Basic information

2017/2159(DEC) DEC - Discharge procedure	Procedure completed
2016 discharge: European Food Safety Authority (EFSA) **Subject** 8.70.03.06 2016 discharge	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	TARAND Indrek (Verts/ALE)	14/09/2017
	Shadow rapporteur SARVAMAA Petri (PPE) LIBERADZKI Bogusław (S&D) MACOVEI Monica (ECR) ALI Nedzhmi (ALDE) DE JONG Dennis (GUE/NGL) VALLI Marco (EFDD) KAPPEL Barbara (ENF)	

Committee for opinion	Rapporteur for opinion	Appointed
ENVI Environment, Public Health and Food Safety	VĂLEAN Adina (PPE)	31/08/2017

European Commission

Commission DG	Commissioner
Budget	OETTINGER Günther

Key events

Date	Event	Reference	Summary
26/06/2017	Non-legislative basic document published	COM(2017)0365	Summary
13/09/2017	Committee referral announced in Parliament		

20/03/2018	Vote in committee		
23/03/2018	Committee report tabled for plenary	A8-0091/2018	Summary
18/04/2018	Decision by Parliament	T8-0146/2018	Summary
18/04/2018	Results of vote in Parliament		
18/04/2018	Debate in Parliament		
18/04/2018	End of procedure in Parliament		
03/10/2018	Final act published in Official Journal		

Technical information

Procedure reference	2017/2159(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/10798

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee opinion	ENVI	PE612.235	24/01/2018	
Committee draft report		PE613.477	25/01/2018	
Amendments tabled in committee		PE618.247	02/03/2018	
Committee report tabled for plenary, single reading		A8-0091/2018	23/03/2018	Summary
Text adopted by Parliament, single reading		T8-0146/2018	18/04/2018	Summary

Council of the EU

Document type	Reference	Date	Summary
Supplementary non-legislative basic document	05941/2018	09/02/2018	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2017)0365	26/06/2017	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofA	Court of Auditors: opinion, report	N8-0024/2018 OJ C 417 06.12.2017, p. 0115	17/10/2017	Summary

Additional information		
Source	Document	Date
European Commission	EUR-Lex	

Final act	
Budget 2018/1376 OJ L 248 03.10.2018, p. 0234	Summary

2016 discharge: European Food Safety Authority (EFSA)

2017/2159(DEC) - 26/06/2017 - Non-legislative basic document

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2016, as part of the 2016 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.

This Commission document concerns the EU's consolidated accounts for the year 2016 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 2016:

Commitment appropriations:

- available: EUR 80 million;
- made: EUR 80 million.

Payment appropriations:

- available: EUR 88 million;
- made: EUR 79 million.

For further details on expenditure, please refer to the final accounts of the EFSA.

2016 discharge: European Food Safety Authority (EFSA)

2017/2159(DEC) - 23/03/2018 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Indrek TARAND (Greens/EFA, EE) on discharge in respect of the implementation of the budget of the European Food Safety Authority (ESFA) for the financial year 2016.

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 2016.

Noting that the Court of Auditors stated that it had obtained reasonable assurance that the annual accounts of the Authority for the financial year 2016 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**: the final budget of the European Food Safety Authority for the financial year 2016 was EUR 79 492 944, representing a decrease of 1.10 %. The entire budget derived from the Union budget.
- **Budget and financial management**: Members noted with satisfaction that the budget monitoring efforts during the financial year 2016 resulted in a budget **implementation rate of 100 %,** representing an increase of 0.19 % compared to 2015.
- **Commitments and carry-overs**: carry-overs from 2016 to 2017 were at EUR 8.2 million and predominantly related to infrastructure and operations.

Members also made a series of observations regarding staff policy, as well as internal audits and controls.

They noted that a close cooperation with the Commission's DG SANTE is well on track towards its preparation related to the United Kingdom's decision to leave the Union. The Authority is well aware of the financial risks due to the United Kingdom's decision to leave the Union, such as a restricted budget availability, contractual issues for ongoing and new contracts and related payments, and unemployment allowances, and the operational risks such as access to United Kingdom citizens as members of staff or as experts, access to United Kingdom entities for services and information/data, change in the volumes of work and access rights to documents.

Members noted that the Authority adopted in 2016 the strategy called 'EFSA Strategy 2020: trusted science for safe food', based on five strategic objectives: prioritise public and stakeholder engagement in the process of scientific assessment, widen the Authority's evidence base and optimise access to its data, build the Union's scientific assessment capacity and knowledge community, prepare for future risk assessment challenges and create an environment and culture that reflects the Authority's values.

2016 discharge: European Food Safety Authority (EFSA)

2017/2159(DEC) - 17/10/2017 - 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 2016, 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 2016, 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 2016 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 2016 are legal and regular in all material respects.

The report also makes a series of observations on the internal control 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 recommended updating EFSA's IT governance policy, to introduce an organisation-wide IT risk management framework and risk register and to separate the information security function from the IT Unit. In this regard, EFSA agreed with the IAS on a plan to take corrective actions.

The Authority's reply:

- **internal controls**: the Authority stated that it will duly implement the action plan following the IAS IT Governance audit. All actions concerning the positioning of the Information Security Function, the Business participation and the IT Strategy have been fully implemented. For the IT Governance, the majority of actions have been implemented and the remaining actions are planned to be implemented by the end of 2017.

Lastly, the Court of Auditors' report contains **a summary of the Authority's key figures in 2016**:

- **Budget**: EUR 79.5 million.
- **Staff**: 434 including officials, temporary and contract staff and seconded national experts.

2016 discharge: European Food Safety Authority (EFSA)

2017/2159(DEC) - 09/02/2018 - Supplementary non-legislative basic document

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 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 2016, 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 2016.

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 2016 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 2016 are legal and regular in all material respects.

The Council noted the Court's observation that the **Authority's IT governance requires an overhaul** and called on the Authority to fully implement all planned actions to appropriately address the shortcomings identified.

The Council welcomed the measures taken by the Authority thus far regarding its **ex-post control strategy**, as a follow-up to the Court's report on the annual accounts of the Authority for the financial year 2015, and calls on the Authority to complete them as soon as possible.

2016 discharge: European Food Safety Authority (EFSA)

2017/2159(DEC) - 18/04/2018 - Text adopted by Parliament, single reading

The European Parliament decided to **grant discharge** to the Executive Director of the European Food Safety Authority (EFSA) in regard to the implementation of the authority's budget for the 2016 financial year and to approve the closure of the accounts for the financial year in question.

Noting that the Court of Auditors has stated that it has obtained reasonable assurances that the authority's annual accounts for the financial year 2016 are reliable and that the underlying transactions are **legal and regular**, Parliament adopted by 552 votes to 40 with 8 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:

- **Authority's financial statements:** the final budget of the European Food Safety Authority for the financial year 2016 was EUR 79 492 944, representing a decrease of 1.10 %. The entire budget derived from the Union budget.

- **Budget and financial management:** Members noted with satisfaction that the budget monitoring efforts during the financial year 2016 resulted in a budget implementation rate of 100 %, representing an increase of 0.19 % compared to 2015.

- **Commitments and carry-overs:** carry-overs from 2016 to 2017 were at EUR 8.2 million and predominantly related to infrastructure and operations.

Members also made a series of observations regarding staff policy, as well as internal audits and controls. In particular, they called on the authority as a matter of urgency to aim for a more **gender-balanced staff composition**, especially at the senior post level.

Members also expressed their concern over the fact that the scope of the authority's **new policy on independence** remains too narrow, underlining that the authority ignored the repeated calls of Parliament to include research funding in the list of interests to be covered by the two-year cooling-off period.

The authority should continue paying special attention to public opinion and commit itself to **openness and transparency**. Members recalled that a group of Members of Parliament filed a lawsuit against the authority on grounds of limiting of access to documents in the "glyphosate" case. They expect the authority to fully implement the court's ruling once it is known.

Parliament noted that close cooperation with the Commission's DG SANTE is well on track towards its preparation related to the **United Kingdom's decision to leave the Union.** It noted however that a critical uncertainty remains on the future availability of resources hampering thereby the thorough preparation of the authority for its programming after 2020. It called on the authority to remain proactive on this issue, anticipating and planning for any likely problems.

Members noted that the authority adopted in 2016 the strategy called **'EFSA Strategy 2020: trusted science for safe food'**, based on five strategic objectives: (i) prioritising public and stakeholder engagement in the process of scientific assessment, (ii) widening the authority's evidence base and optimise access to its data, (iii) building the Union's scientific assessment capacity and knowledge community, (iv) preparing for future risk assessment challenges and (v) creating an environment and culture that reflects the authority's values.

2016 discharge: European Food Safety Authority (EFSA)

2017/2159(DEC) - 18/04/2018 - Final act

PURPOSE: to grant discharge to the European Food Safety Authority (EFSA) for the 2016 financial year.

NON-LEGISLATIVE ACT: Decision (EU) 2018/1378 of the European Parliament on the closure of the accounts of the European Food Safety Authority for the financial year 2016.

CONTENT: the European Parliament has decided to grant discharge to the Executive Director of the European Food Safety Authority in respect of the implementation of the Authority's budget for the 2016 financial year.

The decision is accompanied by a resolution of the European Parliament containing the observations which form an integral part of the decision on discharge in respect of the implementation of the general budget of the European Union for the 2016 financial year.

In its resolution, Parliament recalled that according to its statement of revenue and expenditure, the final budget of the European Food Safety Authority for the 2016 financial year was EUR 79 492 944, which represents a decrease of 1.10%.

Budgetary and financial management and staff

The budget monitoring efforts during the financial year 2016 resulted in a budget implementation rate of 100 %, representing an increase of 0.19 % compared to 2015. The payment appropriations execution rate was at 89.66 %, representing a decrease of 0.45 % compared to 2015.

Parliament noted the following:

- the carryovers from 2016 to 2017 amount to EUR 8 200 000. They are mainly related to infrastructure and operations and do not necessarily indicate weaknesses in budget planning and execution;

- the reduction of the Authority's staff by 2% in 2016, i.e. seven posts, resulted in an increase in the Authority's efforts to put in place more efficient and effective procedures. The Authority is urged to urgently aim for a better gender balance among staff, especially at senior levels;

- the resources gap is expected to increase due to a further reduction in the establishment plan on the one hand, and the expected further increase in workload due to new tasks related to certain main activities such as novel foods, pesticides and the classification and monitoring of plant pests on the other hand;

- no cases of harassment were reported, investigated or brought to court in 2016.

Prevention and management of conflicts of interest, transparency and democracy

The Authority's Management Board has adopted a new independence policy to ensure the independence of all professionals involved in its scientific activities. It noted that the new policy includes a new definition of what constitutes a conflict of interest, a comprehensive set of 'cooling-off' rules including a ban on consultancy contracts, a requirement that experts declare the proportion of their annual earnings received from any organisation, body or company whose activities fall within the Authority's areas of work.

Parliament considers that the independence policy remains too limited since it only takes into account interests relating to 'matters falling under the mandate of the relevant EFSA scientific group' and not 'all material interests related to the companies whose products are assessed by the Authority and to any organisations funded by them' as Parliament demanded.

Parliament noted that a group of Members of Parliament filed a lawsuit against the Authority on grounds of limiting of access to documents in the 'glyphosate' case. It expects the Authority to fully implement the court's ruling once it is known. In general, it is of the opinion that the Authority should continue to pay particular attention to public opinion and be committed to the principles of openness and transparency.

Lastly, Parliament noted that the Authority is well aware of the financial risks due to the United Kingdom's decision to leave the Union, such as a restricted budget availability, contractual issues for ongoing and new contracts and related payments, and unemployment allowances, and the operational risks such as access to United Kingdom citizens as members of staff or as experts, access to United Kingdom entities for services and information/data, change in the volumes of work and access rights to documents.