

2009 discharge: European Network and Information Security Agency ENISA

2010/2192(DEC) - 21/03/2011

The Committee on Budgetary Control adopted the report by Georgios STAVRAKAKIS (S&D, EL) on discharge to be granted to the Executive Director of the European Network and Information Security Agency in respect of the implementation of the Agency's budget for the financial year 2009.

Noting that the Agency's annual accounts for the financial year 2009 are reliable, and the underlying transactions are legal and regular, MEPs approve the closure of the Agency'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 financial management and control of EU agencies (see [DEC/2010/2271](#)):

- **carry-over appropriations:** Members note that the appropriations carried forward to the following year amounted to 19% of the Agency's total budget and note that 41% of operational appropriations were carried forward to 2010 mainly due to delays in two big projects. They express their concern that this is at odds with the budgetary principle of annuality and urge the Agency to rectify the situation;
- **procurement procedure:** Members call on the Agency to strengthen its internal controls in order to make sure that contracts and procurement procedures are correctly applied. The Court of Auditors reported various instances of errors made during the contract award phase. Members call for a series of measures to be taken to improve the procedures and their transparency;
- **errors on budget transfers:** Members call on the Agency to avoid transfers made without obtaining the prior consent of its Governing Board, which are contrary to the budgetary principles of specification (as in the case of one transfer of EUR 24 000 between titles);
- **refund from the tax authorities of the host Member State:** Members regret that there has been no progress since the previous year concerning the refund of EUR 45 000, which is the amount of VAT paid in advance by the Agency, to the tax authorities of the host Member State. They urge the Agency to inform the discharge authority when this refund is made by the host Member State;
- **human resources:** Members note that deficiencies in staff selection procedures still remain and put at risk the transparency of these procedures. They therefore urge the Agency to redress this situation and inform the discharge authority on the actions taken;
- **internal control systems:** Members urge the Agency to put in place an exhaustive physical inventory and ensure the correctness of the accounting records. They welcome the performance by the Commission's Internal Audit Service (IAS) of several audits between 2007 and 2009 and note that out of 18 IAS recommendations, 13 were accepted and five were refused by the Agency.