Union for 2015:

### Commitment appropriations:

- **committed:** EUR 81 million;
- **paid:** EUR 81 million;
- **carried-over:** 0.

### Payment appropriations:

- **committed:** EUR 87 million;
- **paid:** EUR 79 million;
- **carried-over:** EUR 8 million.

For further details on expenditure, please refer to the [final accounts of the EFSA](#).