



TEXTS ADOPTED

Provisional edition

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Discharge 2016: European Food Safety Authority (EFSA)

1. European Parliament decision of 18 April 2018 on discharge in respect of the implementation of the budget of the European Food Safety Authority for the financial year 2016 (2017/2159(DEC))

The European Parliament,

- having regard to the final annual accounts of the European Food Safety Authority for the financial year 2016,
- having regard to the Court of Auditors' report on the annual accounts of the European Food Safety Authority for the financial year 2016, together with the Authority's reply¹,
- having regard to the statement of assurance² as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2016, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council's recommendation of 20 February 2018 on discharge to be given to the Authority in respect of the implementation of the budget for the financial year 2016 (05941/2018 – C8-0069/2018),
- having regard to Article 319 of the Treaty on the Functioning of the European Union,
- having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002³, and in particular Article 208 thereof,
- having regard to Regulation (EC) No 178/2002 of the European Parliament and of the Council of 28 January 2002 laying down the general principles and requirements of food law, establishing the European Food Safety Authority and laying down procedures in matters of food safety⁴, and in particular Article 44 thereof,

¹ OJ C 417, 6.12.2017, p. 115.

² OJ C 417, 6.12.2017, p. 115.

³ OJ L 298, 26.10.2012, p. 1.

⁴ OJ L 31, 1.2.2002, p. 1.

- having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council¹, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex IV to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on the Environment, Public Health and Food Safety (A8-0091/2018),
1. Grants the Executive Director of the European Food Safety Authority discharge in respect of the implementation of the Authority's budget for the financial year 2016;
 2. Sets out its observations in the resolution below;
 3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Executive Director of the European Food Safety Authority, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

¹ OJ L 328, 7.12.2013, p. 42.

2. European Parliament decision of 18 April 2018 on the closure of the accounts of the European Food Safety Authority for the financial year 2016 (2017/2159(DEC))

The European Parliament,

- having regard to the final annual accounts of the European Food Safety Authority for the financial year 2016,
 - having regard to the Court of Auditors' report on the annual accounts of the European Food Safety Authority for the financial year 2016, together with the Authority's reply¹,
 - having regard to the statement of assurance² as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2016, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 20 February 2018 on discharge to be given to the Authority in respect of the implementation of the budget for the financial year 2016 (05941/2018 – C8-0069/2018),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002³, and in particular Article 208 thereof,
 - having regard to Regulation (EC) No 178/2002 of the European Parliament and of the Council of 28 January 2002 laying down the general principles and requirements of food law, establishing the European Food Safety Authority and laying down procedures in matters of food safety⁴, and in particular Article 44 thereof,
 - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council⁵, and in particular Article 108 thereof,
 - having regard to Rule 94 of and Annex IV to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on the Environment, Public Health and Food Safety (A8-0091/2018),
1. Approves the closure of the accounts of the European Food Safety Authority for the financial year 2016;
 2. Instructs its President to forward this decision to the Executive Director of the European

¹ OJ C 417, 6.12.2017, p. 115.

² OJ C 417, 6.12.2017, p. 115.

³ OJ L 298, 26.10.2012, p. 1.

⁴ OJ L 31, 1.2.2002, p. 1.

⁵ OJ L 328, 7.12.2013, p. 42.

Food Safety Authority, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

3. European Parliament resolution of 18 April 2018 with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Food Safety Authority for the financial year 2016 (2017/2159(DEC))

The European Parliament,

- having regard to its decision on discharge in respect of the implementation of the budget of the European Food Safety Authority for the financial year 2016,
 - having regard to Rule 94 of and Annex IV to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on the Environment, Public Health and Food Safety (A8-0091/2018),
- A. whereas in the context of the discharge procedure, the discharge authority stresses the particular importance of further strengthening the democratic legitimacy of the Union institutions by improving transparency and accountability, and implementing the concept of performance-based budgeting and good governance of human resources;
- B. whereas, according to its statement of revenue and expenditure¹, the final budget of the European Food Safety Authority (“the Authority”) for the financial year 2016 was EUR 79 492 944, representing a decrease of 1,10 %; whereas the entire budget of the Authority derives from the Union budget;
- C. whereas the Court of Auditors, in its report on the annual accounts of the European Food Safety Authority for the financial year 2016 (“the Court of Auditors’ report”), has stated that it has obtained reasonable assurances that the Authority’s annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes 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; notes furthermore that the payment appropriations execution rate was at 89,66 %, representing a decrease of 0,45 % compared to 2015;

Commitments and carry-overs

2. Notes that the carry-overs from 2016 to 2017 were at EUR 8 200 000 and predominantly related to infrastructure and operations;
3. Notes that carry-overs may often be partly or fully justified by the multiannual nature of the agencies’ operational programmes, do not necessarily indicate weaknesses in budget planning and implementation and are not always at odds with the budgetary principle of annuality, in particular if they are planned in advance and communicated to the Court of Auditors;

Staff policy

4. Takes note of the 2 % reduction in the Authority’s establishment plan in 2016,

¹ OJ C 443, 29/11/2016, p.15

corresponding to seven posts, which resulted in the increasing efforts of the Authority to establish more efficient and effective procedures; notes that on 31 December 2016, 450 of the total available 470 posts were occupied, including officials, temporary agents, contract agents and seconded national experts;

5. Observes from the establishment plan that 320 out of 330 posts for officials and temporary agents authorised under the Union budget were occupied on 31 December 2016, compared to 327 in 2015;
6. Notes that in 2016 74 % of staff was dedicated to operational activities, and that this figure, although slightly below the target for that year (75 %), represented an improvement compared to 2015;
7. Notes with concern that by the number of all posts occupied on 31 December 2017 gender balance ratio was 60 % female to 40 % male; notes furthermore with concern that for senior posts' (senior and middle management posts) the gender balance ratio swings the other way but to an even greater extent: 68 % male and 32 % female; calls on the Authority as a matter of urgency to aim for a more gender balanced staff composition, especially at the senior post level;
8. Notes with satisfaction that the Authority has implemented activities aiming at optimising work processes to use fewer resources; acknowledges the fact however that the estimated resources gap is estimated to increase to around 20 full time equivalents per year in the coming three years, determined by a further reduction of the establishment plan (-2 % in 2017 and -1 % in 2018) on the one hand, and the expected further increase of workload due to new tasks in certain core activities such as novel foods, pesticides and plant pest categorisation and surveillance;
9. Notes that on average the Authority's staff was on sick leave 7,4 days in 2016; welcomes the fact that the Authority organised a staff-away day, health and safety matters' days and well-being activities; calls on the Authority to invite the staff to participate in even greater number;
10. Notes with satisfaction that the Authority adopted in June 2016 a policy on protecting the dignity of the person and preventing psychological and sexual harassment, provided mandatory courses for staff, a yearly info-session for staff to ask questions and get familiar with concrete case-studies and scenarios;
11. Notes with satisfaction that no harassment cases were reported, investigated or taken before a court in 2016;
12. Notes that the Authority does not have any official vehicles;

Prevention and management of conflicts of interest, transparency and democracy

13. Observes that on 21 June 2017 the management board of the Authority adopted a new policy on independence to ensure the independence of all professionals involved in its scientific operations; notes 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; notes moreover that the Authority adopted

unconditional restrictions to financial investments into business operators directly or indirectly concerned by the Authority's outputs; notes that such interests are considered incompatible with any involvement as a member of the Authority's scientific committee, scientific panels, working groups or peer review meetings; notes that experts sent by Member States will now have to fill the declarations of interests form;

14. Is concerned that the scope of the Authority's new independence policy, which only takes into account interests on "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, remains too narrow and thus perpetuates the Authority's previous independence policy's biggest limitation;
15. Is concerned 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, research funding being the main source of financial conflicts of interests among the Authority's external experts;
16. Is concerned that the Authority did not follow the European Ombudsman's January 2015 ruling which, observing that the Authority had "failed to take adequate account of the changing nature of universities in its conflict of interest rules and its Declarations of Interests forms", had asked the Authority to "revise its conflict of interest rules and the related instructions and forms it uses for declarations of interests" to make sure academia experts declare the details of the financial relationships between their university employers and their university employers' industry partners;
17. Stresses that the Authority's independence policy implementing rules, which were adopted end of 2017, did not remedy the abovementioned problems, and that the Authority failed to seize the opportunity of the review of its independence policy to better prevent the occurrence of scandals related to conflicts of interest in the future;
18. Calls on the Authority to report to the discharge authority on the implementation of its new independence policy;
19. Notes with satisfaction that the function ensuring the centralised handling of competing interest management within Authority's legal and regulatory affairs unit became fully operational in 2016; notes moreover that the adoption of new implementing rules on competing interest management was planned for the end of 2017; calls on the Authority to report to the discharge authority on the implementation of these rules;
20. Notes that of the 17 statutory members of staff who left the Authority in 2016, in two cases restrictions were applied in order to prevent the individuals from becoming contact points between the Authority and their new employer, exercising lobbying activities, and performing activities related to on-going files of the Authority; acknowledges that internal procedures are not sufficient to ensure independence between the Authority and industries; notes that staff leaving are obliged to inform the Authority about their future employment and of any potential conflict of interest;
21. Acknowledges the fact that the Authority keeps implementing its 2014 rules on declarations of interest, processing 7 000 to 8 000 declarations of interest in line with the previous years; notes with satisfaction that the Authority publishes the outcome of

its compliance and veracity checks as part of its annual activity report;

22. Notes that the Authority in January 2016 adopted the standard operating procedures on “Handling complaints submitted by whistleblowers” and recommends to undertake consistent training on whistleblowing rights and the related Authority’s rules; calls on the Authority to commit itself to strictly protect the identity of whistleblowers and prevent their intimidation; asks the Authority to provide details on whistleblower cases in 2016, if any, and on how they have been handled;
23. Acknowledges the fact that model rules for Union agencies on whistleblowing guidelines are under preparation, and that as soon as the agreement of the Commission is formally given to Union agencies, the Authority will proceed with the formal adoption; calls on the Authority to report to the discharge authority on the adoption and implementation of these guidelines;
24. Notes that in 2016 the Authority received 99 new requests for access to documents and handled 118 requests, with respect to which the Authority granted full access in 23 cases, while in 76 cases the Authority decided to grant only partial access to the documents, and refused access in 19 cases; calls on the Authority to approach all such requests in a spirit of openness and transparency;
25. Notes that, out of the 118 initial requests handled in 2016, in 26 cases access to documents was refused or partially granted due to protection of privacy and the integrity of the individual, in 40 cases due to protection of commercial interests, in 18 cases due to the fact that no decision had yet taken, and in one case due to protection of court proceedings and legal advice; expects that the Authority, when deciding on limiting the access to documents due to protection of commercial interests, also considers with seriousness the citizens’ interest in maintaining the high standards on food safety and health, while applying all relevant rules and regulations;
26. Notes 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; expects the Authority to fully implement the court’s ruling once it is known; welcomes the recent establishment of Parliament’s ad-hoc committee on EU authorisation procedure for pesticides, which came as a response to the concerns raised about the risk posed by the herbicide substance glyphosate;
27. Believes that the Authority should continue paying special attention to public opinion, and commit itself to openness and transparency; welcomes, in this respect, that in 2016 the Authority’s scientific data warehouse provided access to more of the evidence that underpins its scientific assessments, as several data collections were published, on pesticides, contaminants, chemical hazards, food composition, molecular typing and botanicals; acknowledges the fact that the Authority’s journal migrated to an international scientific publisher in order to increase publishing quality and outreach; notes that the Authority’s authorship guidelines for scientific outputs were reviewed to increase transparency and openness; notes as well that the Authority launched ‘Knowledge Junction’, an open repository for the exchange of evidence and supporting materials used in food and feed safety risk assessments; encourages the Authority to further progress on this path;

Main achievements

28. Welcomes the three main achievements identified by the Authority in 2016, namely:
- the delivery of the Strategy 2020, including a multi-annual implementation plan, focusing on key results and underpinned by a comprehensive performance framework, together with the detailed planning and programming documents;
 - the implementation of the transparency and engagement measures such as the Transparency and Engagement in Risk Assessment (TERA) project, launching a new stakeholder engagement approach and publishing the EFSA Journal, which ensures effective dissemination of scientific outputs and provides access to the Authority's risk assessments;
 - the launching of open data and evidence tools opened up to the wider risk assessment community;

Internal controls

29. Notes that the Authority's Internal Audit Capability (IAC) carried out the assurance engagements and other special tasks as foreseen in the annual audit plan approved by the Authority's audit committee; notes that the audit engagements included the corporate governance audit on the role of the experts in the scientific decision-making processes, the validation of ABAC user access rights, two follow-up reports on outstanding audit, recommendations by the IAC, the Internal Audit Service (IAS) and the Court of Auditors;
30. Observes that according to the IAC, the Authority's internal control system in place provides reasonable assurance regarding the achievement of the business objectives set up for the processes audited; notes that one 'very important' recommendation on the disclosure and transparency of the scientific decision-making processes was issued; calls on the Authority to ensure that this recommendation is carried through, and reported to the discharge authority;
31. Notes from the Court of Auditors' report 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; acknowledges the fact that the Authority is in the process of developing an improved assurance governance and is fine tuning its internal control framework; calls on the Authority to report to the discharge authority on the actions taken in order to tackle the deficiencies of its internal control system;

Internal audit

32. Notes from the Court of Auditors' report that, in its audit report of November 2016, the IAS concluded that the controls in place for IT project management are adequate, but referred to significant weaknesses in relation to IT governance; notes that it recommended updating the Authority'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; notes with satisfaction that the Authority agreed with the IAS on a plan to take corrective actions; notes from the Authority's reply that the majority of actions related to IT governance have been implemented and the remaining actions are planned to be implemented by the end of 2017; calls on the

Authority to report to the discharge authority on the implementation of the action plan;

Performance

33. Acknowledges the fact that the Authority established or renewed joint scientific activities and cooperation initiatives with a number of partner organisations at the European level including the European Chemicals Agency (ECHA), the European Medicine Agency (EMA) and the European Centre for Disease Prevention and Control (ECDC); notes in addition that the Authority conducted additional cooperation exchanges with a number of international partner agencies; notes with satisfaction that this cooperation aims at sharing methods and approaches to improve food safety, including methods for better risk assessment, rapid identification of emerging risks and data sharing on subjects of common interest;
34. Observes that the Authority developed a performance framework that: (1) links the strategic objectives to its portfolio of projects and processes as well as to its resources; and (2) includes a set of key performance indicators to monitor progress and performance at input, output, outcome and impact levels;
35. Acknowledges the fact that the Authority has carried out a number of initiatives to limit the travelling time for experts, including promoting the use of IT tools, in order to improve efficiency;

Other comments

36. Notes with satisfaction that the Authority has implemented an eco-management system mapping the Authority's processes to improve resource efficiency, reduce waste and costs and obtained the ISO 14001:2004 certification; notes that the Authority also obtained the Eco-Management and Audit Scheme (EMAS) Registration in February 2017;
37. Notes with satisfaction that the Authority joined the Interinstitutional Group on Environmental Management (GIME) with the objective of developing a common plan on measures to effectively reduce CO₂ emissions and in order to collect common data allowing the comparison of CO₂ emissions among Union bodies;
38. Notes 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; notes 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; calls on the Authority to remain proactive on this issue, anticipating and planning for any likely problems, rather than waiting and reacting;
39. Notes 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;
40. Notes with concern that the Union regulatory agencies responsible for the risk

assessment of regulated products, in particular ECHA, do not have sufficient resources to effectively fulfil these responsibilities; the Authority and ECHA should therefore be granted sufficient resources in order to carry out their specific responsibilities;

41. Welcomes the contribution of the Authority to the safety of the Union food and feed chain, and its considerable efforts in providing Union risk managers with comprehensive, independent and up-to-date scientific advice on questions linked to the food chain, communicating clearly to the public on its outputs and the information on which they are based, and cooperating with interested parties and institutional partners to promote coherence and trust in the Union food safety system;
42. Highlights that the Authority produced 481 scientific outputs, technical reports and other publications, and closed 382 scientific questions; notes that the proportion of outputs and questions adopted within deadline was below the target for 2016, and that the timeliness of scientific advice still needs to be improved;
43. Notes 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;
44. Calls on the Commission to launch a policy debate with relevant stakeholders in order to review Union legislation related to risk assessment for food, chemicals and related products and the effectiveness of such legislation;
45. Stresses that in 2016 the Authority reviewed its stakeholder consultative platform, which was disbanded to make place for a new stakeholder engagement approach, and by the end of 2016 over 80 organisations had expressed an interest in joining this new framework;

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46. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 18 April 2018¹ on the performance, financial management and control of the agencies.

¹ Texts adopted, P8_TA-PROV(2018)0133.