

# European Union Agency for Network and Information Security (ENISA)

## Report of the Executive Director to the Discharge Authority on measures taken in the light of the Discharge Authority's recommendations of 2011

### (Article 96(2) of the Framework Financial Regulation)

#### 1 Introduction

Article 96(2) of the Framework Financial Regulation states: *"At the request of the European Parliament or the Council, the director shall report on the measures taken in the light of these observations and comments"*.

This report provides an overview of the measures taken by European Union Agency for Network and Information Security (ENISA) in the light of observations and comments made by the Discharge Authority on 17 April 2013 in respect of the implementation of the budget of 2011.

#### 2 European Parliament's observations and measures taken by ENISA

Reference	Observation of the Discharge Authority	Response and measures taken by Agency
<b>P7_TA-PROV (2013)0134</b> <b>Carryovers appropriations</b> <b>5.</b>	Is concerned that, once again, the Court of Auditors reported 33 % of carryovers from the Agency's operational budget (Title III); expresses concern that this situation indicates delays in the implementation of the Agency's activities that are financed by Title III and is at odds with the budgetary principle of annuality; once more, urges the Agency to inform the discharge authority of the action taken	At the end of the year 2012, ENISA carried forward the amount of EUR 697.939 to 2013, which represents 8,50 % of the annual budget of the Agency. The amount carry-over for Title III is 295.222 which represents 13 %. The reduction in the level of the appropriations carried forward to the next year was achieved by shifting the procurement planning from the first quarter of a financial year to the last

	<p>by the Agency to address this deficiency; notes furthermore, that the situation has improved, as compared to the previous year (52%).</p>	<p>quarter of the preceding year, thus allowing time for the completion of the projects and payment of relevant amounts due within the financial year.</p> <p>The European Court of Auditors' report on the annual accounts of ENISA for the financial year 2012 (2013/C 365/24, Annex I <a href="http://www.eca.europa.eu/Lists/ECAD/ocuments/ENISA_2012/ENISA_2012_EN.pdf">http://www.eca.europa.eu/Lists/ECAD/ocuments/ENISA_2012/ENISA_2012_EN.pdf</a>), states that the Court's comment concerning the high rate of carryovers was completed.</p>
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<p><b>P7_TA-PROV (2013)0134</b></p> <p><b>Carryovers appropriations</b></p> <p><b>6.</b></p>	<p>Recalls that the court of Auditors reported 34% of carryovers from the Agency's administrative budget (Title II); notes that this situation is at odds with the budgetary principle of annuality; once more, urges the Agency to inform the discharge authority of the actions it has taken to address this deficiency.</p>	<p>At the end of the year 2012, ENISA carried forward the amount of EUR 697.939 to 2013, which represents 8,50 % of the annual budget of the Agency. The amount carry-over for Title II is 242.962 which represents 35 %.</p> <p>This high rate is attributed to the fact that the Hellenic Government decided to provide ENISA with an office in Athens, where the operational department of the Agency would be hosted, by means of a Note Verbale signed on 26<sup>th</sup> September 2012. ENISA supported the government to identify a suitable office and after launched relevant procurement procedures for investments in equipment and IT and security infrastructure for Athens office in the fourth quarter of 2012, therefore the delivery of goods and payment of invoices were planned to occur in 2013, hence the rate of the appropriations carried forward is significant.</p> <p>The total amount of the Title II appropriations of 2013 carried forward from 2012 which were finally cancelled (not paid to beneficiaries) was EUR 4.713, representing 2% of the</p>
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		<p>Title II appropriations carried forward. This shows that a diligent carry forward process was followed at the end of 2012.</p>
<p><b>P7_TA-PROV (2013)0134</b> <b>Fixed Assets</b> <b>7.</b></p>	<p>Acknowledges from the Court of Auditors' report that the Agency needs to improve the documentation of fixed assets as purchases of fixed assets are recorded at invoice and not at item level; urges the Agency to inform the discharge authority of the actions it has taken to address this deficiency</p>	<p>ENISA uses ABAC Assets, the inventory management module of the integrated budget and accounting platform provided to Agencies and supported by the European Commission (DG BUDG), for the management of its fixed assets since 2012. ENISA launched the first inventory count using ABAC Assets application and technology (individual asset records, asset lists, scanning equipment, location records) in April 2013. ENISA verified existence, valuation, eligibility and correctness of fixed asset records. All assets are now registered at item level, which can be traced and is evaluated individually, according to the applicable accounting rules.</p> <p>The results of the inventory count were analysed and recorded in the Accounting module of ABAC accordingly. The Agency informed the European Court of Auditors on the outcome of the inventory count on 24 December 2013.</p> <p>The value of ENISA fixed assets, which will be reported in the Annual Accounts 2013, will be supported by records showing values at item level.</p>

<p><b>P7_TA-PROV (2013)0134</b></p> <p><b>Recruitment procedures</b></p> <p><b>8.</b></p>	<p>Notes that no adequate measures have been taken to address the lack of transparency of recruitment procedures reported by the Court of Auditors in 2010 and that the Court has once again reported that the Agency needs to improve the transparency of those procedures; calls on the Agency to inform the discharge authority of the actions it has taken to address this deficiency; considers that some of the provisions of the Staff Regulation may present a considerable administrative burden; therefore encourages the Commission to allow for a certain degree of simplification under Article 110 of the Staff Regulation in regard to the agencies;</p>	<p>ENISA took the necessary measures to address the lack of transparency of recruitment procedures. It is stated in the report on the annual accounts of ENISA for the financial year 2012 (2013/C 365/24) Annex I that the Court's comment concerning the lack of transparency that the issue was corrected and completed.</p> <p><a href="http://www.eca.europa.eu/Lists/ECADocuments/ENISA_2012/ENISA_2012_EN.pdf">http://www.eca.europa.eu/Lists/ECADocuments/ENISA_2012/ENISA_2012_EN.pdf</a></p>
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