

**RESOLUTION OF THE EUROPEAN PARLIAMENT****of 23 October 2012****with observations forming an integral part of its Decision on discharge in respect of the implementation of the budget of the European Food Safety Authority for the financial year 2010**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Food Safety Authority for the financial year 2010,
- having regard to the Court of Auditors' report on the annual accounts of the European Food Safety Authority for the financial year 2010, together with the Authority's replies <sup>(1)</sup>,
- having regard to the Council's recommendation of 21 February 2012 (06083/2012 — C7-0051/2012),
- having regard to its Decision of 10 May 2012 <sup>(2)</sup> postponing the discharge decision in respect of the implementation of the budget of the European Food Safety Authority for the financial year 2010, its accompanying Resolution and the replies by the Executive Director of the Authority,
- having regard to Article 319 of the Treaty on the Functioning of the European Union,
- having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities <sup>(3)</sup>, and in particular Article 185 thereof,
- having regard to Regulation (EC) No 178/2002 of the European Parliament and of the Council <sup>(4)</sup> establishing a European Food Safety Authority, and in particular Article 44 thereof,
- having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities <sup>(5)</sup>, and in particular Article 94 thereof,
- having regard to the Joint Statement on decentralised agencies and the Common Approach annexed thereto, agreed in June 2012 by the European Parliament, the Council and the Commission, resulting from the work of the Interinstitutional Working Group on decentralised agencies created in March 2009, and in particular the sections on governance, operation, programming, accountability and transparency of the Common Approach,
- having regard to Rule 77 of, and Annex VI to, its Rules of Procedure,
- having regard to the second report of the Committee on Budgetary Control and the opinion of the Committee on the Environment, Public Health and Food Safety (A7-0299/2012),

<sup>(1)</sup> OJ C 366, 15.12.2011, p. 106.

<sup>(2)</sup> OJ L 286, 17.10.2012, p. 367.

<sup>(3)</sup> OJ L 248, 16.9.2002, p. 1.

<sup>(4)</sup> OJ L 31, 1.2.2002, p. 1.

<sup>(5)</sup> OJ L 357, 31.12.2002, p. 72.

- A. whereas on 10 May 2012, the European Parliament postponed its decision on the discharge and closure of the accounts of the European Food Safety Authority ('the Authority') for the financial year 2010,
- B. whereas the Authority provided extensive replies to the discharge authority by letters of 29 June 2012 and 20 August 2012,
- C. whereas the discharge is a valid instrument of the European Parliament in this respect, which requires a decision based on factual and substantive arguments; recalling, in this context, the existing rules, i.e. the Staff Regulations for Officials and Conditions of Employment of Other Servants of the European Community, the Financial Regulation applicable to the general budget of the European Communities, the Authority's founding regulation and the specific policies and procedures set up by the Authority,

#### **Budget and financial management**

1. Notes the Authority's statement that measures now adequate have been undertaken to improve financial management and that the execution rate in terms of commitment appropriations was close to 100 % in 2011;
2. Welcomes the information received on the significant reductions in the Management Board meeting costs, which amounted to EUR 6 175 per member in 2010; commends in particular the reduction of expenditure by 66 % compared to 2010, realised through switching to audio streaming on demand, using English as the only language for the Management Board meetings and holding all meetings at the premises of the Authority in Parma;

#### **Contract management process**

3. Takes note that the Authority developed a 'Grants and Procurement Tool' to improve the monitoring of tendering process, the contracts management and the payment forecast capacity; notes that the new Database on Procurements and Grants was launched on 28 June 2012;

#### **Conflict of interest and transparency**

4. Notes that the main task of the Authority is to provide independent and transparent scientific advice on matters with a direct or indirect impact on food and feed safety;
5. Draws attention to the need to take measures to safeguard the Authority's credibility;
6. Welcomes the organisation of a mandatory session on ethics and integrity for all members of the Management Board scheduled for October 2012, and calls on the Management Board to enforce effectively its code of conduct and to adopt provisions to prevent and penalise revolving-door cases in the future, in order to avoid situations similar to that which affected its former Chairperson in 2010;
7. Has already addressed certain shortcomings in connection with conflicts of interest, declarations of interests and transparency; stresses that the former Chairperson of the Management Board of the Authority failed, in 2010, to declare her membership of the board of the International Life Sciences Institute (ILSI), even though the ILSI is financed by undertakings in the food, chemicals and pharmaceuticals sectors; notes that the members of the Authority's Management Board are not appointed by the Executive Director and, hence, cannot be dismissed by the Executive Director;
8. Welcomes the Authority's commitment to propose its Management Board to elect its Chairperson by open ballot; believes that a transparent procedure will reinforce the Management Board's accountability;

9. Takes careful note of all new policies, rules, implementing measures and actions which have been set up since 2007 to avoid conflicts of interest amongst scientific experts and staff; welcomes in this regard the code of conduct of the Authority's Management Board and their active approach in reviewing their declarations of interest, and the new rules for screening for conflicts of interest in force since July 2012, which were proactively used in the renewal of the scientific panels; is determined to monitor the effect of these actions; will continue to invite the Executive Director for exchanges of views on a regular basis, to foster the exchange of information also through the appointed contact person from amongst its members and by visiting the Authority every two years; recalls that the last visit took place in May 2012;
10. Takes note that the Authority's new policy on 'independence and scientific decision-making processes', together with its implementing rules, entered into force in July 2012 and that the Authority's new definition of conflicts of interests is compatible with the OECD guidelines; notes from the Authority that its practical approach concerning an expert breaching the independence policy rules is an exclusion for a five-year period; suggests to insert a conclusive set of proportionate penalties to be part of the implementing rules of the independence policy;
11. Notes that the Authority scheduled an evaluation of its independence policy by the end of 2013 and committed to consider, inter alia, the possibility to publish the outcomes of the breach of trust procedures, including the outcomes of the procedure verifying the integrity of the scientific review and to broaden and reinforce the mandate of its Committee on Conflict of Interests, for instance with a similar mandate to the Committee for Ethical Standards and Prevention of Conflict of Interest of the French Agency for Food, Environmental and Occupational Health & Safety (ANSES); expects the Authority to inform the discharge authority on this matter by the start of the next discharge procedure;
12. Encourages the Authority to further strengthen its independence policy and consider adopting rules among others including penalties and publishing the curriculum vitae and declarations of interest of the in-house experts and scientists;
13. Is firmly convinced that necessary steps have to be taken should cases of non-compliance with existing rules occur; believes that, in such cases, the Authority should draw up an action plan, accompanied by a precise timetable, aiming to remedy the shortcomings, that its implementation should be monitored by the European Parliament, and that these problems should be addressed by changing the existing rules and regulations in order to eliminate possible loopholes;
14. Notes the Authority's statement that it adopted a policy on gifts and hospitality on 4 July 2012; commends this initiative and invites the Authority to make this policy available on its website;
15. Acknowledges that the Authority scheduled for 1 October 2012 the launching of its first evaluation of a random sample of declarations of interest in order to verify their coherence with its newly adopted independence policy and implementing rules; expects that the Authority will share the conclusions of that evaluation with the discharge authority by 1 March 2013 in order to reflect them in the next discharge procedure;
16. Acknowledges the Authority's commitment to work with the Commission in order to define the modalities of full public access to unpublished raw data;
17. Observes that eight of the Authority's Panels and its Scientific Committee have been renewed in June 2012; welcomes the publication of the declarations of interest of the newly appointed experts on the Authority's website but observes that some of the curriculum vitae are not yet available; invites the Authority to publish all of them by 1 January 2013;

18. Notes that 37 experts of two Panels have been appointed in 2011, prior to the adoption of the Authority's new policy on independence and scientific decision-making processes; agrees therefore with the Authority's initiative to screen by 31 October 2012 their declarations of interest against the newly adopted policy and implementing rules; invites the Authority to inform the discharge authority of the outcomes of the screening process by the start of the next discharge procedure;
19. Calls on the Authority to introduce in its annual activity reports a special section describing the actions taken to prevent and manage conflict of interest, which should include, inter alia:
  - the number of alleged cases of conflict of interest verified,
  - the number of revolving door cases,
  - the measures taken in each category of cases,
  - the number of breach of trust procedures launched and their outcomes,
  - the penalties applied;
20. Encourages the Authority to improve the openness and transparency of the risk assessment process, to better take into account independent peer-reviewed scientific literature and to provide detailed justification when it rejects diverging views; encourages the Authority to increase dialogue and cooperation with external experts and national agencies, especially when they hold diverging views on a specific risk assessment process;
21. Welcomes, in general, the Joint Statement and the Common Approach on decentralised agencies afore mentioned, which address and take up some elements important to the discharge procedure, and believes that the roadmap on the follow-up to the Common Approach, to be presented by the Commission by the end of 2012, will take due account of those issues;
22. Refers, in respect of the other observations accompanying its Decision on discharge, which are of a horizontal nature, to its resolution of 10 May 2012 <sup>(1)</sup> on the performance, financial management and control of the agencies.

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<sup>(1)</sup> OJ L 286, 17.10.2012, p. 388.