



Press Release

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EU Agencies: “Clean accounts, and transactions mostly compliant with the rules”, say Auditors

The European Court of Auditors has issued unqualified (“clean”) audit opinions on the accounts of the European Union’s 41 agencies and signed them off as reliable. The auditors also issued clean audit opinions on the financial transactions for 40 of the agencies, and a qualified opinion in one case.

The EU agencies are distinct legal entities set up by secondary legislation to carry out specific technical, scientific or managerial tasks that help the EU institutions design and implement policies.

“The EU’s agencies make a significant contribution to the implementation of policies and programmes in areas of vital importance to European citizens’ daily life, such as health, safety, security, freedom and justice,” said Rimantas Šadžius, the Member of the European Court of Auditors responsible for the annual audits of the agencies. “As auditors, we are therefore pleased to report that their accounts presented a fair view of their finances and that their revenue and payment transactions complied with the rules in most cases. However, we have made a number of recommendations, in particular in relation to further improvements in their operational efficiency.”

The auditors concluded that the accounts of all 41 agencies were reliable, i.e. they presented their financial position, the results of their operations and their cash flows for 2016 fairly in all material respects. In addition, the auditors concluded for 40 of the agencies that the financial transactions underlying their accounts were legal and regular, i.e. they complied with the relevant rules. In the case of the European Asylum Support Office, the auditors issued a qualified opinion due to non-compliance with public procurement principles.

The auditors indicated areas for improvement at some of the agencies, although this does not affect the audit opinions. Public procurement generally remains an error-prone area, putting best value for money at risk, and human resources management issues affected several agencies. The auditors recommend that the agencies consider harmonising their information systems for contract and human resources management so as to enhance their cost-efficiency and reduce

The purpose of this press release is to give the summary of the annual reports on EU agencies by the European Court of Auditors. The specific annual reports are on www.eca.europa.eu.

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control risks.

The focus of these audits was not on performance, but the auditors did take account of any risks arising from weak performance or financial management. They noted that the agencies' budgetary management is generally improving, but warned against persistently high volumes of funds carried over to the next year and the overestimation of budgetary needs for some agencies. They also referred to the possible impact of the United Kingdom's departure from the EU on the revenue and activities of a number of agencies, and specifically noted that the two London-based agencies were not yet in a position to provide a reliable estimate of the future related costs.

The agencies' external evaluations were generally positive and they followed them up with action plans, said the auditors. However, for some agencies there is no regulatory requirement for an external evaluation, or the time-span is too long.

Notes to Editors

The European Court of Auditors audited 32 decentralised agencies, six executive agencies and three other bodies for the 2016 financial year. The auditors carried out analyses, tested individual revenue and payment transactions, assessed key controls in the agencies' supervisory and control systems, and used the work of other auditors where appropriate. Today, they issued a summary of their findings, which are used by the European Parliament and the Council or other discharge authorities.

The total 2016 budget for all agencies (excluding the Single Resolution Board, which budgeted almost €12 billion from credit institutions) was around €3.4 billion. Some €2.4 billion was financed by the EU budget, with around €1 billion financed by fees and direct contributions from economic operators, the EU Member States and other countries. At the end of 2016, the agencies employed 10,364 staff, an increase on 2015 of around 500, mostly in connection with new tasks.

The annual reports on the EU's agencies, including their replies and a summary document "2016 audit of EU agencies in brief", are available on the ECA's website in 23 EU languages.