

2024

**Annual report on EU agencies
for the 2024 financial year**



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COURT
OF AUDITORS

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List of EU agencies and other Union bodies covered by this report

Acronym	Full name
ACER	European Union Agency for the Cooperation of Energy Regulators
BEREC Office	Agency for Support for Body of European Regulators for Electronic Communications
CdT	Translation Centre for the Bodies of the European Union
Cedefop	European Centre for the Development of Vocational Training
CEPOL	European Union Agency for Law Enforcement Training
CINEA	European Climate Infrastructure and Environment Executive Agency
CPVO	Community Plant Variety Office
EACEA	European Education and Culture Executive Agency
EASA	European Union Aviation Safety Agency
EBA	European Banking Authority
ECDC	European Centre for Disease Prevention and Control
ECHA	European Chemicals Agency
EEA	European Environment Agency
EFCA	European Fisheries Control Agency
EFSA	European Food Safety Authority
EIGE	European Institute for Gender Equality
EIOPA	European Insurance and Occupational Pensions Authority
EISMEA	European Innovation Council and SMEs Executive Agency
EIT	European Institute of Innovation and Technology
ELA	European Labour Authority

Acronym	Full name
EMA	European Medicines Agency
EMSA	European Maritime Safety Agency
ENISA	European Union Agency for Cybersecurity
EPPO	European Public Prosecutor's Office
ERA	European Union Agency for Railways
ERCEA	European Research Council Executive Agency
ESA	Euratom Supply Agency
ESMA	European Securities and Markets Authority
ETF	European Training Foundation
EUAA	European Union Agency for Asylum
EUDA	European Union Drugs Agency
EUIPO	European Union Intellectual Property Office
eu-LISA	European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice
EU-OSHA	European Agency for Safety and Health at Work
Eurofound	European Foundation for the Improvement of Living and Working Conditions
Eurojust	European Union Agency for Criminal Justice Cooperation
Europol	European Union Agency for Law Enforcement Cooperation
EUSPA	European Union Agency for the Space Programme
FRA	European Union Agency for Fundamental Rights
Frontex	European Border and Coast Guard Agency

Acronym	Full name
HaDEA	European Health and Digital Executive Agency
REA	European Research Executive Agency
SRB	Single Resolution Board



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Chapter 1

The EU agencies and the ECA's audit

Introduction

1.1. The European Court of Auditors (ECA) is the external auditor of the EU's finances¹. In this capacity as the independent guardian of the financial interests of EU citizens, we help to improve the EU's financial management. More information on our work can be found in our activity reports, our annual reports on the implementation of the EU budget, our special reports, our reviews and our opinions on new or updated EU laws or other decisions with implications for financial management².

1.2. Part of our mandate is to examine the annual accounts and the underlying transactions of agencies and other EU bodies (collectively referred to as 'the agencies'). Our mandate does not cover the three agencies working in the field of defence (the European Defence Agency, the European Institute for Security Studies and the European Union Satellite Centre), which are financed through member states' contributions and audited by other independent external auditors³.

1.3. This report presents the results of our audit of the agencies for the 2024 financial year. For simplification, we refer to the agencies using their acronyms instead of their full names. A list of all agencies and their acronyms is provided at the beginning of the report. The report is structured as follows:

- **Chapter 1** describes the agencies and our audit approach.
- **Chapter 2** presents the overview of the results of our annual audit of the agencies for the 2024 financial year. It also makes reference to our other agency-related audit results and opinions.
- **Chapter 3** contains a *statement of assurance* for each of the 43 agencies, on the reliability of their annual accounts and the legality and regularity of the underlying revenue and payments. We also highlight areas of importance to the reader and identify areas for improvement.

¹ Article 285 to 287 of the [Treaty on the functioning of the European Union](#).

² Available on our website: www.eca.europa.eu.

³ [Review 01/2014](#): "Gaps, overlaps and challenge: a landscape review of EU accountability and public audit arrangements", paragraph 84.

1.4. Overall, our audit of the agencies for the financial year ended 31 December 2024 produced slightly more positive results than in previous years. In our *statements of assurance*, we issued:

- unqualified (clean) audit opinions on the reliability of all agencies' accounts;
- unqualified (clean) audit opinions on the legality and regularity of the revenue underlying all 43 agencies' accounts;
- unqualified (clean) audit opinions on the legality and regularity of the payments underlying 42 agencies' accounts, except for ELA, for which we issued a qualified opinion.

The EU agencies

EU agencies carry out specific technical, scientific or managerial tasks that help to design, monitor and implement policies

1.5. The EU agencies are distinct legal entities set up by acts of secondary legislation to carry out specific technical, scientific or managerial tasks that help the EU institutions to design, monitor and implement policies. They are located in different member states and have significant influence in areas of vital importance to European citizens' daily lives, such as health, safety, security, freedom and justice.

1.6. There are three types of EU agencies: decentralised agencies, executive agencies and other bodies. The differences between them are described below (see paragraphs [1.7-1.9](#)).

Decentralised agencies address specific policy needs

1.7. The **33 decentralised agencies**⁴ play an important role in preparing and implementing EU policies, especially for technical, scientific, operational and regulatory tasks. Their role is to address specific policy needs and to reinforce European cooperation by pooling specialist expertise from the EU and national governments. They are set up to operate for an indefinite period by a regulation of the Council or of the European Parliament and the Council.

Executive agencies implement EU programmes

1.8. The **six executive agencies**⁵ carry out executive and operational tasks relating to EU programmes, such as supporting stakeholders in delivering the [European Green Deal](#) (CINEA) and managing certain Horizon Europe projects (REA). They are set up to operate for a fixed period of time, generally aligned with the duration of the multi-annual financial framework (currently until 31 December 2028).

⁴ ACER, BEREC Office, Cedefop, CdT, CEPOL, CPVO, EASA, EBA, ECDC, ECHA, EEA, EFCA, EFSA, EIGE, EIOPA, ELA, EMA, EMSA, ENISA, ERA, ESMA, ETF, EUAA, EUDA, EUIPO, eu-LISA, EU-OSHA, EUSPA, Eurofound, Eurojust, Europol, FRA and Frontex.

⁵ CINEA, EACEA, EISMEA, ERCEA, HaDEA and REA.

Other bodies have specific mandates

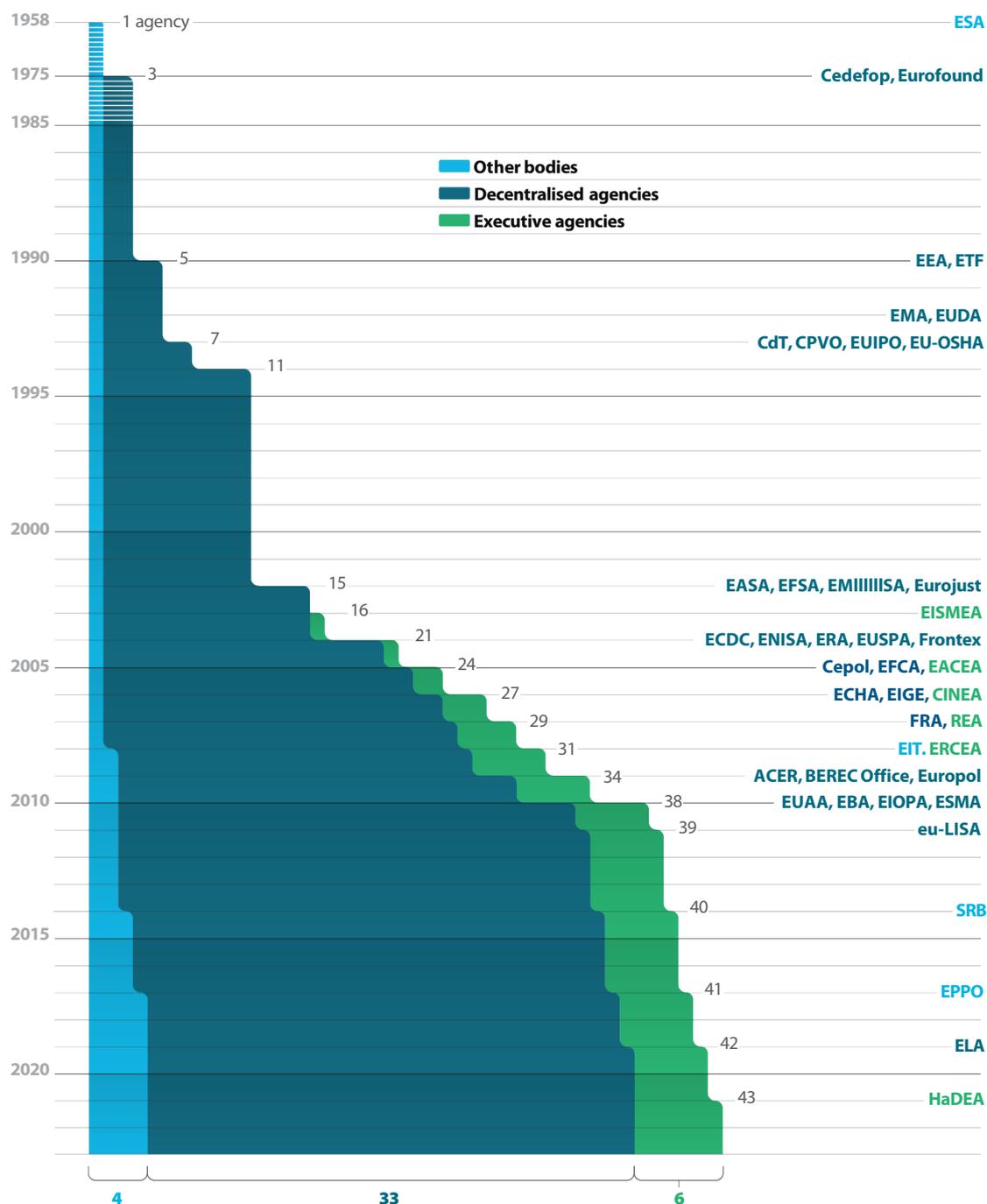
1.9. The **four other bodies** are the EIT, EPPO, the ESA and the SRB:

- the EIT is an independent decentralised EU body which pools scientific, business and education resources to boost the EU's innovation capacity by providing grant funding;
- the EPPO is an independent EU body which investigates and prosecutes crimes against the EU budget;
- the ESA is tasked with guaranteeing the regular and equitable supply of nuclear fuels to EU users in line with the Euratom Treaty; and
- the SRB is the central authority of the Single Resolution Mechanism in the European Banking Union. Its mission is to ensure the orderly resolution of banks which are failing or likely to fail, so there is as little impact as possible on the real economy and public finances of EU member states. In this report, we also report on the SRB's contingent liabilities.

The number of agencies remained unchanged since 2022

1.10. This report covers 43 agencies, as shown in [Figure 1.1](#). The overall number of agencies has remained unchanged since 2022. In 2024, the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) was superseded by the European Union Drugs Agency (EUDA).

Figure 1.1 – Timeline and overview of the evolution of agencies

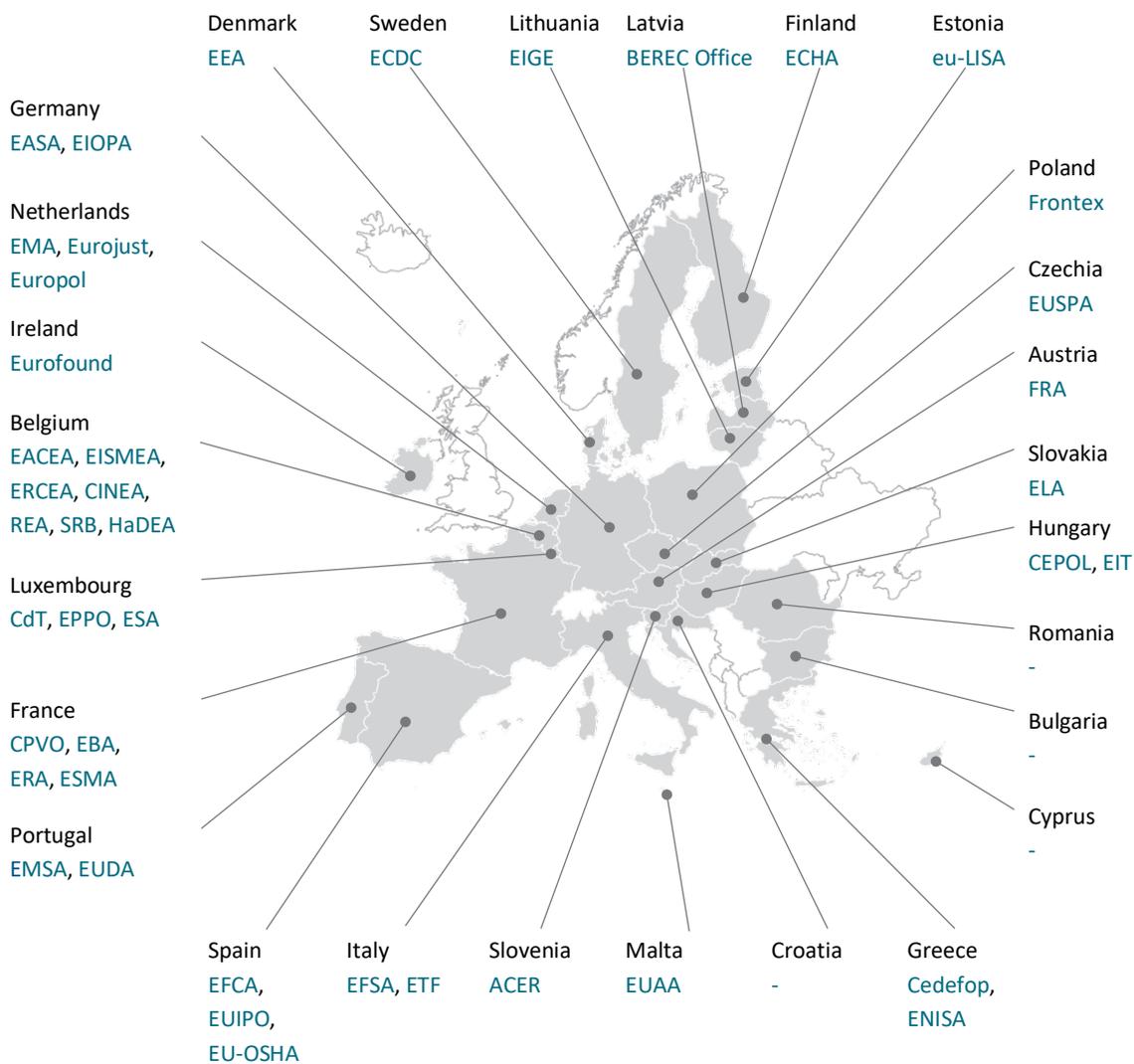


Note: Each year refers to that in which the founding act of the agency (or its predecessor) came into force.

Source: ECA.

1.11. Decentralised agencies and other bodies are located across the EU, as shown in [Figure 1.2](#). Their locations are decided by the Council or jointly by the Council and the European Parliament. All executive agencies are located in Brussels.

Figure 1.2 – Agencies’ location across the member states



Note: To go straight to our individual statement of assurance on an agency, click on its name in the diagram.

Source: ECA.

Agencies are financed from various sources and under different MFF headings

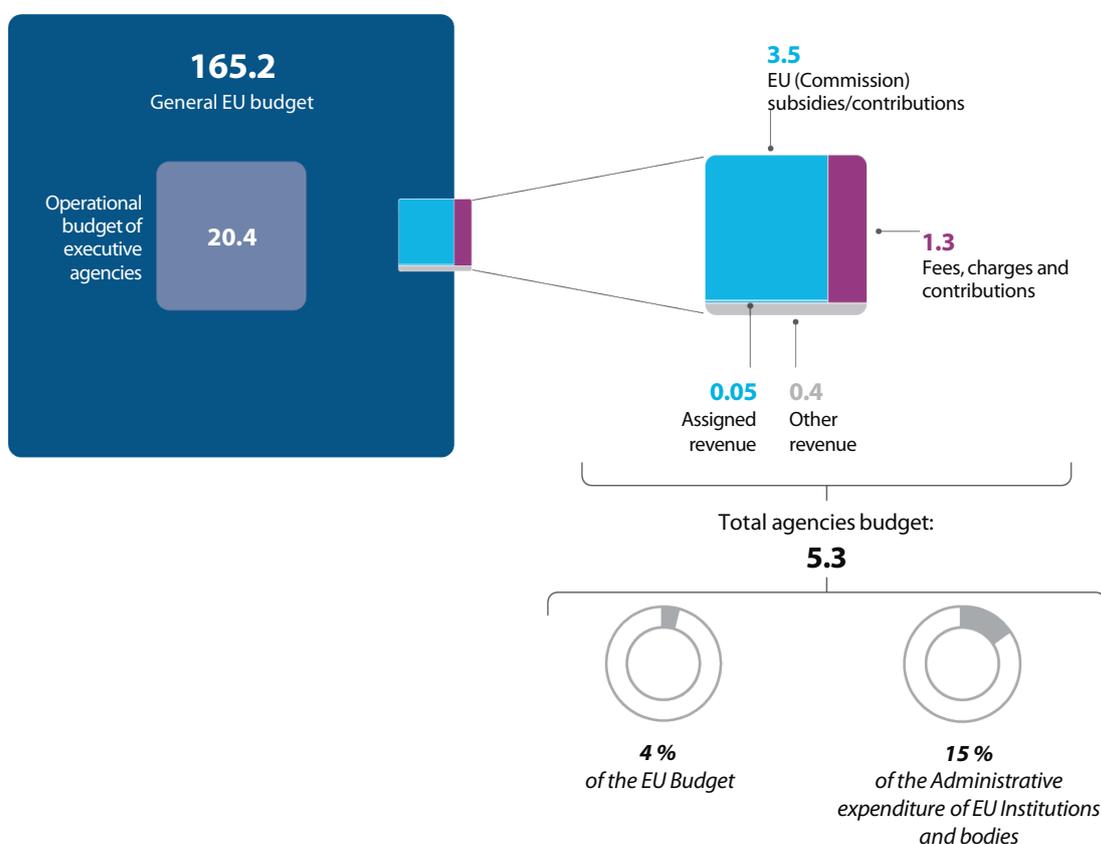
1.12. In 2024, the total budget of all agencies was €5.3 billion (2023: €4.7 billion). This is equivalent to 4 % of the EU's general budget for 2024 (2023: 3 %), as shown in *Figure 1.3*.

1.13. The voted budget of the SRB for 2024 comprised solely the SRB's administrative expenditure (€170 million). It no longer included contributions from banks to set up the Single Resolution Fund, as was the case in previous years.

1.14. The budgets of the decentralised agencies and the other bodies cover their staff, administrative and operational expenditure. The executive agencies' own budgets, which in 2024 amounted to €421 million (2023: €391 million), only cover their own staff and administrative expenditure. The amount of the general EU budget managed by the executive agencies in 2024 to implement programmes on behalf of the Commission was €20.4 billion (2023: €18.7 billion).

Figure 1.3 – Agencies' financing sources for 2024

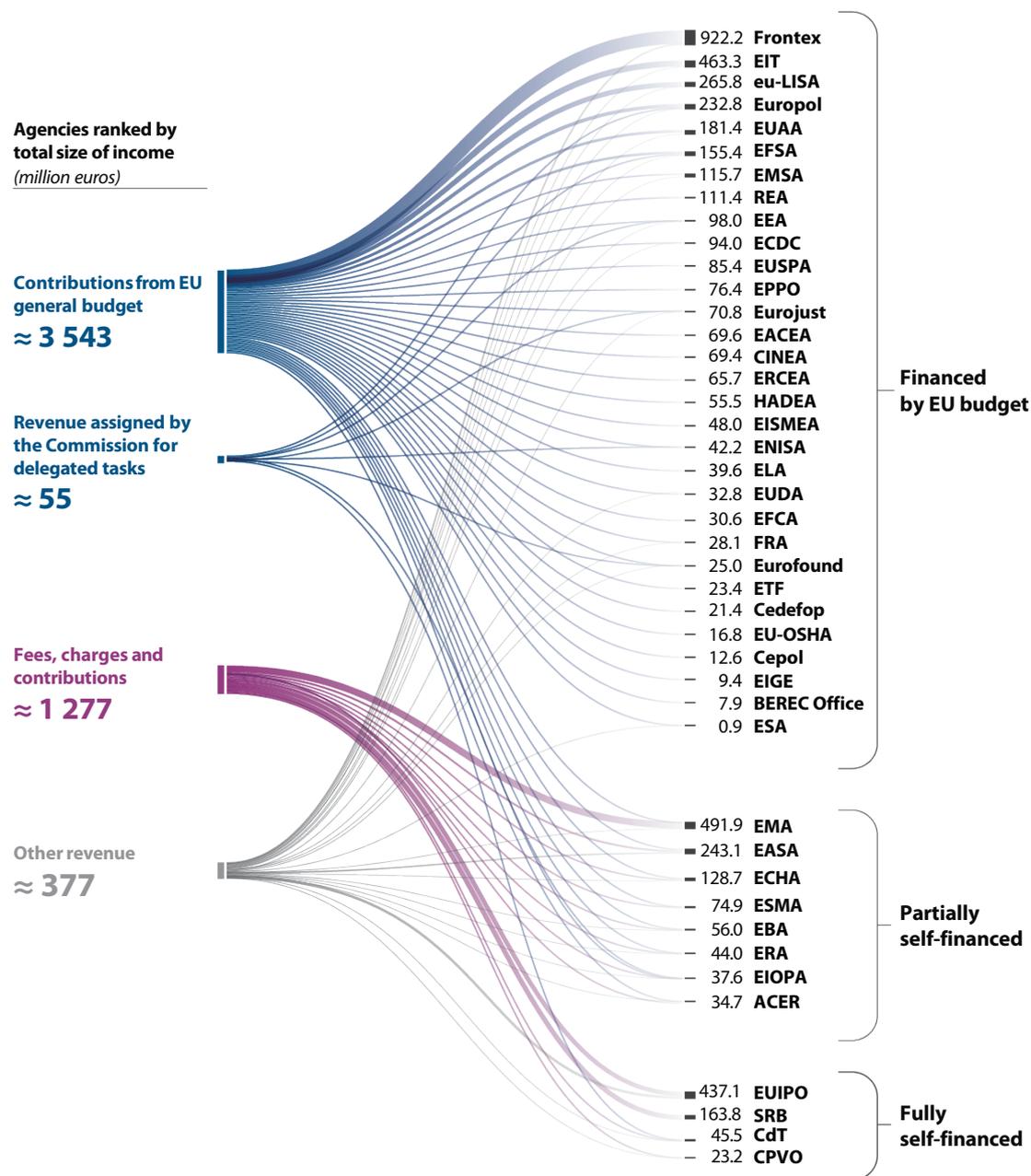
(billion euros)



Source: General budget of the European Union for the 2024 financial year; 2024 annual accounts of the European Union; annual activity reports of the executive agencies for 2024; compiled by the ECA.

1.15. Twelve agencies are partly⁶ or fully⁷ financed by fees and charges from industry and by direct contributions from countries participating in their activities. The remaining 31 agencies, including all executive agencies, are financed almost entirely by the EU general budget. *Figure 1.4* gives a breakdown of the agencies' budgets by source of revenue.

Figure 1.4 – Agencies' 2024 budgets by source of revenue



Note: 2024 appropriations voted and published. Budgetary reserves are not included.

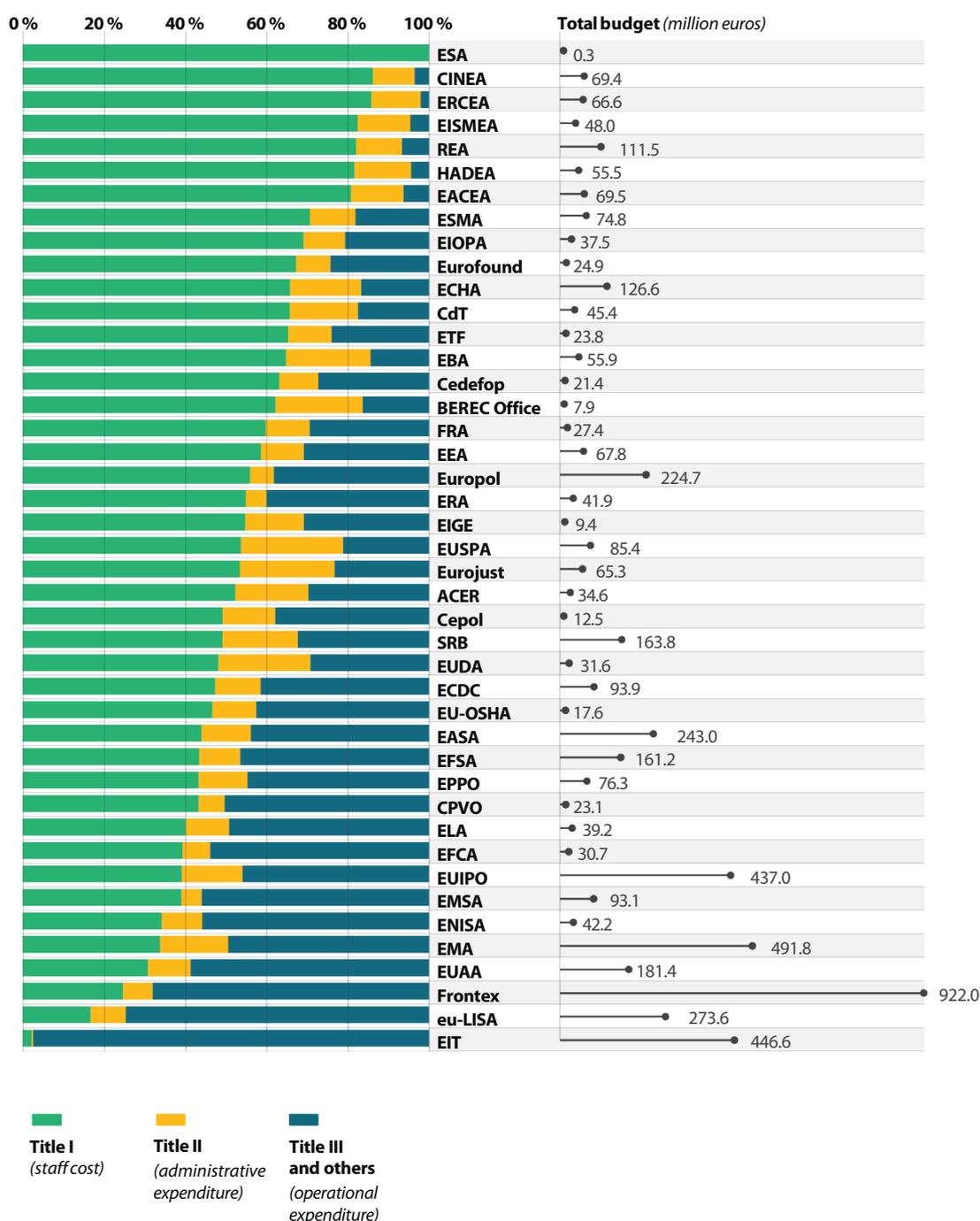
Source: Agencies' 2024 annual accounts, compiled by the ECA.

⁶ EMA, EASA, ECHA, ESMA, EBA, ERA, EIOPA and ACER (8 agencies).

⁷ EUIPO, SRB, CdT and CPVO (4 agencies).

1.16. *Figure 1.5* presents the agencies' 2024 budgets. They are broken down by type of expenditure (Title I – staff costs, Title II – administrative expenditure, and Title III – operational expenditure, together with any other titles used). Overall, in 2024, agencies' staff and administrative budgets represent around 15 % of the total payment appropriations available under Multiannual Financial Framework (MFF) heading 7 – European public administration. This compares with 52 % for the Commission, 16 % for the Parliament, 7 % for the EEAS, 4 % for the Council and 6 % for the other EU institutions and bodies.

Figure 1.5 – Agencies' 2024 expenditure for each budget title

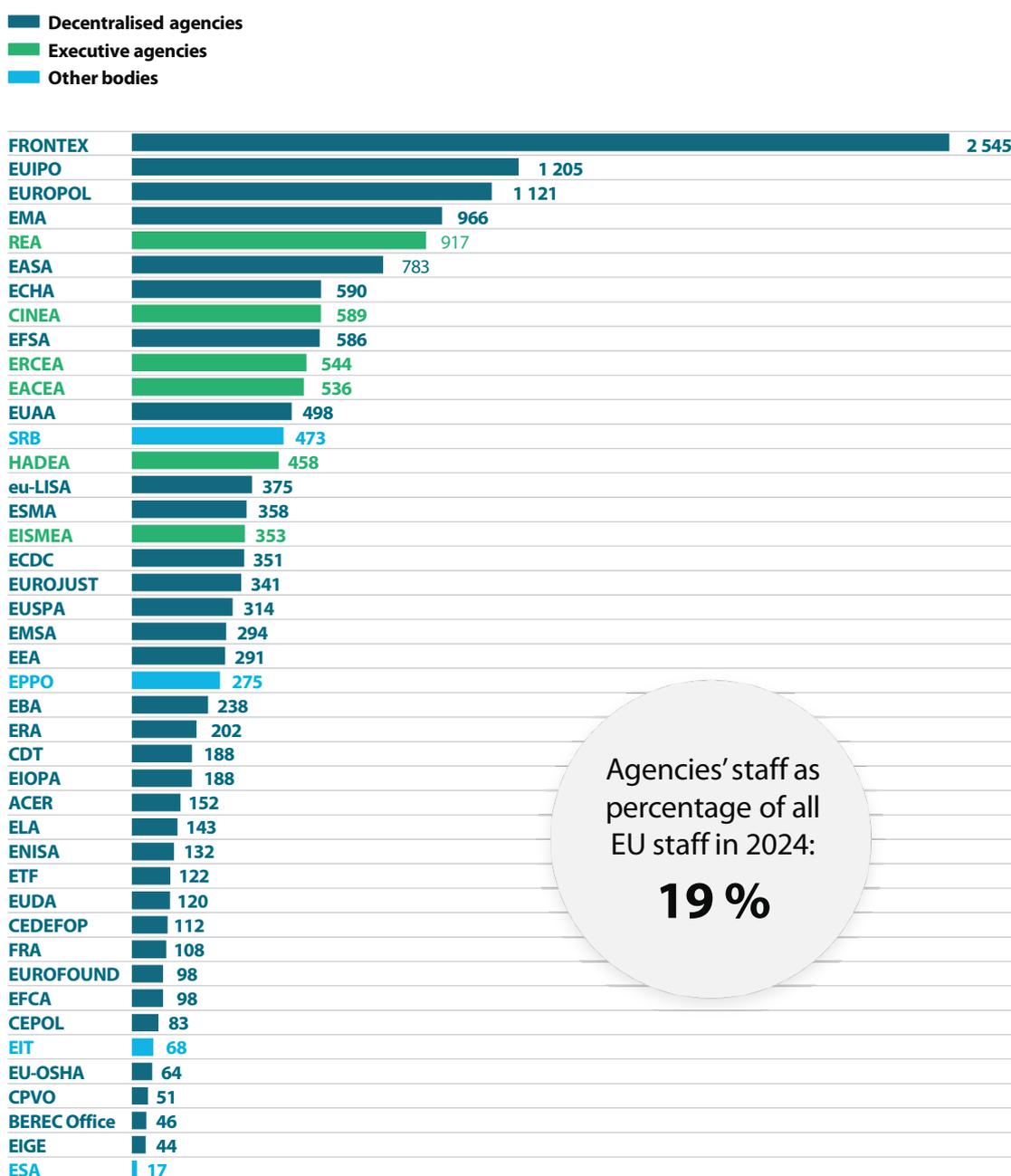


Note: 2024 appropriations voted and published.

Source: Agencies' 2024 annual accounts, compiled by the ECA.

1.17. *Figure 1.6* shows how many staff the agencies employed on 31 December 2024. In total, they employed 17 037 members of staff (2023: 16 146). This figure corresponds to the actual number of posts occupied by permanent officials, temporary and contract staff as well as seconded national experts on that date. Taking the establishment plans approved in the EU general budget as a basis, about 19 % of all EU staff work for agencies. This compares with 49 % working for the Commission, 14 % for the Parliament, 6 % for the Council, 4 % for the Court of Justice, 4 % for the EEAS, and 4 % for the other EU institutions and bodies.

Figure 1.6 – Number of staff per agency at the end of 2024



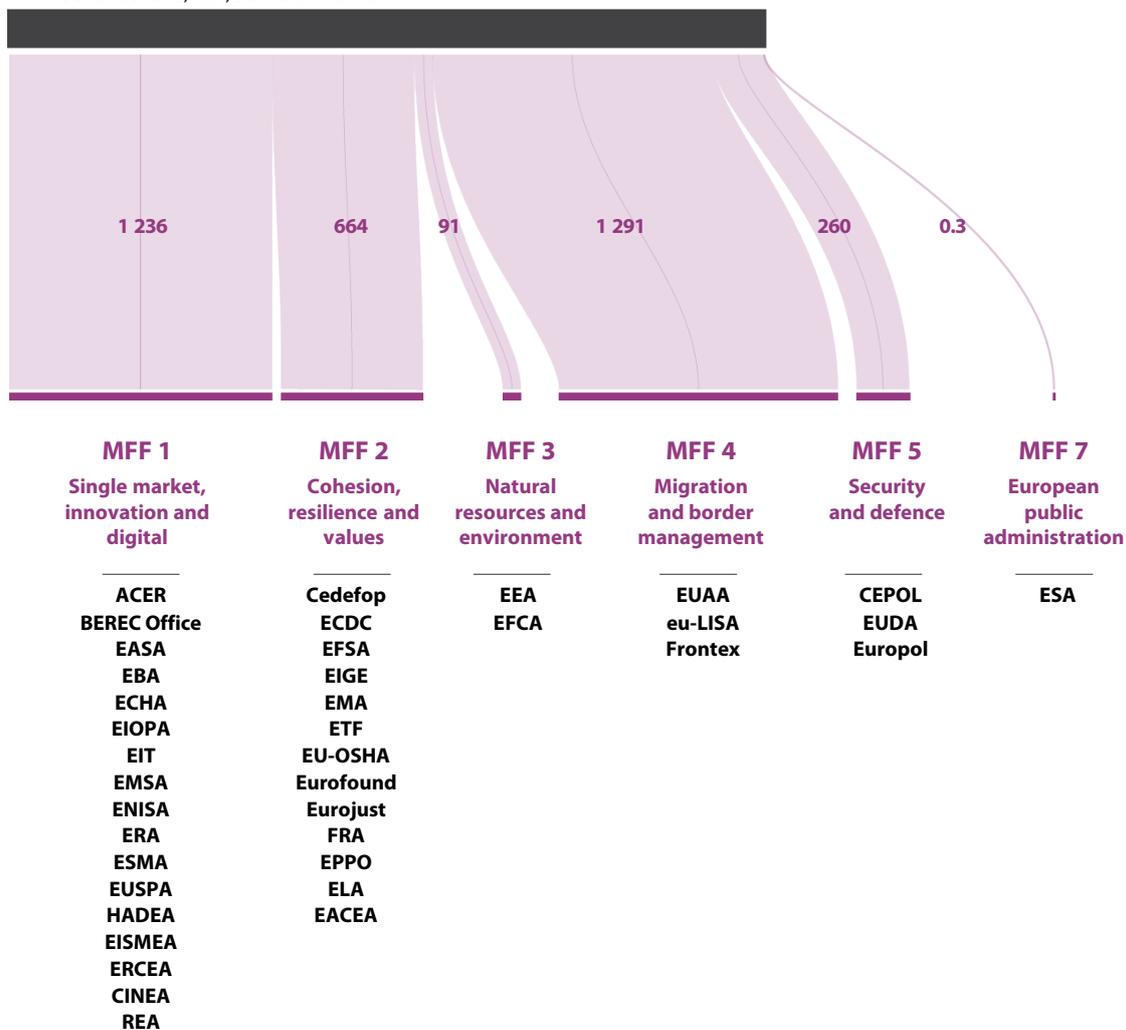
Source: Information from the agencies and the establishment plans for other EU institutions and bodies, compiled by the ECA.

1.18. The €3.5 billion in contributions from the EU general budget is financed under different MFF headings, as illustrated in *Figure 1.7*.

Figure 1.7 – Agencies financed under each EU general budget’s MFF heading

(million euros)

*Table excludes SRB, CdT, EUIPO and CPVO



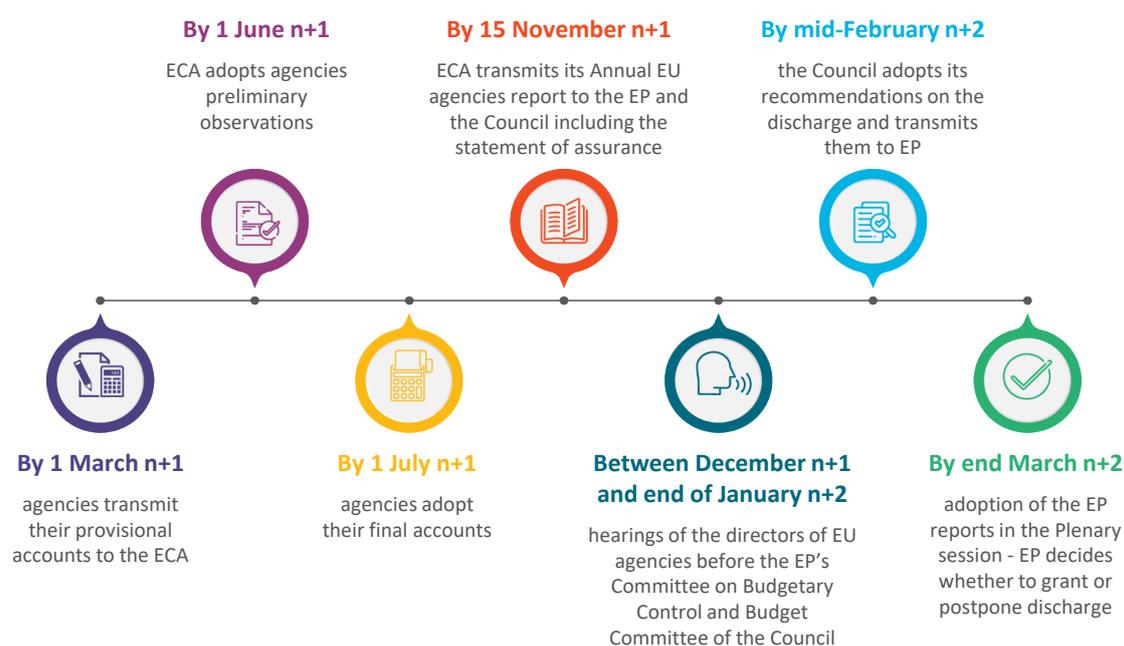
Note: ECHA is mainly financed from MFF 1, but also, to a lesser degree, from MFF 3.

Source: Agencies' 2024 annual accounts, compiled by the ECA.

Budgetary and discharge arrangements are similar for all agencies except for EUIPO, the CPVO and the SRB

1.19. In the case of most decentralised agencies and other bodies, and all the Commission executive agencies, the European Parliament and the Council are responsible for the annual budgetary and discharge procedures. The timeline of the discharge procedure is shown in *Figure 1.8*.

Figure 1.8 – Discharge procedure for most agencies



Source: ECA, based on EU Financial Regulation.

1.20. The budgetary and discharge procedures for two fully self-financed decentralised agencies (the CPVO and EUIPO) are administered by, respectively, the CPVO Administrative Council and EUIPO Budget Committee, not by the European Parliament and the Council⁸. Similarly, the SRB's annual budgetary and discharge procedure is solely under the responsibility of its Board.

⁸ Review 01/2014: "Gaps, overlaps and challenges: a landscape review of EU accountability and public audit arrangements", paragraph 84.

The EU Agencies Network facilitates inter-agency cooperation and communication with stakeholders

1.21. The EU Agencies Network was set up by the agencies and joint undertakings as a cooperation platform to enhance their visibility, to identify and promote possible efficiency gains, as well as actions with clear EU added value. It enables the agencies to communicate in a more coordinated way with their stakeholders and the general public on issues of shared concern and provides a central point for gathering and disseminating information among all agencies. It also helps the agencies to share services, knowledge, and expertise. In 2020, the Network endorsed its second multiannual strategy (2021-2027)⁹, which consists of two pillars shaped by the Commission’s political and strategic direction:

- the Network as a role model for administrative excellence;
- the Network as a well-established institutional partner.

1.22. EU Agencies Network is chaired by a different agency or joint undertaking every year on a rotational basis. In 2024, this role was fulfilled by EIOPA (until 29 February 2024) and jointly by the EIT and CEPOL (from 1 March 2024). Twice per year, the Network holds plenary meetings coordinated by a shared support office. There are ten thematic sub-networks within the Network (see [Figure 1.9](#)).

Figure 1.9 – EU Agencies Network’s shared support office and sub-networks



Source: EUAN.

⁹ 2021-2027 Strategy for the EU Agencies Network, Brussels, 9 November 2020.

Our audit

We issue a statement of assurance for each agency

1.23. As required by Article 287 of the Treaty on the Functioning of the European Union, we have audited:

- o the accounts of all 43 agencies, which comprise the financial statements (i.e. the balance sheet, the statement of financial performance, the cash flow statement, the statement of changes in net assets and a summary of significant accounting policies and other explanatory notes) and the reports on the implementation of the budget (which aggregate all budgetary operations and explanatory notes) for the financial year ended 31 December 2024, and
- o the legality and regularity of the transactions underlying those accounts.

1.24. On the basis of the results of our audit, we provide the European Parliament and the Council, or the other discharge authorities (see paragraph [1.20](#)), with one statement of assurance as to the reliability of each agency's accounts and the legality and regularity of the underlying transactions. Where appropriate and relevant, we supplement the statements of assurance with significant audit observations (see Chapter 3). These observations do not call our audit opinions into question.

1.25. The ECA also carries out audits, publishes special reports and issues opinions on specific topics. Some of these concern the EU agencies. See [Figure 2.6](#) for a list of ECA special reports referring to agencies and issued between 1 January 2024 and 30 June 2025.

Our audit approach is based on an assessment of key risks

1.26. Our audit is designed to address key risks that we have identified on the basis of our audit results from previous years. For the 2024 financial year, the audit was carried out in response to the risk assessment, which is summarised in [Figure 1.10](#).

Figure 1.10 – Assessment of key risks

	HIGH risk MEDIUM risk LOW risk	
	Reliability of agencies' accounts	The agencies' accounts are established by applying the accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector. In the past, we identified few material errors in the agencies' accounts.
	Legality and regularity of revenue	The overall risk to the legality and regularity of revenue is low. Some agencies are partly or fully self-financing. In these cases, specific regulations govern the charging and collection of service fees and other revenue contributions. The level of risk affecting the regularity of the revenue of these agencies is medium.
	Legality and regularity of payments (expenditure) <i>Risk is medium overall, but varies</i>	<p data-bbox="595 851 1345 943"> Title I - Staff expenditure Salaries are mainly administered by the Commission's PMO service, which the ECA audits regularly.</p> <p data-bbox="595 981 1345 1104"> Title II - Administrative expenditure Agencies are not always successful in achieving the satisfactory levels of transparency and value for money in tenders with complex procurement rules and procedures.</p> <p data-bbox="595 1137 1345 1350"> Title III - Operational expenditure The level of risk affecting operational expenditure varies by agency, running the entire range of risk levels from low to high. It depends on the specific type of operational expenditure that each agency incurs. In general the risks are similar to those affecting Title II, but with much higher amounts.</p>
	Risk to sound financial management	Most of the problems we identified concerned public procurement procedures which did not ensure that the best possible value for money was achieved.
	Budget management	Previous audits showed high carry-overs of committed appropriations. These, however, were usually justified by the multiannual nature of operations or were caused by factors beyond agencies' control.

Source: ECA.

We use the work of other auditors

1.27. Where appropriate, we use the work of other auditors to support our work on the agencies. We do so in particular in our work on the reliability of the EU's accounts. The financial statements of all decentralised agencies and other bodies except the CPVO, EUIPO and ESA are audited by external audit firms. In accordance with internationally accepted auditing standards, we use the results of these audits after considering the independence and objectivity of the auditors, their professional competence, and after checking the scope and quality of their work. However, all audit opinions in this report are ours, and we take full responsibility for them.

We report suspected fraud to the relevant EU bodies OLAF and EPPO

1.28. We cooperate with the European Anti-Fraud Office (OLAF) in matters relating to suspected fraud and other illegal activity affecting the EU's financial interests, and with the EPPO in matters relating to suspected crimes against the EU's financial interests. We notify OLAF or EPPO about any suspicion that arises in the course of our audit work, even though our audits are not designed specifically to identify fraud.



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Chapter 2

Overview of audit results

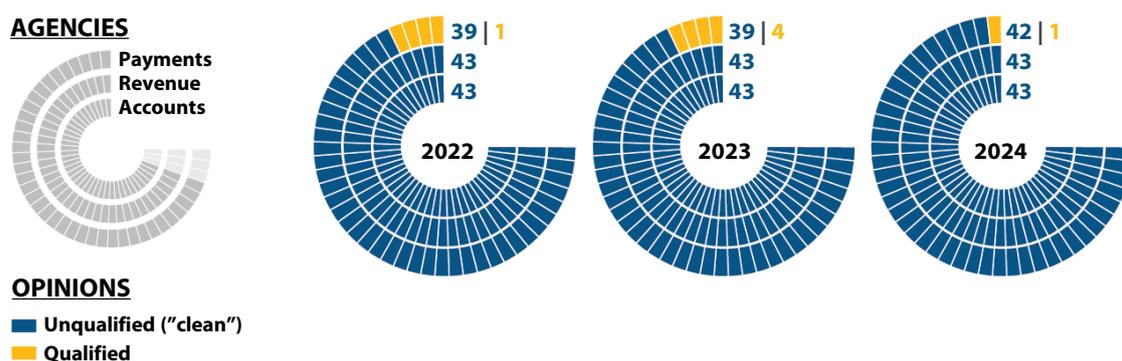
Introduction

2.1. This Chapter presents an overview of the results of our annual audit of the agencies for the 2024 financial year. It includes reference to other recent agency-related audit work published by the ECA.

Audit opinions

2.2. Overall, our audit of the annual accounts of the agencies for the financial year ending on 31 December 2024 gave slightly more positive results than in previous years (see [Figure 2.1](#)).

Figure 2.1 – 2022-2024 annual audit opinions on agencies’ accounts, revenue and payments



Source: ECA.

‘Clean’ opinions on the reliability of all agencies’ accounts

2.3. For the 2024 financial year, we issue unqualified (‘clean’) audit opinions on the accounts of all agencies (see [Figure 2.1](#)):

‘Emphasis of matter’ paragraphs for the accounts of seven agencies

2.4. ‘Emphasis of matter’ paragraphs draw readers’ attention to a matter presented or disclosed in the accounts which is of such importance that it is fundamental to the understanding of the accounts or the underlying revenue or payments. For the 2024 financial year, we have used ‘emphasis of matter’ paragraphs in our reports on seven agencies (the CdT, CEPOL, EBA, EIT, EMA, ESMA and SRB):

- the CdT provides disclosures on the decline in operating revenue, which has negatively affected its economic outcome, and on the continuing decrease of the reserve that was created in 2011 to offset fluctuations in business volume and ensure budgetary and pricing stability.
- CEPOL provided a disclosure describing the operational and budgetary impact of a cybersecurity incident that occurred during the reporting year and the remedial action taken.

- the EBA's accounts include disclosures on the significant impacts of the Digital Operational Resilience Act (DORA) and the Markets in Crypto-assets Regulation (MiCAR) as regards the unfunded resources needed to set up the related tasks and implement an appropriate oversight and supervisory policy.
- the EIT's accounts disclose assumptions that were used to estimate operational costs (grant expenses), which are accrued and presented in the balance sheet as a decreasing item of pre-financing assets. Grant expense accrual is a significant estimate that inevitably entails uncertainty. In addition, EIT describes the impact on its contingent assets of recovery recommendations resulting from European Anti-Fraud Office (OLAF) investigations and the uncertainty of EIT estimation of the amounts to recover at the time of preparing the annual accounts.
- EMA provides significant disclosures relating to its property obligations and the uncertainties created by the fact that the subtenant's parent company has filed for bankruptcy for its US and Canada branches. EMA could be held liable for the entire amount remaining payable under the head lease. The maximum amount, including a council tax liability, that will be payable by EMA if the premises remain vacant for the remainder of the lease, is €543 million. In October 2024 EMA agreed a rent reduction with the subtenant and made a €122.1 million provision for onerous contract in that respect.
- the accounts of ESMA and the EBA include a disclosure of uncertainty regarding the outcome of a lawsuit (UniSystems Luxembourg and Unisystems systimata pliroforikis vs ESMA – case [T-750/22](#)).
- the SRB provides several disclosures describing and measuring potential financial exposures as a result of the latest judgments of the General Court in relation to the ex-ante contributions and the annual target level as well as describing administrative appeals and judicial proceedings brought against the SRB before the General Court or the Court of Justice of the European Union. In addition, the SRB confirms that no regular annual contributions will be collected in 2025.

'Other matter' paragraphs address issues of specific importance for the accounts of two agencies

2.5. 'Other matter' paragraphs serve to communicate significant matters other than those that are presented or disclosed in the annual accounts. For the 2024 financial year, we have used 'other matter' paragraphs in our reports on two agencies (the EBA and SRB):

- for 2024, the EBA reallocated significant resources in connection with DORA and MiCAR; we note that they are considerably above the ad hoc funding provided by the Commission (see also paragraph [2.4](#), third bullet).

- o with regard to the SRB our legal mandate includes two reporting obligations. Firstly, Article 287 of the Treaty on the Functioning of the European Union requires us to issue “a statement of assurance as to the reliability of the accounts and the legality and regularity of the underlying transactions”, which we do in the specific annual report on the SRB (see Chapter 3). Secondly, Article 92(4) of the SRM Regulation imposes on us an obligation to “report on any contingent liabilities (whether for the Board, the Council, the Commission or otherwise) arising as a result of the performance by the Board, the Council and the Commission of their tasks under this Regulation”. We meet the second reporting obligation in the Appendix to the specific annual report on the SRB.

‘Clean’ opinions on the legality and regularity of the revenue underlying all agencies’ accounts

2.6. For the 2024 financial year, we issue unqualified (‘clean’) audit opinions on the legality and regularity of the revenue underlying all agencies’ accounts (see [Figure 2.1](#)).

‘Other matter’ paragraph addresses an issue of specific importance for the SRB’s revenue

2.7. The SRM Regulation does not provide for a comprehensive and consistent control framework to ensure the reliability of the information which banks provide to the SRB for the calculation of their ex-ante contributions to the Single Resolution Fund. However, the SRB does perform consistency and analytical checks of that information, as well as some ex-post checks of individual banks. The SRB cannot release details on the risk-adjusted calculations it makes for each bank’s contribution, as they are interlinked and include confidential information about other banks. This may affect the transparency of those calculations. As in the previous financial year, we noted that, the SRB organised a consultation with the institutions in question. Under this procedure, the SRB communicated data that allowed banks to simulate the calculation of their ex-ante contributions, including the impact of any adjustments to the data they had initially submitted. The SRB collected data to have the capacity to raise contributions if needed, but did not calculate or collect any contributions for 2024, as the financial resources of the Single Resolution Fund had reached the target of 1 % of covered deposits by the end of 2023.

‘Clean’ opinions on the legality and regularity of the payments underlying the accounts of all but one agency

2.8. For the 2024 financial year, we issue unqualified (‘clean’) audit opinions on the legality and regularity of the payments underlying the annual accounts of all agencies, except ELA (see [Figure 2.1](#)). In the case of ELA, the qualification regards payments of €2.6 million made in 2024 in connection with a contract awarded following an open procedure that we assessed as

irregular in our 2022 report (€2.2 million) and in connection with shortcomings in ex ante checks in the area of contract implementation (€0.4 million).

‘Emphasis of matter’ and ‘Other matter’ paragraphs in relation to the EIT’s payments

2.9. As regards the EIT’s payments, we pinpoint two issues:

- In 2023, the EIT changed its grant agreements structure from annual to multi-annual grants. The assessment of the legality and regularity of multi-annual grants can only be performed at the time of interim and final payments. In 2024 the EIT paid an amount of €412.0 million in pre-financing payments related to multi-annual grant agreements, which corresponds to 92.9 % of the 2024 total payments. The assessment of the legality and regularity of these payments can only be performed in future years.
- Moreover, in 2024 OLAF concluded an investigation into beneficiaries of grants awarded by the EIT. As a result of the investigation, OLAF recommended that the EIT recover substantial amounts from the beneficiaries subject to the investigation. The amount to recover relates to grant agreements awarded from 2020 to 2023. Nevertheless, in 2024 the EIT made a pre-financing payment of €52.1 million in relation to the 2023 grant agreement. This prefinancing payment was not part of our 2024 audit population of payments. We will assess the legality and regularity of the underlying expenditure in line with OLAF’s findings, once the EIT clears it.

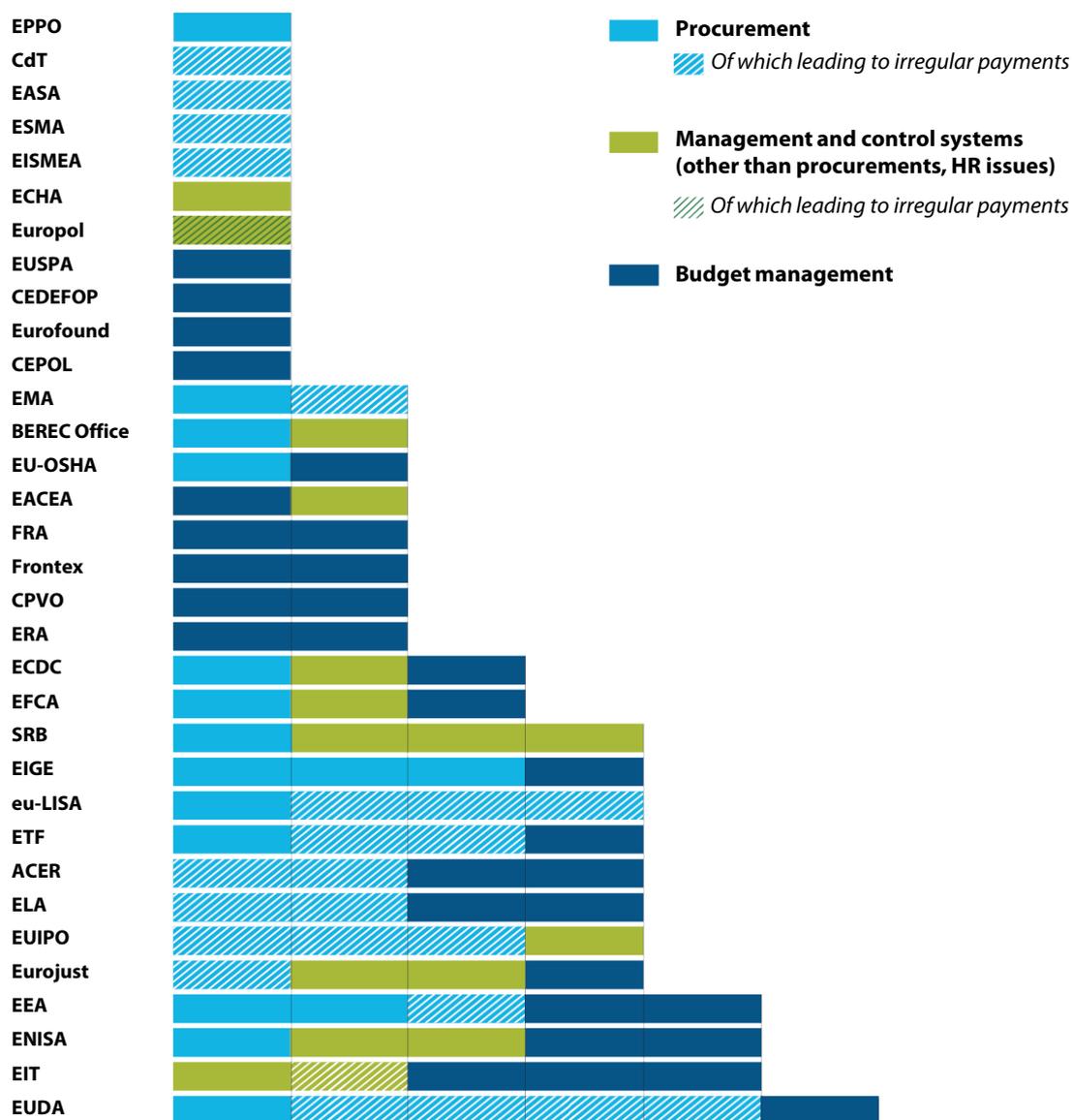
Other observations

Our audit identifies areas for improvement at 33 agencies

2.10. In total, we make 86 observations, identifying the need for further improvements in specific areas at 33 agencies. Two of these observations contribute to our qualified opinion (see paragraph [2.8](#)), and 84 are other observations that do not call our opinions into question. These observations concern issues in budgetary management, management and control systems and public procurement procedures. We note that the latter remain the main source of irregular payments at agencies.

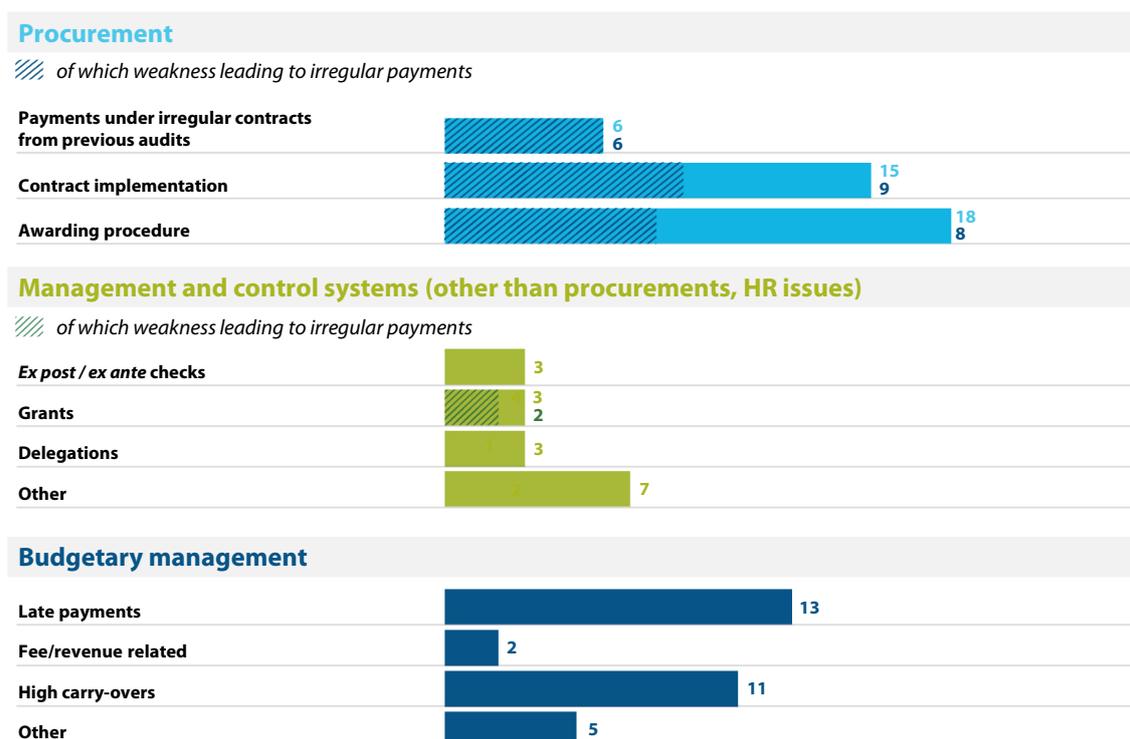
2.11. [Figure 2.2](#) and [Figure 2.3](#) show how many of each type of observation are made in the report in respect of these 33 agencies.

Figure 2.2 – Number of observations on each agency



Source: ECA.

Figure 2.3 – Number of observations by type of frequent weaknesses



Source: ECA.

As in previous years, key issues in budgetary management are high carryovers and late payments

2.12. As regards budgetary management, we report weaknesses relating mainly to automatic carryovers of non-differentiated appropriations and late payments for 21 agencies¹⁰ (see [Figure 2.3](#)). [Box 2.1](#) provides more details on the issue of late payments.

¹⁰ ACER, Cedefop, CEPOL, CPVO, EACEA, ECDC, EEA, EFCA, EIGE, EIT, ELA, ENISA, ERA, ETF, EUDA, EU-OSHA, Eurofound, Eurojust, EUSPA, FRA and FRONTEX.

Box 2.1

Increase in number of agencies with high share of late payments since 2022

The rules require agencies to make payments within specified time limits; any failure to honour these deadlines may entitle creditors to late-payment interest. As part of our work, we report whenever the frequency of late payments exceeds 5 %.

For 2024 we note that for 13 agencies¹¹ more than 5 % of payments were made after the applicable deadline. This presents an increase compared to 2023 (9 agencies) and 2022 (5 agencies).

As shown in the table below, for five agencies we have reported late payments with a frequency exceeding 5 % for every year since 2022.

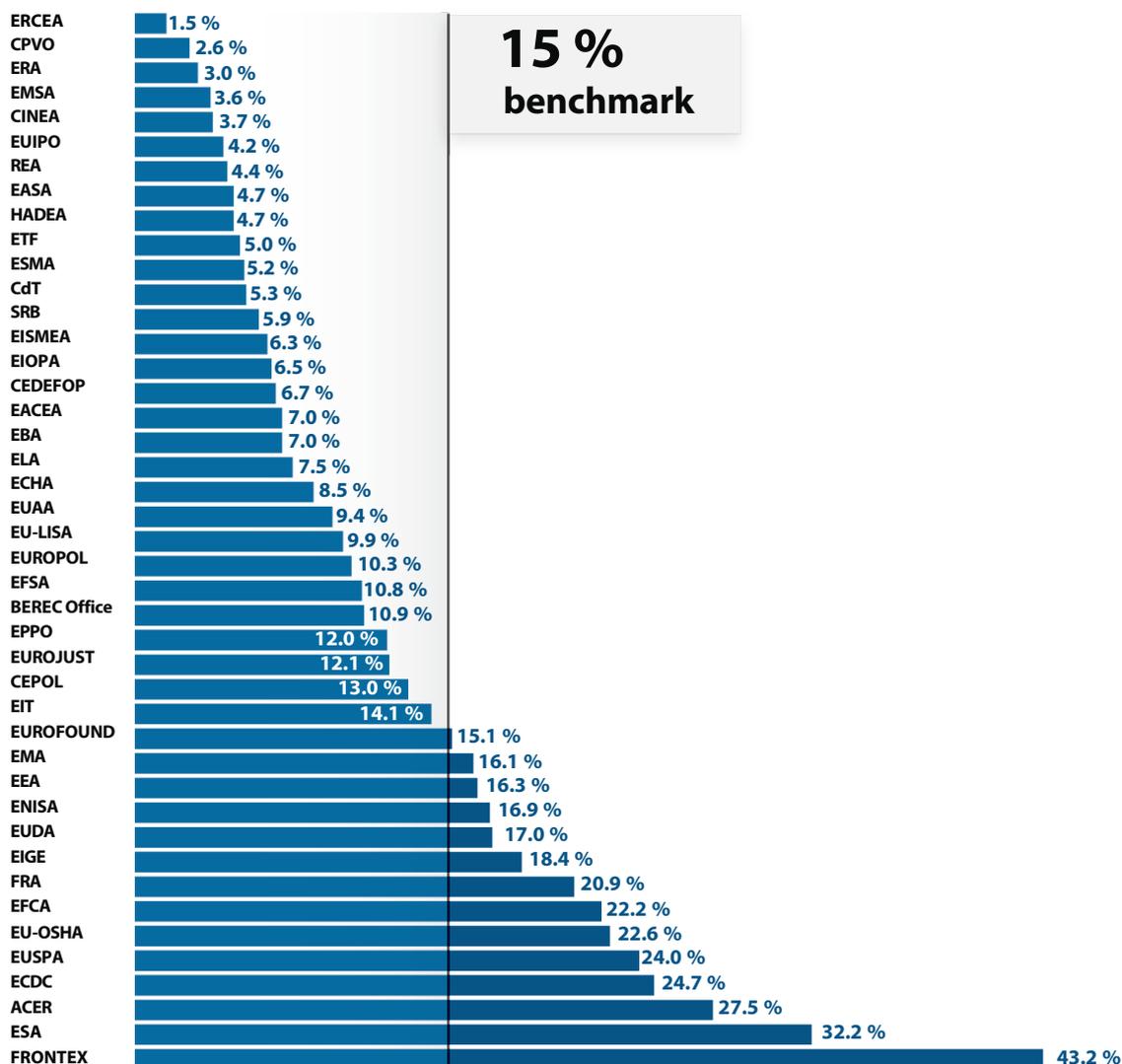
Agency	Frequency of late payments		
	in 2022	in 2023	in 2024
ACER	14 %	11 %	8 %
EEA	13 %	18 %	18 %
ENISA	9 %	9 %	7 %
Eurojust	53 %	50 %	28 %
Frontex	26 %	13 %	6 %

2.13. *Figure 2.4* shows the level of automatic carryovers of voted non-differentiated appropriations for each agency. The EU Financial Regulation does not set ceilings for carryovers. We consider the level of carryovers to be excessive if the value exceeds 10 % for staff costs (Title I), 20 % for administrative expenditure (Title II) or 30 % for operational costs (Title III and others), and if the overall value exceeds the 15 % benchmark, which we have established on the basis of the level of carryovers of the voted non-differentiated appropriations of EU institutions. In addition, we only report excessive levels of carryovers if they are recurrent. In 2024 this was the case for 11 agencies¹².

¹¹ ACER, Cedefop, CEPOL, CPVO, EACEA, EEA, ELA, ENISA, ETF, EUDA, Eurojust, FRA and Frontex.

¹² ACER, ECDC, EEA, EFCA, EIGE, ENISA, EU-OSHA, Eurofound, EUSPA, FRA and Frontex.

Figure 2.4 – Level of carryovers affecting all budget titles combined



Note: 2024 non-differentiated voted appropriations carried over automatically to 2025.

Source: Agencies' 2024 final annual accounts, compiled by the ECA.

We report weaknesses in management and control systems for 11 agencies

2.14. Agencies have their own legal personality and are governed by EU law (see paragraph 1.5). Management and control systems are crucial to ensure the proper functioning of agencies and are required by the Financial Regulation in support of the principle of sound financial management.

2.15. For 11 agencies¹³ we report weaknesses in management and control systems not related to procurement. Our observations concern issues such as the absence of adequate ex-post/ex-ante checks, operational procurements launched without proper financing decisions, expenditure implemented without the proper delegation of power by an authorising officer, weaknesses in the management of grants and delays in an agency's evaluation by the Commission. *Figure 2.3* shows the most common types of management and control system weaknesses we have identified. *Box 2.2* provides an example of such weaknesses.

Box 2.2

Example of weaknesses in management and control systems

ECDC, ENISA and Eurojust did not adopt a proper financing decision prior to launching procurement procedures for operational expenditure. This undermines effective planning and oversight.

Public procurement weaknesses remain the largest source of irregular payments

2.16. The objective of public procurement rules is to enable procuring entities to obtain the goods and services they need at best price, while ensuring fair competition between tenderers and compliance with the principles of transparency, proportionality, equal treatment and non-discrimination. We audited procurement of all the 43 agencies. For 21¹⁴ we reported public procurement shortcomings (see *Figure 2.2*). *Box 2.3* presents examples of typical irregularities in the award and implementation of contracts.

¹³ BEREC Office, EACEA, ECDC, ECHA, EFCA, EIT, ENISA, EUIPO, Eurojust, Europol and SRB.

¹⁴ ACER, BEREC Office, CdT, EASA, ECDC, EEA, EFCA, EIGE, EISMEA, ELA, EMA, ENISA, EPPO, ESMA, ETF, EUDA, EUIPO, eu-LISA, EU-OSHA, Eurojust and SRB.

Box 2.3

Examples of the irregular award and implementation of contracts

The **EUDA** launched a negotiated procedure without prior publication of a contract notice with an estimated maximum value of €410 000, for the provision of services to establish a reporting system on specific drugs. However, the EUDA had not properly justified the use of a negotiated procedure and the choice of inviting a single economic operator to participate. Furthermore, the tender specifications lacked the description of award criteria and of the award method applicable. In addition, the selected contractor did not submit an actual tender, and the EUDA did not set up an evaluation committee. In view of these shortcomings, we concluded that the contract is irregular, and so are the associated payments which, in 2024, amounted to €60 000.

When implementing a training-related framework contract, **ELA** paid €300 300 for services which the contractor invoiced separately even though they were either already covered by a monthly flat-rate amount or were not included in the financial offer. These 2024 payments are therefore irregular.

2.17. We note that the number of observations we make about procurement has slightly decreased in 2024 (39 observations), compared to the two previous financial years (48 in 2022, 43 in 2023). As shown in [Figure 2.5](#), since the 2022 report we have made new observations on procurement every year in relation to seven agencies (CdT, EFCA, EIGE, ELA, ENISA, EUIPO and eu-LISA).

Figure 2.5 – Our observation related to public procurement procedures (2022 to 2024)

	2022			2023			2024			Total number of procurement-related observations	
EU-LISA	3	4	3	1	2	3	2	1	1	20	⚠️ (n)
CdT	2	2	1	2		1	1			9	Observation of the year affecting payments
EIGE	1	1		1	1	1			3	8	(n)
EUDA					2		4	1		7	Observation of the year not affecting payments
EUIPO		1	1		1	1	2		1	7	→ (n)
ETF	2					2		1	2	7	
ENISA	1	2		1	1			1		6	
ELA	1			1		1	1		1	5	
EEA			1		1		1	2		5	
EUAA	1		1		1	1				4	
CPVO		1	1	1		1				4	
CEPOL	2				1	1				4	
EFCA		2		1				1		4	
EASA	1	1				1	1			4	
EU-OSHA				2				1		3	
ESMA					2		1			3	
ACER					1		2			3	
EUROJUST			1			1			1	3	
SRB	1							1		2	
EBA		1			1					2	
ECDC					1			1		2	
EISMEA		1					1			2	
FRONTEX	1	1								2	
EMA							1	1		2	
ERA				1	1					2	
EIT		1								1	
EIOPA	1									1	
BEREC Office								1		1	
EUROFOUND		1								1	
EMSA					1					1	
ERCEA					1					1	
ESA		1								1	
EUSPA		1								1	
HaDEA		1								1	
EPPPO								1		1	
Number of procurement-related observation per type for a given year	17	22	9	11	18	14	17	16	6	130	
TOTAL number of agencies for which we raised a procurement-related observation for a given year	24			23			21				

Source: ECA.

Follow-up of previous years' observations

Agencies are following up on previous years' audit observations

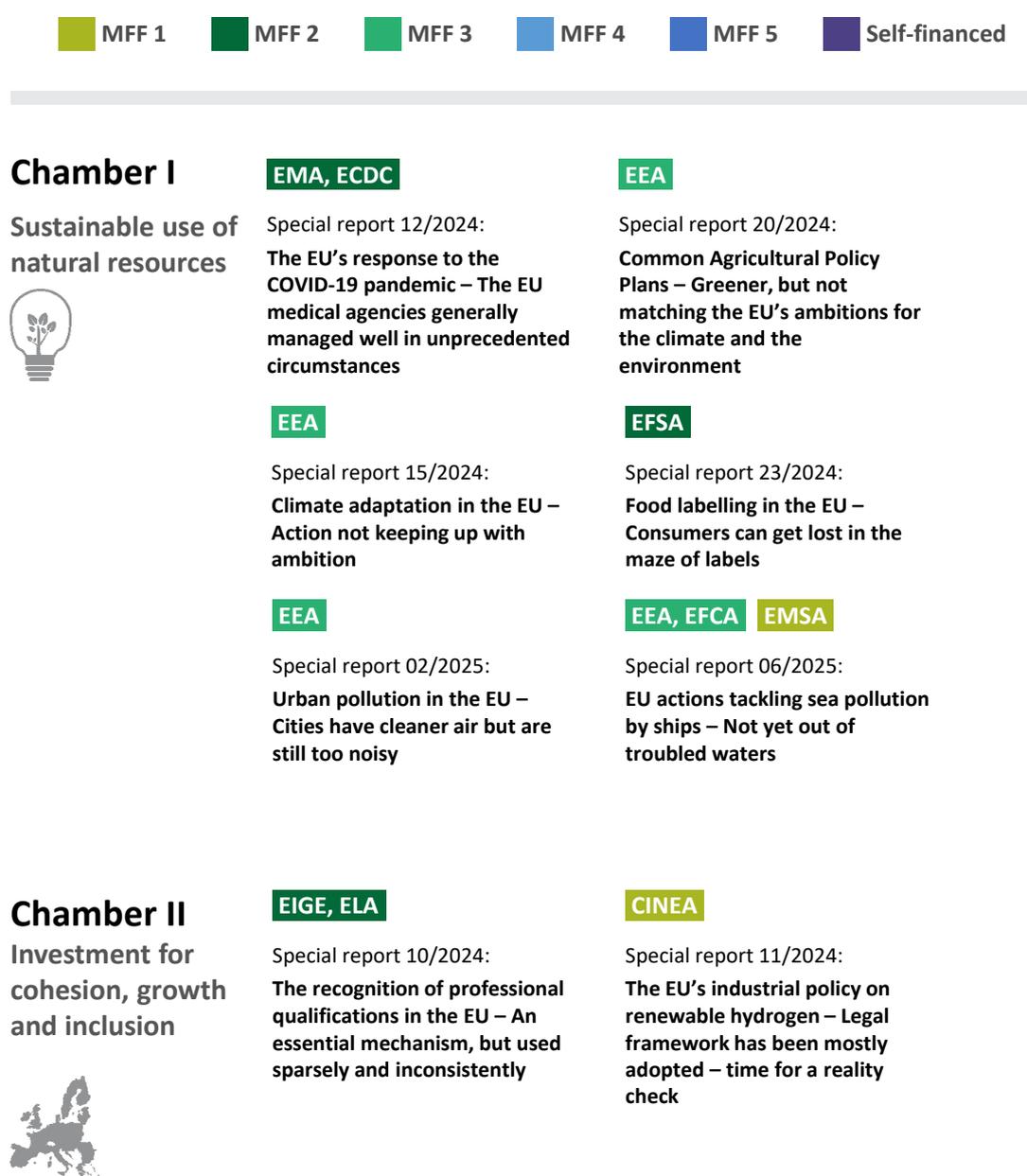
2.18. We provide information on the status of follow-up actions taken by the agencies in response to observations from previous years. For the 129 observations that had not been addressed at the end of 2023, corrective action had been completed in 76 cases. For 26 agencies¹⁵ we report a total of 53 observations from previous years that remained open at the end of 2024. These described in detail in the follow-up tables in Chapter 3.

¹⁵ ACER, CdT, Cedefop, CPVO, ECDC, EEA, EFCA, EIGE, EIOPA, EIT, ELA, ENISA, EPPO, ETF, EUAA, EUDA, EUIPO, eu-LISA, EU-OSHA, Eurofound, Eurojust, Europol, EUSPA, FRA, Frontex and SRB.

Other ECA reports referring to the work of EU agencies

2.19. In addition to our specific audit reports on the EU agencies, in the course of 2024 and the first half of 2025 we issued a number of special reports on EU policy implementation which referred to the work of one or more agencies. [Figure 2.6](#) lists those special reports.

Figure 2.6 – ECA special reports referring to agencies in 2024 and the first half of 2025



MFF 1 MFF 2 MFF 3 MFF 4 MFF 5 Self-financed

Chamber III

External action,
security and justice



Frontex

Special report 17/2024:
**The EU trust fund for Africa –
Despite new approaches,
support remained unfocused**

CINEA

Special report 04/2025:
**EU military mobility – Full speed
not reached due to design
weaknesses and obstacles en
route**

Chamber IV

Regulation of
markets and
competitive
economy



EBA

Special report 01/2025:
**Digital payments in the EU –
Progress towards making them
safer, faster, and less expensive,
despite remaining gaps**

EUROPOL EPPO

Special report 08/2025:
**Value Added Tax fraud on
imports – The EU's financial
interests are insufficiently
protected under simplified
import customs procedures**

EIOPA

Special report 14/2025:
**Developing supplementary
pensions in the EU – EU action
not effective in strengthening
occupational pensions and
establishing a pan-European
personal pension product**

Chamber V

Financing and
administering the
Union



Source: ECA.

CINEA, EACEA

Special report 11/2025:
**Transparency of EU funding
granted to NGOs – Despite
progress, the overview is still
not reliable**

The EU agencies network's reply

https://www.eca.europa.eu/Lists/ECARepplies/EUAN-Replies-SAR-AGENCIES-2024/EUAN-Replies-SAR-AGENCIES-2024_EN.pdf

Chapter 3

Statements of assurance and other agency-specific audit results

3.1. Information in support of the statements of assurance

Basis for opinions

3.1.1. We conducted our audit in accordance with the International Federation of Accountants (IFAC) International Standards on Auditing (ISAs) and Code of Ethics, and the INTOSAI International Standards of Supreme Audit Institutions (ISSAIs). Our responsibilities under those standards are described in more detail in the ‘Auditor’s responsibilities’ section of our report. We also complied with the independence requirements and ethical obligations in the International Ethics Standards Board for Accountants (IESBA) Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Audit approach

3.1.2. We provide the European Parliament and the Council as well as other discharge authorities with statements of assurance as to the reliability of the accounts of the EU agencies and the legality and regularity of the transactions underlying them.

3.1.3. Our audit approach comprises analytical audit procedures, direct tests of transactions, and an assessment of the key components of each agency’s supervisory and control systems. These are supplemented by evidence resulting from the work of other auditors, and by an analysis of information provided by the auditees’ management.

Responsibilities of management and those charged with governance

3.1.4. In accordance with Articles 310 to 325 TFEU and the agencies’ financial regulations, the management of each agency is responsible for preparing and presenting that agency’s accounts on the basis of internationally accepted accounting standards for the public sector, and for ensuring the legality and regularity of the underlying transactions. This includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of financial statements that are free from material misstatement, whether due to fraud or to error. The management also bears ultimate responsibility for ensuring that the activities, financial transactions and other information reflected in the financial statements comply with all relevant regulations.

3.1.5. In preparing the accounts, the management is responsible for assessing the agency's ability to continue as a going concern. It must disclose any matters affecting the agency's status as a going concern, and must use the going-concern basis for accounting, unless it intends, or will be compelled, either to liquidate the entity or to cease operations.

3.1.6. Those charged with the governance of each agency are responsible for overseeing that agency's financial reporting process.

The auditor's responsibilities in connection with the audit of the accounts and underlying transactions

3.1.7. Regarding the financial information reported for each agency, we obtain sufficient appropriate audit evidence to express an opinion with reasonable assurance on the accounts and the underlying transactions.

- In auditing the accounts, which comprise the financial statements¹⁶ and the reports on the implementation of each agency's budget¹⁷ for the financial year, we consider the audit work carried out by the independent external auditor as stipulated in Article 70(6) of the EU Financial Regulation. For the agencies not falling under this provision, i.e. for which we are the only external auditor, our audit consists of a review of accounting and budgetary procedures, substantive testing of significant accounts and analytical procedures.
- In auditing revenue, we verify subsidies received from the EU budget or cooperating countries and assess each agency's procedures for collecting fees and other income, if any.
- In auditing expenditure, we examine payment transactions once costs have been incurred, recorded and accepted. This covers all categories of payments at the point they are made, with the exception of advances. We examine advance payments once the recipient of funding provides justification for its proper use and the agency accepts the justification by clearing the advance, whether in the same year or later. For our overall assessment, we also take account of the results of *ex post* audits carried out by the agencies.

¹⁶ The financial statements comprise the balance sheet, the statement of financial performance, the cash-flow statement, the statement of changes in net assets, a summary of significant accounting policies and other explanatory notes.

¹⁷ The reports aggregate all budgetary operations and include the explanatory notes.

3.1.8. We are solely responsible for our audit opinions. In accordance with the ISAs and ISSAIs, we exercise our professional judgement and maintain professional scepticism throughout the audit. We also take the following steps.

- We identify and assess the risks of material misstatement of the accounts and material non-compliance of the underlying transactions with the EU's legal requirements, whether due to fraud or to error. The risk of failing to detect a material misstatement or non-compliance is higher for fraud than it is for errors, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the overriding of internal controls. We design and perform audit procedures responsive to those risks.
- We obtain an understanding of the internal controls relevant to the audit. We do this not to reach an opinion on the effectiveness of those controls, but so that we can design appropriate audit procedures. If we find serious internal control weaknesses, we try, if possible, to quantify their impact and adjust the risk assessment for the following year.
- We review the appropriateness of accounting policies and the reasonableness of accounting estimates and the related management disclosures.
- We assess the appropriateness of the management's use of the going-concern basis for accounting and, based on the audit evidence we have obtained, we also assess whether there is any material uncertainty in the form of events or circumstances that may cast significant doubt on an agency's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention, in our report, to the related disclosures in the accounts or, if those disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence we have obtained up to the date of our report. However, events or circumstances arising after that date may cause an entity to cease to continue as a going concern.
- Lastly, we evaluate the overall presentation, structure and content of the accounts, including all disclosures, and assess whether the accounts fairly represent the underlying transactions and events.

3.1.9. We communicate with the management on matters such as the planned scope and timing of the audit and any significant audit findings, including findings of significant internal control weaknesses.

3.1.10. In our report, we describe matters that we consider to be of most significance for our audit of the accounts and their underlying transactions. We do this unless public disclosure is legally prohibited or, as happens extremely rarely, we determine that a matter should not be disclosed in our report because the adverse consequences of disclosure would reasonably be expected to outweigh the public-interest benefits.

3.1.11. There can be no guarantee that an audit will always detect all instances of material misstatement or non-compliance in the audited accounts. These instances, which can arise from fraud or error, are considered material if, seen separately or together, they could reasonably be expected to influence the economic decisions taken by users on the basis of those accounts.



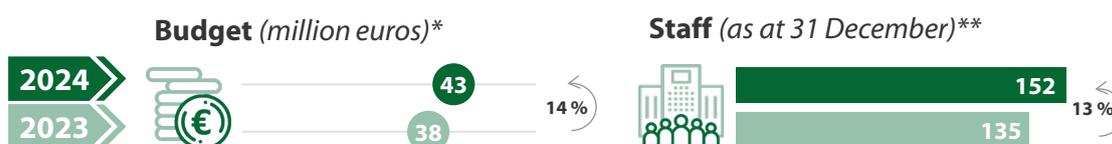
Agencies funded under MFF heading 1 – Single market, innovation and digital

3.2. European Union Agency for the Cooperation of Energy Regulators (ACER)

Introduction

3.2.1. The European Union Agency for the Cooperation of Energy Regulators (ACER), located in Ljubljana, was established by [Regulation \(EC\) No 713/2009](#), subsequently repealed and replaced by [Regulation \(EU\) 2019/942](#). ACER fosters the integration and completion of the internal energy market for electricity and natural gas. It promotes a monitored and transparent energy market, with the aim of achieving fair prices for consumers. [Figure 3.2.1](#) presents key figures for ACER¹⁸.

Figure 3.2.1 – Key figures for ACER



* Budget figures are based on the total payment appropriations available during the financial year.

** “Staff” includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of ACER for the 2023 and 2024 financial years; staff figures provided by ACER.

Our statement of assurance to the European Parliament and the Council – Independent auditor’s report

Opinion

3.2.2. Our audit approach, the basis for our opinion, the responsibilities of ACER’s management and of those charged with governance, and the auditor’s responsibilities for the audit of the accounts and underlying transactions, are all described in section [3.1](#). The signature on page [319](#) forms an integral part of the opinion.

¹⁸ More information on ACER’s role and activities is available on its website: www.acer.europa.eu.

3.2.3. We have audited:

(a) the accounts of the European Union Agency for the Cooperation of Energy Regulators (ACER), which comprise the financial statements and the reports on the implementation of ACER's budget for the financial year ended 31 December 2024, and

(b) the legality and regularity of the transactions underlying those accounts,

as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts

Opinion on the reliability of the accounts

3.2.4. In our opinion, ACER's accounts for the year ended 31 December 2024 present fairly, in all material respects, ACER's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts

Revenue

Opinion on the legality and regularity of revenue underlying the accounts

3.2.5. In our opinion, the revenue underlying ACER's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments

Opinion on the legality and regularity of payments underlying the accounts

3.2.6. In our opinion, the payments underlying ACER's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

3.2.7. The observations which follow do not call our opinion into question.

Observations on the legality and regularity of transactions

3.2.8. After a contractor could no longer provide ACER with software support services, due to a change of policy of its vendor, ACER ordered them from another provider by amending the specific contract with that provider under another framework contract. However, for a period of 6 weeks until this amendment was signed, the new provider delivered the services without a legal basis. ACER duly registered this situation in its register of exceptions. Payments made during that period, amounting to €8 179, are irregular, because they contravene Article 172(1) of the EU Financial Regulation.

3.2.9. ACER launched a negotiated procedure with three tenderers for a services contract with an estimated value of €80 000. ACER awarded the contract to the tenderer offering a “total all-inclusive price” of €51 450. Before signing the contract, the tenderer informed ACER that its value was incorrect because it did not cover the services to be subcontracted. That was due to a mistake in the tenderer’s financial offer. ACER accepted a new, corrected financial offer from the tenderer, now amounting to €79 450, and reassessed all offers. The reassessment did not change the outcome of the procedure and ACER signed the contract with the initially selected tenderer. However, a change in the financial offer is a substantial change and by accepting it ACER contravened Articles 151, 160 (1) and 170 of the EU Financial Regulation. Therefore, the contract, as well as all the related payments, which amounted to €79 450 in 2024, are irregular.

Observations on budgetary management

3.2.10. In 2024 ACER carried over 28 % of the year’s non-differentiated appropriations to 2025. There were significant carry-overs under Title II (52 %) and Title III (58 %), as in 2023. Recurrent high rates of carry-overs undermine the budgetary principle of annuality and are indicative of structural issues in the budget process and implementation cycle.

3.2.11. In 2024 ACER processed 1 794 payment requests, of which 143 (8.0 %), for an amount of €1.6 million (7.1 %), were paid after the legal deadline. A total of €246 was charged in late payment interest. The share of late payments was lower than in 2023, when ACER processed 1 633 payment requests, of which 174 (10.7 %), for an amount of €1.2 million (7.4 %), were paid late but accrued no late payment interest.

Follow-up of previous years' observations

3.2.12. An overview of the action taken by ACER in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years' observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2019	ACER signed a framework contract in cascade, in two lots, for a maximum amount of €25 million in the field of IT systems and consultancy. However, 61 % of the payments made in 2019 under lot 1 of the contract were not covered by the contract price list. ACER concluded direct contracts for the items concerned without a competitive procedure. The associated specific contracts are therefore irregular.	In 2024 the out-of-price-list items purchased under this framework contract amounted to €8 179 (paragraph 3.2.8). The framework contract in question will expire in 2025.	Open
2	2019	We found evidence suggesting that ACER had been using interim staff to make up for a lack of directly employed staff members. All but one of the interim workers working at ACER were performing long-term tasks. ACER should assign permanent and ongoing tasks to directly employed members of staff, not interim staff.	The situation persisted in 2024. We note, however, that the number of interim staff decreased from 18 in 2023 to 16 in 2024 and that ACER intends to subcontract some of the tasks currently carried out by interim staff.	Open

European Union Agency for the Cooperation of Energy Regulators (ACER)

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
3	2023	<p>When DG BUDG stopped providing accounting services, ACER appointed a new accounting officer, with effect on 1 July 2023. However, the new accounting officer, who was the team leader of the budget, finance and procurement department, continued to manage that team, including initiating and verification agents, and authorising officers. This is against Article 44 of ACER's financial regulation, which requires the duties of the authorising officer and the accounting officer to be segregated and mutually exclusive.</p>	<p>A reorganisation took place from 1 May 2024, and the leader of the budget, finance and procurement team has been released from her team leadership duties.</p>	Closed
4	2023	<p>A procurement procedure for consultancy services, with a total estimated value of €1 million, was affected by several shortcomings. These mostly concerned the selection criteria for assessing the tenderers' technical capacity, which were either imprecise or too narrow. These shortcomings risked dissuading some potential bidders. We note, however, that no appeals were filed against this procedure and that ACER received enough offers to show that a minimum degree of competition was ensured.</p>	<p>We observed no similar shortcomings in 2024.</p>	Closed

European Union Agency for the Cooperation of Energy Regulators (ACER)

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
5	2022	ACER has a high level of carry-overs.	The situation persisted in 2024 (paragraph 3.2.10).	Open
6	2023	ACER has a high share of late payments.	The situation persisted in 2024 (paragraph 3.2.11).	Open

European Union Agency for the Cooperation of Energy Regulators (ACER)

ACER replies

https://www.eca.europa.eu/Lists/ECARepplies/ACER-Replies-SAR-AGENCIES-2024/ACER-Replies-SAR-AGENCIES-2024_EN.pdf

3.3. Agency for Support for BEREC (BEREC Office)

Introduction

3.3.1. The Agency for Support for BEREC (BEREC Office), located in Riga, was established by Regulation (EC) No 1211/2009, subsequently repealed and replaced by Regulation (EU) No 2018/1971. The BEREC Office provides professional and administrative support services to the Body of European Regulators for Electronic Communications (BEREC). Under BEREC's guidance, it collects and analyses information on electronic communications and disseminates best practices such as common approaches, methodologies and guidelines on the implementation of the EU regulatory framework among national regulatory authorities. Figure 3.3.1 presents key figures for the BEREC Office¹⁹.

Figure 3.3.1 – Key figures for the BEREC Office



* Budget figures are based on the total payment appropriations available during the financial year.

** "Staff" includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of the BEREC Office for the 2023 and 2024 financial years; staff figures provided by the BEREC Office.

Our statement of assurance to the European Parliament and the Council – Independent auditor's report

Opinion

3.3.2. Our audit approach, the basis for our opinion, the responsibilities of the BEREC Office's management and of those charged with governance, and the auditor's responsibilities for the audit of the accounts and underlying transactions, are all described in section 3.1. The signature on page 319 forms an integral part of the opinion.

¹⁹ More information on the BEREC Office's role and activities is available on its website: www.berec.europa.eu.

Agency for Support for BEREC (BEREC Office)

3.3.3. We have audited:

- (a) the accounts of the Agency for Support for BEREC (BEREC Office), which comprise the financial statements and the reports on the implementation of the BEREC Office's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts

Opinion on the reliability of the accounts

3.3.4. In our opinion, the BEREC Office's accounts for the year ended 31 December 2024 present fairly, in all material respects, the BEREC Office's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts

Revenue

Opinion on the legality and regularity of revenue underlying the accounts

3.3.5. In our opinion, the revenue underlying the BEREC Office's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments

Opinion on the legality and regularity of payments underlying the accounts

3.3.6. In our opinion, the payments underlying the BEREC Office's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

3.3.7. The observations which follow do not call our opinion into question.

Observations on management and control systems

3.3.8. In two negotiated procurement procedures (with a value of €96 040 in one case and €35 000 in the other), the BEREC Office did not indicate the selection criteria in the tender specifications, contravening point 18.2 of Annex I to the EU Financial Regulation. Point 18.5 of Annex I allows the contracting authority, based on a risk assessment, “not to require evidence of the legal, regulatory, financial, economic, technical and professional capacity of economic operators”. However, minimum levels of capacity should still be specified in the procurement documentation. Without this, there was a risk for the BEREC Office that the contractors might not have the capacity to implement the contracts.

3.3.9. As per Article 48 of its founding regulation, by 21 December 2023, the Commission should have carried out the first 5-year evaluation of the BEREC Office to address the possible need to modify the structure or mandate of BEREC and the BEREC Office, and the financial implications of any such modification. However, by the end of 2024 the Commission had not yet finalised this evaluation.

Agency for Support for BEREC (BEREC Office)

BEREC Office replies

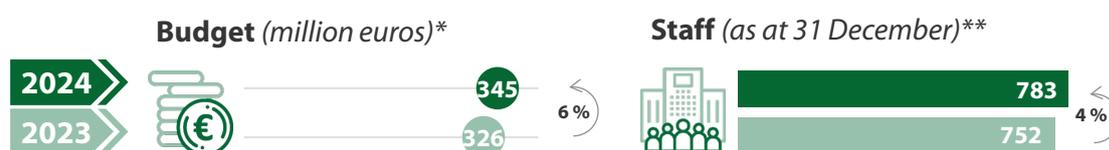
https://www.eca.europa.eu/Lists/ECARepplies/BEREC_Office-Replies-SAR-AGENCIES-2024/BEREC_Office-Replies-SAR-AGENCIES-2024_EN.pdf

3.4. European Union Aviation Safety Agency (EASA)

Introduction

3.4.1. The European Union Aviation Safety Agency (EASA), located in Cologne, was established by [Regulation EU\) 2018/1139](#). It superseded the European Aviation Safety Agency, established in 2002. EASA has specific regulatory and executive tasks in the field of aviation safety, particularly in relation to the design, production, maintenance and operation of aeronautical products. [Figure 3.4.1](#) presents key figures for EASA²⁰.

Figure 3.4.1 – Key figures for EASA



* Budget figures are based on the total payment appropriations available during the financial year.

** “Staff” includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of EASA for the 2023 and 2024 financial years; staff figures provided by EASA.

Our statement of assurance to the European Parliament and the Council – Independent auditor’s report

Opinion

3.4.2. Our audit approach, the basis for our opinion, the responsibilities of EASA’s management and of those charged with governance, and the auditor’s responsibilities for the audit of the accounts and underlying transactions, are all described in section 3.1. The signature on page 319 forms an integral part of the opinion.

²⁰ More information on EASA’s role and activities is available on its website: www.easa.europa.eu.

European Union Aviation Safety Agency (EASA)

3.4.3. We have audited:

- (a) the accounts of the European Union Aviation Safety Agency (EASA), which comprise the financial statements and the reports on the implementation of EASA's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts

Opinion on the reliability of the accounts

3.4.4. In our opinion, EASA's accounts for the year ended 31 December 2024 present fairly, in all material respects, EASA's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts

Revenue

Opinion on the legality and regularity of revenue underlying the accounts

3.4.5. In our opinion, the revenue underlying EASA's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments

Opinion on the legality and regularity of payments underlying the accounts

3.4.6. In our opinion, the payments underlying EASA's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

3.4.7. The observations which follow do not call our opinion into question.

Observations on the legality and regularity of transactions

3.4.8. In November 2019 EASA joined a 7-year Commission framework contract for SAP cloud services. EASA's share of that contract's ceiling was €10.5 million. In 2024 when implementing this contract, EASA ordered a service which the contract and the related price list did not cover. The related payment of €43 399 was therefore irregular.

Follow-up of previous years' observations

3.4.9. An overview of the action taken by EASA in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years' observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2016	EASA has accumulated a €52 million surplus from industry-financed activities over the years, for which there is no provision in its founding regulation.	Article 17(3) of EASA's financial regulation adopted by the Management Board in 2019 includes a provision stipulating: "Budgetary surpluses generated through fees and charges shall fund future activities related to fees and charges or offset losses. Where a significant positive or negative budget result becomes recurrent, the level of fees and charges shall be revised". The level of the accumulated surplus as a share of EASA's budget decreased from 31 % in 2016 to 23 % in 2024.	Closed

European Union Aviation Safety Agency (EASA)

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
2	2022	<p>EASA launched a negotiated procedure without first publishing a contract notice. It justified the use of this procedure by the need for extreme urgency. However, we found that the urgency did not result from an unforeseeable event, since the budget for the new contract had already been approved in early December 2021, leaving enough time for an open procedure.</p> <p>We therefore concluded that the legal basis for the negotiated procedure was incorrect, and the procedure was irregular, as were all associated payments.</p>	<p>The contract expired in June 2023 and led to no payments in 2024.</p> <p>The follow-up contract was awarded through an open procedure.</p>	Closed
3	2022	<p>EASA collects fees and charges for the provision of certification services but does not document the checks it performs to ensure that this revenue is collected correctly. This goes against Articles 74(5) and 75 of the EU Financial Regulation.</p>	<p>EASA revised its procedures to ensure there is a record that administrative and technical eligibility checks have been carried out for each new application.</p>	Closed

European Union Aviation Safety Agency (EASA)

EASA replies

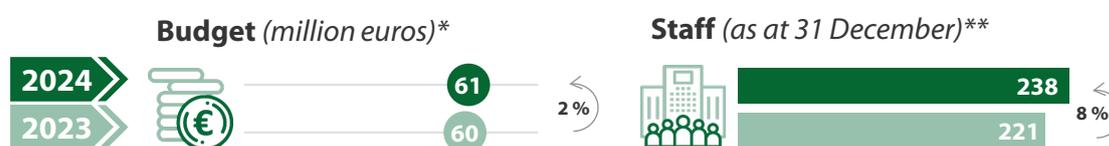
https://www.eca.europa.eu/Lists/ECARepplies/EASA-Replies-SAR-AGENCIES-2024/EASA-Replies-SAR-AGENCIES-2024_EN.pdf

3.5. European Banking Authority (EBA)

Introduction

3.5.1. The European Banking Authority (EBA), located in Paris, was established by [Regulation \(EU\) No 1093/2010](#). The EBA contributes to establishing high-quality common regulatory and supervisory practices in the banking sector, and monitors the application of EU banking law by national authorities. [Figure 3.5.1](#) presents key figures for the EBA²¹.

Figure 3.5.1 – Key figures for EBA



* Budget figures are based on the total payment appropriations available during the financial year.

** “Staff” includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of the EBA for the 2023 and 2024 financial years; staff figures provided by the EBA.

Our statement of assurance to the European Parliament and the Council – Independent auditor’s report

Opinion

3.5.2. Our audit approach, the basis for our opinion, the responsibilities of the EBA’s management and of those charged with governance, and the auditor’s responsibilities for the audit of the accounts and underlying transactions, are all described in section [3.1](#). The signature on page [319](#) forms an integral part of the opinion.

²¹ More information on the EBA’s role and activities is available on its website: www.eba.europa.eu.

European Banking Authority (EBA)

3.5.3. We have audited:

- (a) the accounts of the European Banking Authority (EBA), which comprise the financial statements and the reports on the implementation of the EBA's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts**Opinion on the reliability of the accounts**

3.5.4. In our opinion, the EBA's accounts for the year ended 31 December 2024 present fairly, in all material respects, the EBA's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Emphasis of matter

3.5.5. We draw attention to note IV.1 to the annual accounts for 2024, which describes legal uncertainty in relation to the outcome of CJEU Case T-750/22, *UniSystems Luxembourg and Unisystems sistimata pliroforikis v ESMA*, concerning a public procurement procedure led by ESMA in which the EBA is a participating contracting authority.

3.5.6. We also draw attention to note IV.5, which describes the significant impact of the [Digital Operational Resilience Act \(DORA\)](#), in force since January 2023 and applicable from January 2025, and the [Markets in Crypto-Assets Regulation \(MiCAR\)](#), in force since June 2023 and applicable from December 2024. The two regulations have given the EBA new mandates and tasks. The legislative financial statements supporting the legislative proposals provided for industry fee-funded posts at the EBA for oversight (DORA) and supervisory (MiCAR) tasks. However, they did not initially address the matter of funding – either for setting up those tasks, or for the posts needed to prepare and implement oversight and supervisory policy. All this needed to be addressed in 2023 and 2024, before fee collection by the EBA could start. Despite the Commission's subsequent

European Banking Authority (EBA)

provision of ad hoc funding for DORA-relevant needs (€83 000 for 2024; €332 674 for 2025), the EBA was obliged to reallocate existing resources to these preparatory activities.

Our opinion is not modified in respect of these matters.

Other matter

3.5.7. Evidence from the EBA shows that the resources reallocated for preparatory activities in connection with DORA and MiCAR (see the preceding paragraph) were significant (28.5 FTEs in 2024: 13.5 for DORA; 15 for MiCAR). The Commission's ad hoc funding covered 1 FTE for 2024 and 4 FTEs for 2025.

Our opinion is not modified in respect of this matter.

Legality and regularity of the transactions underlying the accounts

Revenue

Opinion on the legality and regularity of revenue underlying the accounts

3.5.8. In our opinion, the revenue underlying the EBA's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments

Opinion on the legality and regularity of payments underlying the accounts

3.5.9. In our opinion, the payments underlying the EBA's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

Follow-up of previous years' observations

3.5.10. An overview of the action taken by the EBA in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years' observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2023	Three tenderers that did not formally meet the financial requirements were allowed to participate in a procurement procedure. One of them was ultimately ranked second for a specific lot.	The amount earmarked for the lot in question has already been fully committed. All payments under the lot have gone to the first-ranked tenderer (not concerned by the error). The EBA has made no commitments or payments for the second-ranked tenderer.	Closed

European Banking Authority (EBA)

EBA replies

https://www.eba.europa.eu/Lists/ECARepplies/EBA-Replies-SAR-AGENCIES-2024/EBA-Replies-SAR-AGENCIES-2024_EN.pdf

3.6. European Chemicals Agency (ECHA)

Introduction

3.6.1. The European Chemicals Agency (ECHA), located in Helsinki, was established by Regulation (EC) No 1907/2006. ECHA's main task is to implement the EU's chemicals legislation on the protection of human health and the environment. It also contributes to a properly functioning internal market, to innovation and to the competitiveness of the EU's chemicals industry. *Figure 3.6.1* presents key figures for ECHA²².

Figure 3.6.1 – Key figures for ECHA



* Budget figures are based on the total payment appropriations available during the financial year.

** "Staff" includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of ECHA for the 2023 and 2024 financial years; staff figures provided by ECHA.

Our statement of assurance to the European Parliament and the Council – Independent auditor's report

Opinion

3.6.2. Our audit approach, the basis for our opinion, the responsibilities of ECHA's management and of those charged with governance, and the auditor's responsibilities for the audit of the accounts and underlying transactions, are all described in section 3.1. The signature on page 319 forms an integral part of the opinion.

²² More information on ECHA's role and activities is available on its website: www.echa.europa.eu.

European Chemicals Agency (ECHA)

3.6.3. We have audited:

- (a) the accounts of the European Chemicals Agency (ECHA), which comprise the financial statements and the reports on the implementation of ECHA's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts

Opinion on the reliability of the accounts

3.6.4. In our opinion, ECHA's accounts for the year ended 31 December 2024 present fairly, in all material respects, ECHA's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts

Revenue

Opinion on the legality and regularity of revenue underlying the accounts

3.6.5. In our opinion, the revenue underlying ECHA's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments

Opinion on the legality and regularity of payments underlying the accounts

3.6.6. In our opinion, the payments underlying ECHA's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

3.6.7. The observations which follow do not call our opinion into question.

Observations on management and control systems

3.6.8. ECHA concluded a specific contract for IT infrastructure services with an estimated total value of €8.1 million. This exceeded, by €1.3 million, the limit up to which the authorising officer by sub-delegation – who signed the contract on ECHA’s behalf – was authorised to approve.

European Chemicals Agency (ECHA)

ECHA replies

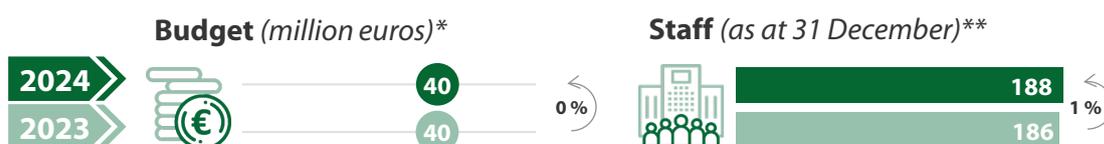
https://www.echa.europa.eu/Lists/ECARepplies/ECHA-Replies-SAR-AGENCIES-2024/ECHA-Replies-SAR-AGENCIES-2024_EN.pdf

3.7. European Insurance and Occupational Pensions Authority (EIOPA)

Introduction

3.7.1. The European Insurance and Occupational Pensions Authority (EIOPA), located in Frankfurt, was established by [Regulation \(EU\) No 1094/2010](#). EIOPA promotes a sound regulatory framework and consistent supervisory practices to protect the rights of policyholders, pension scheme members and beneficiaries, and contribute to public confidence in the European Union’s insurance and occupational pensions sectors. [Figure 3.7.1](#) presents key figures for EIOPA²³.

Figure 3.7.1 – Key figures for EIOPA



* Budget figures are based on the total payment appropriations available during the financial year.

** “Staff” includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of EIOPA for the 2023 and 2024 financial years; staff figures provided by EIOPA.

Our statement of assurance to the European Parliament and the Council – Independent auditor’s report

Opinion

3.7.2. Our audit approach, the basis for our opinion, the responsibilities of EIOPA’s management and of those charged with governance, and the auditor’s responsibilities for the audit of the accounts and underlying transactions, are all described in section 3.1. The signature on page 319 forms an integral part of the opinion.

²³ More information on EIOPA’s role and activities is available on its website: www.eiopa.europa.eu.

3.7.3. We have audited:

- (a) the accounts of the European Insurance and Occupational Pensions Authority (EIOPA), which comprise the financial statements and the reports on the implementation of EIOPA's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts**Opinion on the reliability of the accounts**

3.7.4. In our opinion, EIOPA's accounts for the year ended 31 December 2024 present fairly, in all material respects, EIOPA's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts**Revenue****Opinion on the legality and regularity of revenue underlying the accounts**

3.7.5. In our opinion, the revenue underlying EIOPA's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments**Opinion on the legality and regularity of payments underlying the accounts**

3.7.6. In our opinion, the payments underlying EIOPA's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

European Insurance and Occupational Pensions Authority (EIOPA)

Follow-up of previous years' observations

3.7.7. An overview of the action taken by EIOPA in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years' observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2021	EIOPA's rental contract for its premises stipulates that EIOPA's landlord must give consent in advance before changes can be made to the property and before additional equipment can be installed. It also stipulates that the associated works can only be carried out by contractors nominated by the landlord. As a result of these contractual constraints, EIOPA awarded refurbishment works directly to the contractors designated by the landlord, without an appropriate procurement procedure. This contravenes Articles 164, 167 and 170 of the EU Financial Regulation.	The rental contract for EIOPA's current premises is still in force.	Open

European Insurance and Occupational Pensions Authority (EIOPA)

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
2	2022	<p>In April 2022 EIOPA signed a contract for mobile phone telecommunication services. This was an amendment to the previous contract reflecting the conditions of the new procurement. Contrary to point 1.1. of Annex I to the EU Financial Regulation, the contract was for an indefinite period, with the possibility for EIOPA to end it after the fourth year.</p> <p>To ensure business continuity, EIOPA did not terminate the old subscription after 4 years and documented this deviation in an exception note.</p>	<p>In December 2024, EIOPA joined an interinstitutional procurement procedure covering these services.</p>	Closed
3	2023	<p>For one audited administrative payment (amounting to €712 000), EIOPA authorised the budgetary commitments only after the related legal commitments were signed. This goes against Article 73(2) of EIOPA's financial regulation.</p>	<p>We identified no such incidents in 2024. EIOPA took steps to raise staff awareness about the need to review, initiate and follow up on budgetary commitments upon receipt of prior notifications about such commitments.</p>	Closed

European Insurance and Occupational Pensions Authority (EIOPA)

EIOPA replies

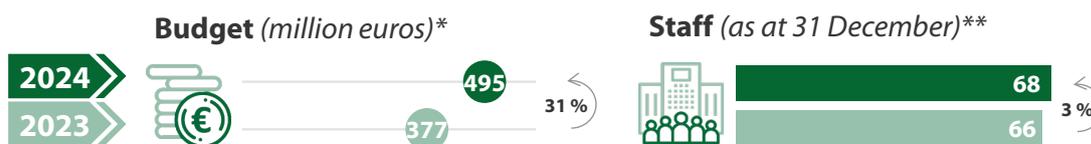
https://www.eca.europa.eu/Lists/ECARepplies/EIOPA-Replies-SAR-AGENCIES-2024/EIOPA-Replies-SAR-AGENCIES-2024_EN.pdf

3.8. European Institute of Innovation and Technology (EIT)

Introduction

3.8.1. The European Institute of Innovation and Technology (EIT), located in Budapest, was established by [Regulation \(EC\) No 294/2008](#), subsequently repealed and replaced by [Regulation \(EU\) 2021/819](#). The EIT contributes to sustainable economic growth and job creation by reinforcing Europe’s innovation capacity. To do this, it awards grants to “knowledge and innovation communities”, which link the higher education, research and business sectors to develop innovative products and services, start new companies and train a new generation of entrepreneurs. [Figure 3.8.1](#) presents key figures for the EIT²⁴.

Figure 3.8.1 – Key figures for the EIT



* Budget figures are based on the total payment appropriations available during the financial year.

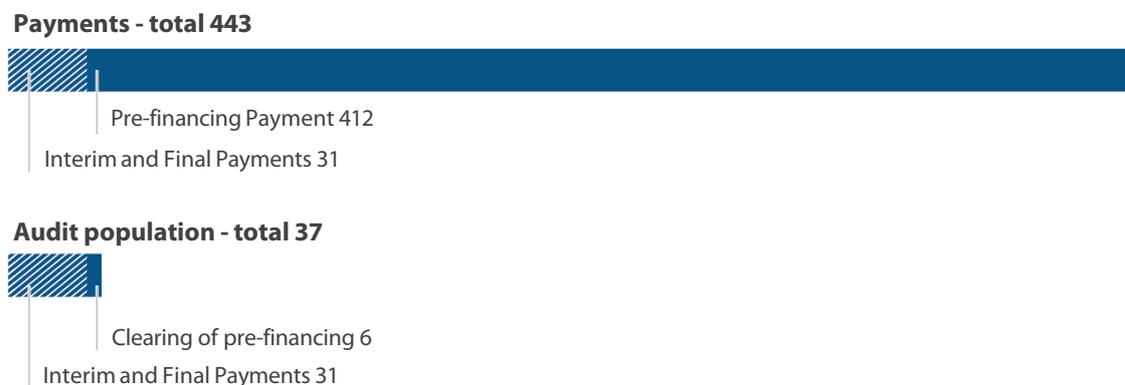
** “Staff” includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Note: The increase in the EIT’s budget corresponds to the change in the grant cycle following the introduction of the new multiannual grants. This increase concerns payment appropriations only (and not commitment appropriations, which remained stable).

Source: Annual accounts of the EIT for the 2023 and 2024 financial years; staff figures provided by the EIT.

3.8.2. As shown in Figure 3.8.2, the EIT’s payments include a material level of prefinancing and clearings. In line with our overall approach to auditing payment transactions (for details see paragraph 3.1.7), we examine payments once the expenditure has been incurred. We examine advance payments when the recipient of funds provides justification for their proper use, and when the EIT accepts the justification by clearing the advance payment, in the same year or later.

²⁴ More information on the EIT’s role and activities is available on its website: <https://eit.europa.eu/>.

Figure 3.8.2 – 2024 EIT audit population compared to payments

Source: Annual accounts of the EIT for the 2024 financial year.

Our statement of assurance to the European Parliament and the Council – Independent auditor’s report

Opinion

3.8.3. Our audit approach, the basis for our opinion, the responsibilities of the EIT’s management and of those charged with governance, and the auditor’s responsibilities for the audit of the accounts and underlying transactions, are all described in section 3.1. The signature on page 319 forms an integral part of the opinion.

3.8.4. We have audited:

- (a) the accounts of the European Institute of Innovation and Technology (EIT), which comprise the financial statements and the reports on the implementation of the EIT’s budget for the financial year ended 31 December 2024, and
- (b) the legality and regularity of the transactions underlying those accounts,

as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts

Opinion on the reliability of the accounts

3.8.5. In our opinion, the EIT's accounts for the year ended 31 December 2024 present fairly, in all material respects, the EIT's financial position as at 31 December 2024 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Emphasis of matter

3.8.6. We draw attention to notes 1.2.3, 1.3.5, 2.3, 2.7.1, 3.3.1, 3.3.2 and 3.3.3 to the EIT's annual accounts, describing the accounting policy and the underlying assumptions applied to estimate the operational costs (grant expenses) which are accrued and presented as a decreasing item of prefinancing assets on the balance sheet. Grant expense accrual is a significant estimate, which inherently entails uncertainties. Our opinion is not modified in respect of this matter.

3.8.7. We draw attention to notes 4.8 and 4.9 to the EIT's annual accounts, describing the impact on EIT contingent assets of recovery recommendations resulting from European Anti-Fraud Office (OLAF) investigations and the uncertainty of EIT estimation of the amounts to recover at the time of preparing the annual accounts.

Legality and regularity of the transactions underlying the accounts

Revenue

Opinion on the legality and regularity of revenue underlying the accounts

3.8.8. In our opinion, the revenue underlying the EIT's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments

Opinion on the legality and regularity of payments underlying the accounts

3.8.9. In our opinion, the payments underlying the EIT's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

Emphasis of matter

3.8.10. We examine advance payments when the recipient of funds provides justification for their proper use, and when an agency accepts the justification by clearing the advance payment in the same year or later (paragraphs **3.1.8** and **3.8.2**). In 2023 the EIT changed its grant agreements structure from annual to multiannual grants. In accordance with Article 111(4) of the EU Financial Regulation, the assessment of the legality and regularity of multiannual grants can only be performed at the time of interim and final payments. In 2024 the EIT paid an amount of €412.0 million in prefinancing payments related to multiannual grant agreements, which corresponds to 92.9 % of the 2024 total payments amounting to €443.2 million. The assessment of the legality and regularity of these payments can only be performed in future years.

Other matter

3.8.11. On 27 September 2024 OLAF concluded an investigation into beneficiaries of grants awarded by the EIT. As a result of the investigation, OLAF recommended that the EIT recover substantial amounts from the beneficiaries subject to the investigation. The amounts to recover relates to grant agreements awarded from 2020 to 2023. In 2024 the EIT made a prefinancing payment of €52.1 million in relation to the 2023 grant agreement. As explained in paragraphs **3.1.7** and **3.8.2**, this prefinancing payment is not part of our 2024 audit population of payments. It will become part of our audit population only after the EIT clears it, which by the end of 2024 had not yet happened. We will assess the legality and regularity of the underlying expenditure in line with OLAF's findings, once the EIT clears it.

3.8.12. The observations which follow do not call our opinion into question.

Observations on the legality and regularity of transactions

3.8.13. The EIT checks the legality and regularity of its grant payments ex post. For the final payment incurred in the 2024 financial year, the ex-post verifications were performed by

European Institute of Innovation and Technology (EIT)

an external firm, based on agreed-upon-procedures. Overall, the external firm examined a representative sample of 50 costs items and reported findings in 19 them. The EIT validated these findings and informed us that, in its assessment, two of the findings included ineligible costs that resulted in an overall error rate for the 50 items of 0.4 %.

We have reviewed the verifications performed by the external firm and the related follow-up carried out by the EIT. We found that, in addition to the two cost items mentioned above, there was an additional one, which also included ineligible costs.

This cost item was related to personnel costs of staff already engaged by the beneficiary under another contract, who had an additional contract exclusively for the grant. We noted that the costs claimed were not based on the average remuneration of the two contracts but only on the remuneration of the contract linked to the action, which contravenes the eligibility rules. The amount claimed in excess was €4 562.

We have reperformed the overall error calculation for the 50 items including this additional error and concluded that the grant payments were affected by an estimated error rate of 0.8 %. By applying this error rate to the €6 million EIT's cleared grant payments in 2024, we estimate that around €50 000 is affected by error.

Observations on management and control systems

3.8.14. The EIT uses an interinstitutional framework contract for travel services. We discovered that the EIT does not use order forms or specific contracts to order travel services, as required by the terms of the contract. The EIT uses staff mission orders as a legal commitment, but the mission orders are not communicated to the contractor. Instead, the EIT requires travelling staff members to order their travel services by sending an email to the contractor, thereby delegating the full responsibility for ensuring that the services ordered correspond to the legal commitment. We also found that in three cases, missions orders and cost claims were not approved by a formally delegated staff member. In addition, we detected that the EIT does not have a reliable system to ensure that the consumption of the framework contract remains within the available contract ceiling.

Observations on budgetary management

3.8.15. We audited a sample of budgetary commitments carried over to 2025. We found that one of the commitments carried over was for staff costs (remuneration and allowances for 2024). The commitment had not been cancelled by the end of 2024, according to the rule for staff costs; instead, an amount of €118 697 was carried over to 2025 as C9 appropriations contravening Article 12(5) of the Framework Financial Regulation.

European Institute of Innovation and Technology (EIT)

3.8.16. On 28 February 2025 the EIT published an amending budget in the *Official Journal of the European Union*. The amending budget shows total revenue of €463.6 million and total expenditure of €446.7 million, which is contrary to the budgetary principles of accuracy and equilibrium referred to in Articles 8 and 16 of the Framework Financial Regulation.

3.8.17. In 2024 the EIT received €16.7 million of external assigned revenue from three different contribution agreements. This external assigned revenue was added to its amending budget No 3 under Title 2 'Contributions', in the same way as the European Commission contribution. This is contrary to the budgetary principles of unity, universality and specification referred to in Articles 8, 20, 21 and 25 of the Framework Financial Regulation.

Follow-up of previous years' observations

3.8.18. An overview of the action taken by the EIT in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years' observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2019	The increase in the EIT's budget and the growing number of knowledge and innovation communities to oversee have not been accompanied by an increase in the number of relevant posts.	The situation persisted in 2024. This issue is not within the EIT's control.	Open
2	2022	For two audited payments in 2021 and three in 2022, the EIT had authorised budgetary commitments only after the contracts were signed. This goes against Article 73(2) of the Framework Financial Regulation.	In 2023 the EIT organised meetings with the departments concerned to clarify the correct procedures. We did not detect any similar issues in 2024.	Closed
3	2023	An estimated amount of €12.2 million of grant payments was affected by error. This represented 3.2 % of the total audit population of €385.2 million in 2023.	The estimated error rate affecting EIT 2024 grant payments is 0.8 % (see paragraph 3.8.13).	Open

European Institute of Innovation and Technology (EIT)

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
4	2023	The EIT has developed a set of procedures and guidelines for the performance of <i>ex post</i> checks of grant payments. However, these procedures and guidelines have not yet been updated to take account of the implications of the EIT's move to a multiannual grant agreement structure on its <i>ex post</i> control strategy.	The procedures and guidelines are still being updated.	Open

European Institute of Innovation and Technology (EIT)

EIT replies

https://www.eca.europa.eu/Lists/ECARepplies/EIT-Replies-SAR-AGENCIES-2024/EIT-Replies-SAR-AGENCIES-2024_EN.pdf

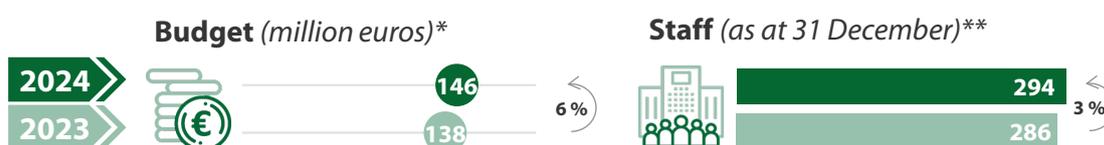
3.9. European Maritime Safety Agency (EMSA)

Introduction

3.9.1. The European Maritime Safety Agency (EMSA), located in Lisbon, was established by Regulation (EC) No 1406/2002. EMSA's main tasks are to help ensure maritime safety and prevent and respond to marine pollution by ships. It assists the Commission and the member states in these areas, and monitors and evaluates the implementation of EU legislation.

Figure 3.9.1 presents key figures for EMSA²⁵.

Figure 3.9.1 – Key figures for EMSA



* Budget figures are based on the total payment appropriations available during the financial year.

** "Staff" includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of EMSA for the 2023 and 2024 financial years; staff figures provided by EMSA.

Our statement of assurance to the European Parliament and the Council – Independent auditor's report

Opinion

3.9.2. Our audit approach, the basis for our opinion, the responsibilities of EMSA's management and of those charged with governance, and the auditor's responsibilities for the audit of the accounts and underlying transactions, are all described in section 3.1. The signature on page 319 forms an integral part of the opinion.

²⁵ More information on EMSA's role and activities is available on its website: www.emsa.europa.eu.

European Maritime Safety Agency (EMSA)

3.9.3. We have audited:

(a) the accounts of the European Maritime Safety Agency (EMSA), which comprise the financial statements and the reports on the implementation of EMSA's budget for the financial year ended 31 December 2024, and

(b) the legality and regularity of the transactions underlying those accounts,

as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts

Opinion on the reliability of the accounts

3.9.4. In our opinion, EMSA's accounts for the year ended 31 December 2024 present fairly, in all material respects, EMSA's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts

Revenue

Opinion on the legality and regularity of revenue underlying the accounts

3.9.5. In our opinion, the revenue underlying EMSA's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments

Opinion on the legality and regularity of payments underlying the accounts

3.9.6. In our opinion, the payments underlying EMSA's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

European Maritime Safety Agency (EMSA)

Follow-up of previous years' observations

3.9.7. An overview of the action taken by EMSA in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years' observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2023	<p>The successful bidder in an open procurement procedure had submitted two separate tenders.</p> <p>Accepting more than one tender from the same bidder in the same open procedure was a breach of Article 164(2) of the EU Financial Regulation and contrary to the legal principles of transparency and equal treatment.</p> <p>However, before the submission deadline all the bidders were informed that they could submit multiple tenders, and none of them objected. The two tenders submitted by the successful bidder were ranked first and second. For both these reasons, we conclude that, even without this breach of Article 164(2), the outcome of the procedure would have been the same.</p>	<p>EMSA has adapted its tender specifications to make clear when multiple tenders are accepted, while otherwise keeping the wording aligned with the latest version of the standard templates made available to EU institutions and bodies.</p>	Closed

European Maritime Safety Agency (EMSA)

EMSA replies

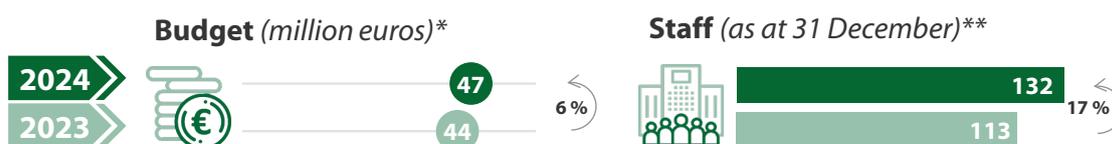
https://www.eca.europa.eu/Lists/ECARepplies/EMSA-Replies-SAR-AGENCIES-2024/EMSA-Replies-SAR-AGENCIES-2024_EN.pdf

3.10. European Union Agency for Cybersecurity (ENISA)

Introduction

3.10.1. The European Union Agency for Cybersecurity (ENISA), located in Athens, was established by [Regulation \(EU\) 2019/881](#). ENISA succeeded and replaced the European Union Agency for Network and Information Security, established in 2013, and is a successor to the European Network and Information Security Agency, established in 2004. ENISA's main mission is to achieve a high common level of cybersecurity across the EU, including actively supporting member states and EU bodies in improving cybersecurity and by serving as a reference point for advice and expertise for all relevant EU stakeholders. [Figure 3.10.1](#) presents key figures for ENISA²⁶.

Figure 3.10.1 – Key figures for ENISA



* Budget figures are based on the total payment appropriations available during the financial year.

** "Staff" includes EU officials, EU temporary agents, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of ENISA for the 2023 and 2024 financial years; staff figures provided by ENISA.

Our statement of assurance to the European Parliament and the Council – Independent auditor's report

Opinion

3.10.2. Our audit approach, the basis for our opinion, the responsibilities of ENISA's management and of those charged with governance, and the auditor's responsibilities for the audit of the accounts and underlying transactions, are all described in section [3.1](#). The signature on page [319](#) forms an integral part of the opinion.

²⁶ More information on ENISA's role and activities is available on its website: www.enisa.europa.eu.

European Union Agency for Cybersecurity (ENISA)

3.10.3. We have audited:

- (a) the accounts of the European Union Agency for Cybersecurity (ENISA), which comprise the financial statements and the reports on the implementation of ENISA's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts

Opinion on the reliability of the accounts

3.10.4. In our opinion, ENISA's accounts for the year ended 31 December 2024 present fairly, in all material respects, ENISA's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts

Revenue

Opinion on the legality and regularity of revenue underlying the accounts

3.10.5. In our opinion, the revenue underlying ENISA's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments

Opinion on the legality and regularity of payments underlying the accounts

3.10.6. In our opinion, the payments underlying ENISA's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

3.10.7. The observations which follow do not call our opinion into question.

Observations on management and control systems

3.10.8. ENISA did not adopt a proper financing decision prior to launching procurement procedures for operational expenditure. This undermines effective planning and oversight, and contravenes Articles 32(1) and 72(3)(b) of ENISA's financial rules.

3.10.9. For four conferences (one held in 2024, two in 2023 and one in 2022), the average hotel rates paid by ENISA exceeded the ceilings applicable to EU staff which can serve as a benchmark. In addition, for two of these conferences, ENISA covered high cancellation fees of around 30 % of the total accommodation costs. ENISA has not established guidelines or *ex ante* checks for the organisation of conferences.

3.10.10. A procurement procedure for research and development services lacked sufficient documentation to justify the estimated contract value. In addition, the absence of specific and measurable selection criteria for this procedure limited the proper assessment of tenderers' capacities as required by Article 167 and point 18.2 of Annex I to the EU Financial Regulation.

Observations on budgetary management

3.10.11. In 2024 ENISA carried over 16.9 % of the year's non-differentiated appropriations to 2025. We observed that there were significant carry-overs under Title II (39.6 %). Recurrent high rates of carry-overs undermine the budgetary principle of annuality and are indicative of structural issues in the budget process and implementation cycle.

3.10.12. In 2024 ENISA processed 1 969 payment requests, of which 146 (7.4 %), for an amount of €925 235 (5.4 %), were paid after the legal deadline. However, no late payment interest was charged. The share of late payments was lower in number but higher in amount than in 2023 when ENISA processed 3 156 payment requests, of which 291 (9.2 %), for an amount of €1.16 million (4.0 %), were paid late, leading to late payment interest of €1 060.

Follow-up of previous years' observations

3.10.13. An overview of the action taken by ENISA in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years' observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2023	In 2022 ENISA received €15 million to enhance cybersecurity support to the member states. The agency launched a procurement procedure, signing 28 framework contracts worth €14.4 million. In 2023 ENISA's Management Board approved a derogation from its financial rules, allowing fund reallocations between contracts. This led to €1.8 million in irregular payments (4.1 % of 2023 payment appropriations).	The identified irregularity was not systemic and was a unique event. ENISA now has a contribution agreement under the Digital Europe Programme signed with DG CNECT, which ensures legal compliance and greater flexibility in fund use.	Closed
2	2023	In a €0.5 million graphic design procurement, ENISA did not assess two unusually low bids (47 % and 64 % of the average), contravening point 23.1 of Annex I to the EU Financial Regulation. These bidders were ranked first and second in cascade.	On 12 August 2024 ENISA approved guidelines for evaluation sessions, which include the process for investigating abnormally low tenders.	Closed

European Union Agency for Cybersecurity (ENISA)

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
3	2023	Without the prior approval of the Management Board and without the prior consent of the Commission, in September 2023 ENISA's Executive Director derogated from Articles 15 and 32 of ENISA's founding regulation and Articles 41 and 45 of ENISA's financial regulation, to allow 15 interim staff to assume roles in the financial circuit.	ENISA continues to use interim staff and seconded national experts for these tasks.	Open
4	2023	By decision of the Executive Director from July 2023, ENISA's accounting officer is also the internal control coordinator. This is not in line with Article 44 of ENISA's financial regulation, which requires the segregation of duties between the authorising officer and accounting officer. The role of internal control coordinator, covering the authorising officer's responsibilities, is incompatible with the role of accounting officer.	In a 2024 Executive Director's decision, ENISA clarified the responsibilities of the internal control coordinator, who "cannot act as Authorising Officer in order not to create any situation of conflict of interest". However, this does not fully address the overlap of responsibilities between the authorising officer and the accounting officer in the area of internal controls which we identified.	Open
5	2023	ENISA has a high share of late payments.	The situation persisted in 2024 (paragraph 3.10.12).	Open

European Union Agency for Cybersecurity (ENISA)

ENISA replies

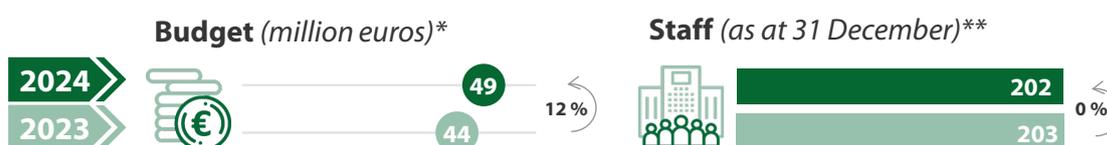
https://www.eca.europa.eu/Lists/ECARepplies/ENISA-Replies-SAR-AGENCIES-2024/ENISA-Replies-SAR-AGENCIES-2024_EN.pdf

3.11. European Union Agency for Railways (ERA)

Introduction

3.11.1. The European Union Agency for Railways (ERA), located in Lille and Valenciennes, was established by [Regulation \(EU\) 2016/796](#). ERA superseded the European Railway Agency, established in 2004. ERA’s task is to enhance the interoperability and safety of European railway systems. It is also responsible for issuing authorisations, certificates and approvals in this field. [Figure 3.11.1](#) presents key figures for ERA²⁷.

Figure 3.11.1 – Key figures for ERA



* Budget figures are based on the total payment appropriations available during the financial year.

** “Staff” includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of ERA for the 2023 and 2024 financial years; staff figures provided by ERA.

Our statement of assurance to the European Parliament and the Council – Independent auditor’s report

Opinion

3.11.2. Our audit approach, the basis for our opinion, the responsibilities of ERA’s management and of those charged with governance, and the auditor’s responsibilities for the audit of the accounts and underlying transactions, are all described in section [3.1](#). The signature on page [319](#) forms an integral part of the opinion.

²⁷ More information on ERA’s role and activities is available on its website: www.era.europa.eu.

European Union Agency for Railways (ERA)

3.11.3. We have audited:

- (a) the accounts of the European Union Agency for Railways (ERA), which comprise the financial statements and the reports on the implementation of ERA's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts**Opinion on the reliability of the accounts**

3.11.4. In our opinion, ERA's accounts for the year ended 31 December 2024 present fairly, in all material respects, ERA's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts**Revenue****Opinion on the legality and regularity of revenue underlying the accounts**

3.11.5. In our opinion, the revenue underlying ERA's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments**Opinion on the legality and regularity of payments underlying the accounts**

3.11.6. In our opinion, the payments underlying ERA's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

3.11.7. The observations which follow do not call our opinion into question.

Observations on management and control systems

3.11.8. ERA organised the 2024 European Rail Traffic Management System conference for up to 500 attendees. ERA identified 141 incoming payments from participants, amounting to €144 153, as relating to the conference. However, because of poor documentation, ERA could not match the participation fees to the number of participants. This means that there is a risk that the full revenue due was not collected.

3.11.9. The general conditions applicable to chargeable services under Article 43 of ERA's founding regulation require ERA to issue debit notes or invoices within 60 days of the provision of the service. In practice, contravening the applicable rules, ERA issues invoices only upon clients' explicit requests.

Follow-up of previous years' observations

3.11.10. An overview of the action taken by ERA in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years' observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2018	In 2019 ERA will start collecting fees and charges for certification tasks. The new regulation on fees and charges requires the specific needs of small and medium-sized enterprises to be taken into account. ERA should introduce effective controls to check whether the applicants qualify as small and medium-sized enterprises.	ERA has updated the one-stop-shop application.	Closed

European Union Agency for Railways (ERA)

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
2	2022	ERA's SUMMA user management system is managed by DG BUDG, which is responsible for granting and removing the rights of SUMMA users on the basis of information provided by ERA. This process is not yet formally structured, and ERA does not specifically check attributed user rights. There is therefore a risk that the user roles in SUMMA may be incorrectly assigned and updated. SUMMA also still lacks a suitable user profile for auditors.	ERA has introduced several measures to strengthen its internal control mechanisms due to the implementation of SUMMA. These measures include updating its financial manual, implementing internal approval workflows, regular <i>ex post</i> control of user access rights, and training and awareness programmes for all users. Additionally, ERA has developed customised and automatic reports that provide an overview of financial actors by their role and corresponding financial transactions. ERA has also proactively cooperated with the Commission to implement corrective measures and has established a service level agreement with the Commission regarding the management of authorisations in SUMMA.	Closed
3	2023	ERA signed a specific contract for the acquisition of network and security services, for an amount of €238 900, without a reopening of competition as required by the framework contract. All payments linked to the specific contract (€254 400) were therefore irregular.	The specific contract expired in 2023 and no payments were made in 2024.	Closed

European Union Agency for Railways (ERA)

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
4	2023	In a procurement procedure for the provision of facilities management services for a total of €1 million, ERA did not properly define the selection criteria and the evaluation committee did not properly assess whether any bids were abnormally low.	Our observation was linked to a one-off situation.	Closed
5	2023	In 2023 ERA did not comply with the 30-day time limit for issuing invoices. Delays in invoicing, which in 2023 averaged 47 days, can lead to delays in revenue collection and budget difficulties.	In 2024 ERA reduced the average invoice issuing time to 22 days.	Closed
6	2023	ERA has a high share of late payments.	ERA has implemented several measures, such as discussing monthly reports on payment processing status in management team meetings and mandatory training in SUMMA for all staff with financial roles, to reduce the number of late payments. In 2024 98.4 % of the invoices were paid on time.	Closed

European Union Agency for Railways (ERA)

ERA replies

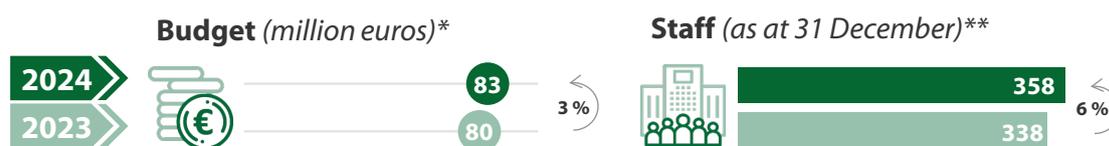
https://www.eca.europa.eu/Lists/ECARepplies/ERA-Replies-SAR-AGENCIES-2024/ERA-Replies-SAR-AGENCIES-2024_EN.pdf

3.12. European Securities and Markets Authority (ESMA)

Introduction

3.12.1. The European Securities and Markets Authority (ESMA), located in Paris, was established by [Regulation \(EU\) No 1095/2010](#). ESMA's mandate is to enhance investor protection and promote stability and order in financial markets. It achieves its mission and objectives through four activities: assessing risks to investors, markets and financial stability; completing a single rulebook for EU financial markets; promoting supervisory convergence; and directly supervising specific financial entities. [Figure 3.12.1](#) presents key figures for ESMA²⁸.

Figure 3.12.1 – Key figures for ESMA



* Budget figures are based on the total payment appropriations available during the financial year.

** "Staff" includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of ESMA for the 2023 and 2024 financial years; staff figures provided by ESMA.

Our statement of assurance to the European Parliament and the Council – Independent auditor's report

Opinion

3.12.2. Our audit approach, the basis for our opinion, the responsibilities of ESMA's management and of those charged with governance, and the auditor's responsibilities for the audit of the accounts and underlying transactions, are all described in section [3.1](#). The signature on page [319](#) forms an integral part of the opinion.

²⁸ More information on ESMA's role and activities is available on its website: www.esma.europa.eu.

3.12.3. We have audited:

- (a) the accounts of the European Securities and Markets Authority (ESMA), which comprise the financial statements and the reports on the implementation of ESMA's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts**Opinion on the reliability of the accounts**

3.12.4. In our opinion, ESMA's accounts for the year ended 31 December 2024 present fairly, in all material respects, ESMA's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Emphasis of matter

3.12.5. We draw attention to note IV.1 'Other significant disclosures' to the annual accounts for 2024, which describes the uncertainty related to the outcome of Case T-750/22, *UniSystems Luxembourg and Unisystems sistimata pliroforikis v ESMA*, concerning a public procurement procedure. Our opinion is not modified in respect of this matter

Legality and regularity of the transactions underlying the accounts**Revenue****Opinion on the legality and regularity of revenue underlying the accounts**

3.12.6. In our opinion, the revenue underlying ESMA's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments

Opinion on the legality and regularity of payments underlying the accounts

3.12.7. In our opinion, the payments underlying ESMA's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

3.12.8. The observations which follow do not call our opinion into question.

Observations on the legality and regularity of transactions

3.12.9. In 2024 ESMA recorded in its register of exceptions six incidents related to contracts signed only after the services concerned had been provided. All these incidents contravened Article 172(1) of the EU Financial Regulation, which stipulates that the performance of the contract must not start before it is signed. Therefore, all the payments for services rendered prior to the conclusion of the related contracts, which in 2024 amounted to €30 556, are irregular.

Follow-up of previous years' observations

3.12.10. An overview of the action taken by ESMA in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years’ observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2023	In two audited procurement procedures for services of a total value of €53 million, we found that the financial capacity required from the tenderers exceeded two times the estimated annual contract value, which is the maximum allowed by point 19.1 of Annex I to the EU Financial Regulation.	ESMA took steps to reinforce its management and control systems in the area of procurement, including the introduction of an additional verification step regarding the calculation of the turnover thresholds for the financial capacity requirement.	Closed
2	2023	ESMA asked three of the four tenderers in a negotiated procedure for services relating to “crypto off-chain data”, with an estimated value of €100 000, to provide additional clarifications. In one case, the clarification request went beyond the elements listed in the tender specifications or those included in the actual tender. This contravened Article 151 of the EU Financial Regulation.	ESMA took steps to reinforce its management and control systems in the area of procurement, including the introduction of an additional checklist covering the handling of requests for clarification.	Closed

European Securities and Markets Authority (ESMA)

ESMA replies

https://www.esma.europa.eu/Lists/ECARepplies/ESMA-Replies-SAR-AGENCIES-2024/ESMA-Replies-SAR-AGENCIES-2024_EN.pdf

3.13. European Union Agency for the Space Programme (EUSPA)

Introduction

3.13.1. The European Union Agency for the Space Programme (EUSPA), located in Prague, was established by [Regulation \(EU\) 2021/696](#). EUSPA superseded the European Global Navigation Satellite System Agency, established in 2010, and is the latest successor to the European Global Navigation Satellite System Supervisory Authority, established in 2004. EUSPA manages the EU’s space programme and provides multiple services in the space sector.

[Figure 3.13.1](#) presents key figures for EUSPA²⁹.

Figure 3.13.1 – Key figures for EUSPA



* Budget figures are based on the total payment appropriations available during the financial year.

** “Staff” includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of EUSPA for the 2023 and 2024 financial years; staff figures provided by EUSPA.

Our statement of assurance to the European Parliament and the Council – Independent auditor’s report

Opinion

3.13.2. Our audit approach, the basis for our opinion, the responsibilities of EUSPA’s management and of those charged with governance, and the auditor’s responsibilities for the audit of the accounts and underlying transactions, are all described in section [3.1](#). The signature on page [319](#) forms an integral part of the opinion.

²⁹ More information on EUSPA’s role and activities is available on its website: www.euspa.europa.eu.

European Union Agency for the Space Programme (EUSPA)

3.13.3. We have audited:

- (a) the accounts of the European Union Agency for the Space Programme (EUSPA), which comprise the financial statements and the reports on the implementation of EUSPA's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts

Opinion on the reliability of the accounts

3.13.4. In our opinion, EUSPA's accounts for the year ended 31 December 2024 present fairly, in all material respects, EUSPA's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts

Revenue

Opinion on the legality and regularity of revenue underlying the accounts

3.13.5. In our opinion, the revenue underlying EUSPA's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments

Opinion on the legality and regularity of payments underlying the accounts

3.13.6. In our opinion, the payments underlying EUSPA's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

3.13.7. The observations which follow do not call our opinion into question.

Observations on budgetary management

3.13.8. In 2024 EUSPA carried over 22.3 % of the year's non-differentiated appropriations to 2025. There were significant carry-overs under Title II (70.6 %), as in 2023. Recurrent high rates of carry-overs undermine the budgetary principle of annuality and are indicative of structural issues in the budget process and implementation cycle.

Follow-up of previous years' observations

3.13.9. An overview of the action taken by EUSPA in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years’ observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2023	<p>On 26 August 2021 EUSPA’s Executive Director sent a letter confirming the early start of grant-funded activities on 1 September 2021 and the eligibility of the related costs from that date, even though the corresponding grant agreement was not signed until 3 December 2021.</p> <p>The authorisation to start the monitoring early, before the grant agreement and the budgetary commitment were signed, was not reported in either the exceptions register or the annual activity report, in contravention of Article 193 of the EU Financial Regulation.</p>	<p>In 2024, EUSPA revised its grant manual. It now includes a procedure to check that conditions for an “early start” to a project have been fulfilled.</p> <p>Furthermore, since 2024 EUSPA has tracked all “derogations from the principle of non-retroactivity” so they can be reported in its annual activity report.</p>	Closed
2	2023	EUSPA had high levels of carry-overs.	The situation persisted in 2024 (paragraph 3.13.8)	Open

European Union Agency for the Space Programme (EUSPA)

EUSPA replies

https://www.eca.europa.eu/Lists/ECARepplies/EUSPA-Replies-SAR-AGENCIES-2024/EUSPA-Replies-SAR-AGENCIES-2024_EN.pdf



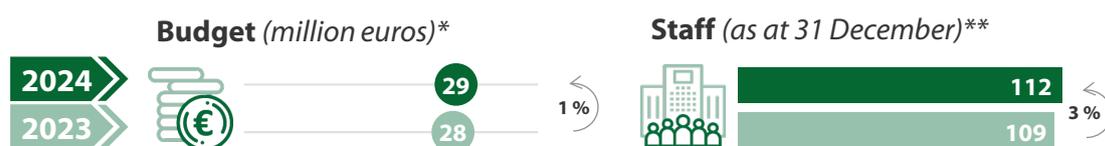
Agencies funded under MFF heading 2 – Cohesion, resilience and values

3.14. European Centre for the Development of Vocational Training (Cedefop)

Introduction

3.14.1. The European Centre for the Development of Vocational Training (Cedefop), located in Thessaloniki, was established by Council Regulation (EEC) No 337/75 (subsequently repealed and replaced by Regulation (EU) 2019/128). Cedefop fosters the development of vocational training across the EU by compiling and disseminating documentation on vocational training systems. *Figure 3.14.1* presents key figures for Cedefop³⁰.

Figure 3.14.1 – Key figures for Cedefop



* Budget figures are based on the total payment appropriations available during the financial year.

** "Staff" includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of Cedefop for the 2023 and 2024 financial years; staff figures provided by Cedefop.

Our statement of assurance to the European Parliament and the Council – Independent auditor's report

Opinion

3.14.2. Our audit approach, the basis for our opinion, the responsibilities of Cedefop's management and of those charged with governance, and the auditor's responsibilities for the audit of the accounts and underlying transactions, are all described in section 3.1. The signature on page 319 forms an integral part of the opinion.

³⁰ More information on Cedefop's role and activities is available on its website: www.cedefop.europa.eu.

3.14.3. We have audited:

- (a) the accounts of the European Centre for the Development of Vocational Training (Cedefop), which comprise the financial statements and the reports on the implementation of Cedefop's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts

Opinion on the reliability of the accounts

3.14.4. In our opinion, Cedefop's accounts for the year ended 31 December 2024 present fairly, in all material respects, Cedefop's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts

Revenue

Opinion on the legality and regularity of revenue underlying the accounts

3.14.5. In our opinion, the revenue underlying Cedefop's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments

Opinion on the legality and regularity of payments underlying the accounts

3.14.6. In our opinion, the payments underlying Cedefop's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

European Centre for the Development of Vocational Training (Cedefop)

3.14.7. The observations which follow do not call our opinion into question.

Observations on budgetary management

3.14.8. In 2024 Cedefop processed 684 payment requests, of which 109 (16.9 %), for an amount of €1.02 million (4.9 %), were paid after the legal deadline. However, no late payment interest was charged. The share of late payments was higher than in 2023, when Cedefop processed 659 payment requests, of which 72 (10.9 %), for an amount of €0.51 million (2.5 %), were paid late but accrued no late payment interest.

Follow-up of previous years' observations

3.14.9. An overview of the action taken by Cedefop in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years' observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2021	Weaknesses in transition to ABAC: (a) The final dates of implementation for carried-over budgetary commitments were not recorded correctly.	(a) The situation improved significantly in 2024, Cedefop having adopted procedures for detecting and correcting the remaining errors.	Closed
2	2022	Between 2017 and 2022, Cedefop paid monthly and daily subsistence allowances to two Greek nationals employed as seconded national experts. Cedefop is located in Greece, and its internal rules do not entitle Greek seconded national experts to these allowances.	Cedefop did not pay daily subsistence allowances to Greek seconded national experts in 2024. Cedefop intends to amend its internal rules so that any seconded national expert who has to relocate to Thessaloniki will be eligible for allowances.	Open

European Centre for the Development of Vocational Training (Cedefop)

Cedefop replies

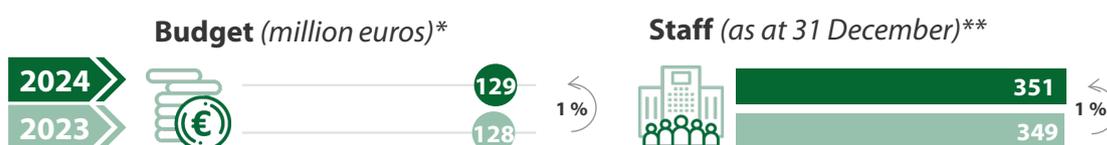
https://www.eca.europa.eu/Lists/ECARepplies/Cedefop-Replies-SAR-AGENCIES-2024/Cedefop-Replies-SAR-AGENCIES-2024_EN.pdf

3.15. European Centre for Disease Prevention and Control (ECDC)

Introduction

3.15.1. The European Centre for Disease Prevention and Control (ECDC), located in Stockholm, was established by [Regulation \(EC\) No 851/2004](#). ECDC collects and disseminates data, and provides scientific opinions, on the prevention and control of human diseases. ECDC also coordinates a European network of bodies operating in the same field. [Figure 3.15.1](#) presents key figures for ECDC³¹.

Figure 3.15.1 – Key figures for ECDC



* Budget figures are based on the total payment appropriations available during the financial year.

** "Staff" includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of ECDC for the 2023 and 2024 financial years; staff figures provided by ECDC.

Our statement of assurance to the European Parliament and the Council – Independent auditor's report

Opinion

3.15.2. Our audit approach, the basis for our opinion, the responsibilities of ECDC's management and of those charged with governance, and the auditor's responsibilities for the audit of the accounts and underlying transactions, are all described in section [3.1](#). The signature on page [319](#) forms an integral part of the opinion.

³¹ More information on ECDC's role and activities is available on its website: www.ecdc.europa.eu.

European Centre for Disease Prevention and Control (ECDC)

3.15.3. We have audited:

- (a) the accounts of the European Centre for Disease Prevention and Control (ECDC), which comprise the financial statements and the reports on the implementation of ECDC's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts**Opinion on the reliability of the accounts**

3.15.4. In our opinion, ECDC's accounts for the year ended 31 December 2024 present fairly, in all material respects, ECDC's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts**Revenue****Opinion on the legality and regularity of revenue underlying the accounts**

3.15.5. In our opinion, the revenue underlying ECDC's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments**Opinion on the legality and regularity of payments underlying the accounts**

3.15.6. In our opinion, the payments underlying ECDC's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

3.15.7. The observations which follow do not call our opinion into question.

Observations on management and control systems

3.15.8. For three procurement procedures in our sample, ECDC did not adopt a proper financing decision prior to launching operational expenditure procurements. This undermines effective planning and oversight, and contravenes Article 72(3)(b) of ECDC's financial regulation.

3.15.9. The evaluation of tenders for organising a conference, with an estimated value of €2.8 million, was affected by a number of shortcomings. In particular, the evaluation committee:

- o did not properly check that tenders met all the selection criteria;
- o asked one tenderer for clarifications that resulted in a small change in the amount of its financial offer (with no impact on the overall ranking of bids);
- o did not properly assess the justifications given for labour costs; it used data from one tenderer from 2010 to examine what was potentially an abnormally low financial offer.

This contravened Articles 151 and 167 and section 23 of Annex I to the EU Financial Regulation.

Observations on budgetary management

3.15.10. In 2024 ECDC carried over 24.7 % of the year's non-differentiated appropriations to 2025. There were significant carry-overs under Title II (23.0 %) and Title III (52.3 %), as in 2023. Recurrent high rates of carry-overs undermine the budgetary principle of annuality and are indicative of structural issues in the budget process and implementation cycle.

Follow-up of previous years' observations

3.15.11. An overview of the action taken by ECDC in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years' observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2023	Under a contract for services relating to vaccine effectiveness and impact studies, ECDC deducted the prefinancing payment of €250 000 from the final payment, 10 months later than required.	ECDC now systematically ensures that prefinancing is deducted from interim payments.	Closed
2	2023	ECDC has a high level of carry-overs.	The situation persisted in 2024 (paragraph 3.15.10).	Open
3	2023	ECDC has a high share of late payments.	ECDC has taken the necessary action to ensure compliance with payment deadlines. In 2024 97.0 % of invoices were paid on time.	Closed

European Centre for Disease Prevention and Control (ECDC)

ECDC replies

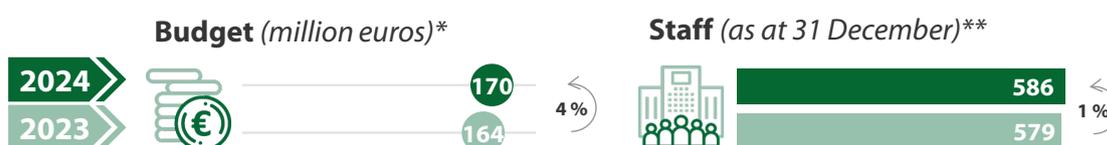
https://www.eca.europa.eu/Lists/ECARepplies/ECDC-Replies-SAR-AGENCIES-2024/ECDC-Replies-SAR-AGENCIES-2024_EN.pdf

3.16. European Food Safety Authority (EFSA)

Introduction

3.16.1. The European Food Safety Authority (EFSA), located in Parma, was established by Regulation (EC) No 178/2002. EFSA supplies the scientific information that is needed when drafting EU legislation on food and food safety, collects and analyses data to identify and monitor risks, and provides independent information on those risks. *Figure 3.16.1* presents key figures for EFSA³².

Figure 3.16.1 – Key figures for EFSA



* Budget figures are based on the total payment appropriations available during the financial year.

** "Staff" includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of EFSA for the 2023 and 2024 financial years; staff figures provided by EFSA.

Our statement of assurance to the European Parliament and the Council – Independent auditor's report

Opinion

3.16.2. Our audit approach, the basis for our opinion, the responsibilities of EFSA's management and of those charged with governance, and the auditor's responsibilities for the audit of the accounts and underlying transactions, are all described in section 3.1. The signature on page 319 forms an integral part of the opinion.

³² More information on EFSA's role and activities is available on its website: www.efsa.europa.eu.

European Food Safety Authority (EFSA)

3.16.3. We have audited:

- (a) the accounts of the European Food Safety Authority (EFSA), which comprise the financial statements and the reports on the implementation of EFSA's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts**Opinion on the reliability of the accounts**

3.16.4. In our opinion, EFSA's accounts for the year ended 31 December 2024 present fairly, in all material respects, EFSA's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts**Revenue****Opinion on the legality and regularity of revenue underlying the accounts**

3.16.5. In our opinion, the revenue underlying EFSA's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments**Opinion on the legality and regularity of payments underlying the accounts**

3.16.6. In our opinion, the payments underlying EFSA's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

European Food Safety Authority (EFSA)

EFSA replies

https://www.eca.europa.eu/Lists/ECARepplies/EFSA-Replies-SAR-AGENCIES-2024/EFSA-Replies-SAR-AGENCIES-2024_EN.pdf

3.17. European Institute for Gender Equality (EIGE)

Introduction

3.17.1. The European Institute for Gender Equality (EIGE), located in Vilnius, was established by [Regulation \(EC\) No 1922/2006](#). EIGE collects, analyses and disseminates information on gender equality, and develops, evaluates and disseminates methodological tools to support the incorporation of gender equality into all EU policies. [Figure 3.17.1](#) presents key figures for EIGE³³.

Figure 3.17.1 – Key figures for EIGE



* Budget figures are based on the total payment appropriations available during the financial year.

** “Staff” includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of EIGE for the 2023 and 2024 financial years; staff figures provided by EIGE.

Our statement of assurance to the European Parliament and the Council – Independent auditor’s report

Opinion

3.17.2. Our audit approach, the basis for our opinion, the responsibilities of EIGE’s management and of those charged with governance, and the auditor’s responsibilities for the audit of the accounts and underlying transactions, are all described in section [3.1](#). The signature on page [319](#) forms an integral part of the opinion.

³³ More information on EIGE’s role and activities is available on its website: www.eige.europa.eu.

European Institute for Gender Equality (EIGE)

3.17.3. We have audited:

- (a) the accounts of the European Institute for Gender Equality (EIGE), which comprise the financial statements and the reports on the implementation of EIGE's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts**Opinion on the reliability of the accounts**

3.17.4. In our opinion, EIGE's accounts for the year ended 31 December 2024 present fairly, in all material respects, EIGE's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts**Revenue****Opinion on the legality and regularity of revenue underlying the accounts**

3.17.5. In our opinion, the revenue underlying EIGE's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments**Opinion on the legality and regularity of payments underlying the accounts**

3.17.6. In our opinion, the payments underlying EIGE's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

3.17.7. The observations which follow do not call our opinion into question.

Observations on management and control systems

3.17.8. In June 2024 EIGE launched a procurement procedure for cleaning services, for a maximum duration of 4 years and with an estimated value of €396 000. The financial capacity that EIGE required from the tenderers (yearly turnover of at least €300 000) exceeded by 52 % the figure of twice the estimated annual contract value, which is the maximum level for that requirement allowed under point 19.1 of Annex I to the EU Financial Regulation. This maximum may be exceeded in duly justified cases linked to the nature of the purchase, provided that the contracting authority explains it in the procurement documents, which EIGE did not do. Furthermore, in the same procurement procedure, EIGE required the tenderers' cleaning staff each to have at least 4 years' experience in the field of cleaning services in a diplomatic or similar type of institution, due to EIGE's office security requirements and the sensitivity of their documents. No other EU agency for which we have recently checked such contracts had similar requirements for its cleaning staff. EIGE received only one valid offer under this procedure. Excessive financial capacity requirements and selection criteria may dissuade or even prevent potential bidders from participating in a tender procedure.

3.17.9. In two procurement procedures with estimated values of €220 000 and €193 175 the tender specifications included a criterion that tenderers should demonstrate their ability to build, coordinate and manage expert teams capable of delivering the required outputs. However, the evaluation committee did not properly assess whether they met this criterion because, in the tender specifications, EIGE had not required tenderers to provide appropriate evidence in this regard. There was thus a risk that the selected tenderer might lack the necessary capabilities to deliver the contracted services.

3.17.10. When implementing three "time and means" contracts, EIGE was charged for the number of days of work carried out by several consultant profiles. EIGE paid the invoiced amounts without checking that the number of days charged actually corresponded to the work done. This contravenes Article 45(5) of EIGE's financial regulation, which requires adequate *ex ante* checks, and exposes EIGE to a risk of overpayment.

Observations on budgetary management

3.17.11. In 2024 EIGE carried over 18 % of the year's total differentiated appropriations to 2025. There were significant carry-overs under Title III (50.2 %), as in 2023. Recurrent high rates of carry-overs undermine the budgetary principle of annuality and are indicative of structural issues in the budget process and implementation cycle.

Follow-up of previous years' observations

3.17.12. An overview of the action taken by EIGE in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years’ observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2023	<p>When approving budgetary commitments, purchase orders and invoices for services relating to the assessment of its staff, EIGE mixed up two interinstitutional framework contracts, which led to:</p> <ul style="list-style-type: none"> ○ the incorrect application of the <i>ex ante</i> checks stipulated by Article 73(3) of its own financial regulation; ○ an amount exceeding the ceiling of the framework contract by €54 000; ○ the incorrect application of daily rates. <p>Consequently, all the related 2023 payments, for a total of €76 500, were irregular.</p>	<p>EIGE provided targeted coaching to the staff concerned and introduced a “four-eyes” verification process for procurement procedures. We found no similar non-compliances in 2024.</p>	Closed

European Institute for Gender Equality (EIGE)

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
2	2023	In one audited procurement procedure (negotiated procedure with at least three candidates, with a value below €60 000), we established that one bid sent to the functional mailbox of the procurement team had gone missing, either due to human error or because of an IT malfunction, and had therefore not been taken into account in the remainder of the procedure. Because of this, we conclude that the entire procedure and the resulting contract, as well as any associated payments, were irregular.	EIGE has taken several steps to prevent such situations in the future, such as setting up and testing automatic mailbox notifications of receipt. In addition, as of 2025, EIGE uses an e-procurement platform for the management of middle value procedures.	Closed
3	2023	When implementing a framework contract for internet services, EIGE monitored contract consumption at payment level rather than budgetary commitments. We then observed the same practice under another framework contract. This approach is not compliant with Article 111 of the EU Financial Regulation. It creates a risk that the total value of signed legal commitments, which are based on budgetary commitments and make it mandatory for EIGE to make payments in the future, will exceed the framework contract ceiling.	In November 2023 EIGE adopted a template for the monitoring of the consumption of framework contracts at budgetary commitment level. In 2024 we found no cases where the ceiling would be exceeded.	Closed
4	2023	EIGE has a high level of carry-overs.	The situation persisted in 2024 (paragraph 3.17.11).	Open

European Institute for Gender Equality (EIGE)

EIGE replies

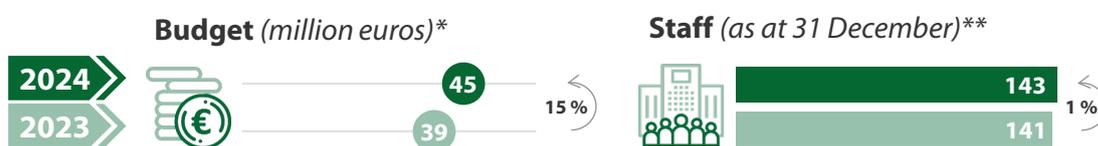
https://www.eca.europa.eu/Lists/ECARepplies/EIGE-Replies-SAR-AGENCIES-2024/EIGE-Replies-SAR-AGENCIES-2024_EN.pdf

3.18. European Labour Authority (ELA)

Introduction

3.18.1. The European Labour Authority (ELA), located in Bratislava, was established by [Regulation \(EU\) 2019/1149](#). ELA ensures that EU rules on labour mobility and social security coordination are enforced fairly, simply and effectively, making it easier for citizens and businesses to reap the benefits of the internal market. [Figure 3.18.1](#) presents key figures for ELA³⁴.

Figure 3.18.1 – Key figures for ELA



* Budget figures are based on the total payment appropriations available during the financial year.

** “Staff” includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of ELA for the 2023 and 2024 financial years; staff figures provided by ELA.

Our statement of assurance to the European Parliament and the Council – Independent auditor’s report

Opinion

3.18.2. Our audit approach, the basis for our opinion, the responsibilities of ELA’s management and of those charged with governance, and the auditor’s responsibilities for the audit of the accounts and underlying transactions, are all described in section [3.1](#). The signature on page [319](#) forms an integral part of the opinion.

³⁴ More information on ELA’s role and activities is available on its website: www.ela.europa.eu.

European Labour Authority (ELA)

3.18.3. We have audited:

- (a) the accounts of the European Labour Authority (ELA), which comprise the financial statements and the reports on the implementation of ELA's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts

Opinion on the reliability of the accounts

3.18.4. In our opinion, ELA's accounts for the year ended 31 December 2024 present fairly, in all material respects, ELA's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts

Revenue

Opinion on the legality and regularity of revenue underlying the accounts

3.18.5. In our opinion, the revenue underlying ELA's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments

Qualified opinion on the legality and regularity of payments underlying the accounts

In our opinion, except for the effects of the matters described in the 'Basis for qualified opinion on the legality and regularity of payments underlying the accounts' paragraphs, the payments underlying ELA's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

European Labour Authority (ELA)

Basis for qualified opinion on the legality and regularity of payments underlying the accounts.

3.18.6. In our [2022 report](#) on EU agencies (paragraph 3.18.9), we concluded that a contract for designing and organising training events, which ELA had awarded after an open procurement procedure, was irregular because the winning financial offer was for €12.9 million, while the tender specifications established the maximum contract value at €6 million. This contravenes point 12.3(a) of Annex I to the EU Financial Regulation. As a result, all the subsequent payments under this contract, which in 2024 amounted to €2.2 million, are irregular.

3.18.7. Moreover, in 2024 shortcomings in ELA's *ex ante* checks in the area of contract implementation led to irregular payments of €355 823 as follows.

- In one training-related framework contract, ELA paid €300 300 for services which the contractor invoiced separately even though they were either already covered by a monthly flat-rate amount or were not included in the financial offer. We reported similar irregular payments of €261 500 in our [2023 report](#) on EU agencies (paragraph 3.18.8).
- In a different training-related framework contract, ELA paid €55 523 for hybrid events which were not included in the financial offer.

3.18.8. In 2024 the total amount of irregular expenditure is €2.6 million. This represents 5.7 % of the total payment appropriations available in 2024. This exceeds the materiality threshold set for this audit.

3.18.9. The observations which follow do not call our opinion into question.

Observations on budgetary management

3.18.10. In 2024 ELA processed 1 901 payment requests, of which 224 (11.8 %), for an amount of €6.7 million (22.2 %), were paid after the legal deadline. A total of €18 363 was charged in late payment interest. For comparison, in 2023 ELA processed 1 626 payment requests, of which 129 (7.9 %), for an amount of €1.9 million (5.4 %), were paid late. A total of €7 753 was charged in late payment interest in 2023.

3.18.11. In December 2024 the second budgetary amendment of ELA's 2024 budget amounting to €266 861 was incorrectly booked as an appropriation from external assigned revenue. However, it should have been considered a 2024 appropriation, and not external assigned revenue, because it originated from the EU's Amending Budget No 5/2024 adopted

European Labour Authority (ELA)

by the European Parliament and the Council in November 2024. This amount was not received by ELA but the appropriation was nonetheless carried over to 2025. None of this is in compliance with Articles 6, 12, 20, 21 and 34 of ELA's financial rules. No payments were made by ELA under this appropriation in 2024.

Follow-up of previous years' observations

3.18.12. An overview of the action taken by ELA in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years’ observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2022	<p>In a procurement procedure to support ELA’s activities in the field of training events, the tender specifications established a maximum contract value of €6 million over 4 years. ELA awarded the contract to a tenderer whose financial offer was €12.9 million.</p> <p>We concluded that this procurement and the contract award were irregular. All the subsequent payments under this contract, which in 2023 amounted to €1.3 million, were irregular.</p>	<p>ELA paid €2.2 million under this contract in 2024 (paragraph 3.18.6). The contract expired in February 2024.</p>	Open
2	2022	<p>There was a lack of formalised <i>ex ante</i> and <i>ex post</i> controls in the area of contract implementation. In 2023 this led to irregular payments of €329 907. In particular, ELA had authorised payments for event organisation, training and communication without fully verifying key parameters determining the prices to be paid.</p>	<p>Despite improvements in ELA’s <i>ex ante</i> and <i>ex post</i> checks, we still detected shortcomings. In 2024 this led to irregular payments of €355 823 (paragraph 3.18.7).</p>	Open

European Labour Authority (ELA)

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
3	2022	At the end of 2022, the proportion of temporary workers (seconded national experts (s) and interim workers) at ELA was 58 %. At the end of 2023, the proportion of ELA's temporary workers (seconded national experts and interim workers) remained high at 47 %.	At the end of 2024, the proportion of temporary workers (seconded national experts and interim workers) remained high, at 47 %.	Open
4	2022	From November 2022 to March 2023 (i.e. 5 months), ELA used an interim worker and a trainee for ELA's core financial activities associated with budget implementation, which contravened Article 41(1) of ELA's financial rules. ELA continued to use an interim worker and a trainee for core financial activities associated with budget implementation in 2023.	ELA continued to use an interim worker for core financial activities associated with budget implementation in 2024.	Open
5	2022	ELA has high carry-over rates.	In 2024 ELA reduced the carry-over rate to 15 %.	Closed
6	2023	In one training-related framework contract, ELA overpaid €261 500 for services which the contractor invoiced separately, although they were either already covered by a monthly flat-rate amount or were not included in the financial offer.	The situation persisted in 2024 and ELA paid €55 523 in 2024 (paragraph 3.18.7).	Open
7	2023	In the case of an interim payment for a communication services contract, ELA overpaid €37 567 because the contractor's invoice exceeded the contractual limit for interim payment.	ELA revised its checklist for <i>ex ante</i> checks to avoid interim payments exceeding the contractual limits.	Closed

European Labour Authority (ELA)

ELA replies

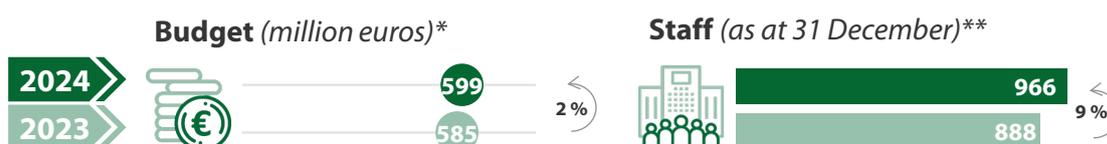
https://www.eca.europa.eu/Lists/ECARepplies/ELA-Replies-SAR-AGENCIES-2024/ELA-Replies-SAR-AGENCIES-2024_EN.pdf

3.19. European Medicines Agency (EMA)

Introduction

3.19.1. The European Medicines Agency (EMA), located in Amsterdam, was established by Regulation (EC) No 726/2004. EMA succeeded and replaced the European Agency for the Evaluation of Medicinal Products established in 1993. EMA operates through a pan-EU network and coordinates scientific resources made available by national authorities to ensure the evaluation, supervision and safety monitoring of medicinal products for human and veterinary use in the EU. *Figure 3.19.1* presents key figures for EMA³⁵.

Figure 3.19.1 – Key figures for EMA



* Budget figures are based on the total payment appropriations available during the financial year.

** “Staff” includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of EMA for the 2023 and 2024 financial years; staff figures provided by EMA.

Our statement of assurance to the European Parliament and the Council – Independent auditor’s report

Opinion

3.19.2. Our audit approach, the basis for our opinion, the responsibilities of EMA’s management and of those charged with governance, and the auditor’s responsibilities for the audit of the accounts and underlying transactions, are all described in section 3.1. The signature on page 319 forms an integral part of the opinion.

³⁵ More information on EMA’s role and activities is available on its website: www.ema.europa.eu.

European Medicines Agency (EMA)

3.19.3. We have audited:

- (a) the accounts of the European Medicines Agency (EMA), which comprise the financial statements and the reports on the implementation of EMA's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts**Opinion on the reliability of the accounts**

3.19.4. In our opinion, EMA's accounts for the year ended 31 December 2024 present fairly, in all material respects, EMA's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Emphasis of matter

3.19.5. We draw attention to notes 3.1.3, 4.1.3, 4.3.2, 4.5.2, 4.8.1 and 4.8.2 to EMA's accounts, which provide significant disclosures in connection with property-related obligations.

The lease on EMA's former premises in London runs until 2039 and does not contain a break clause, but the premises can be sublet or assigned subject to the landlord's consent. In July 2019 EMA reached an agreement with its landlord, and sublet its former premises to a subtenant with effect from July 2019, under conditions that were consistent with the terms of the headlease. The term of the sublease lasts until EMA's lease expires in June 2039. Since EMA remains the party to the headlease, it could be held liable for the entire amount under the headlease contractual obligation (€369.7 million) and any other financial obligations which would arise as result of the premises being vacant. The maximum exposure, including council tax liability payable by EMA in the case of the premises being vacant for the remainder of the lease, amounts to €543 million.

European Medicines Agency (EMA)

In November 2023 the subtenant's ultimate parent company filed for bankruptcy for its US and Canada branches. Following that event, that company made contact with its landlords, including with EMA as a sublessor, to renegotiate their leases.

On 10 October 2024, in accordance with the discussions held with the EU budgetary authorities and with the consent of its own landlord, EMA agreed an amendment of the existing sublease with the subtenant by way of a rent reduction but with service charges and landlord insurance remaining payable in full. The amendment included provisions for either EMA or the subtenant to terminate the sublease early, i.e. before the scheduled expiry date in June 2039, under certain conditions.

In this respect, EMA made a provision for onerous contract, with a carrying amount of €122.1 million at 31 December 2024.

In 2024 EMA received a cash reimbursement from the European Commission of €11.2 million which has been recognised as income.

In addition, the amount held in the escrow account and kept aside for potential subtenant incentives has been released to EMA, since the incentives are no longer required under the amended terms of the sublease.

When EMA issued its accounts, the subtenant had met its contractual obligations, with rental and service charge payments covering the period up to 30 June 2025.

Our opinion is not modified in respect of these matters.

Legality and regularity of the transactions underlying the accounts

Revenue

Opinion on the legality and regularity of revenue underlying the accounts

3.19.6. In our opinion, the revenue underlying EMA's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments

Opinion on the legality and regularity of payments underlying the accounts

3.19.7. In our opinion, the payments underlying EMA's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

3.19.8. The observations which follow do not call our opinion into question.

Observations on the legality and regularity of transactions

3.19.9. On 17 November 2020 EMA signed five framework contracts in cascade for IT software development, configuration and maintenance services for an initial amount of €12 million. The ceiling for these contracts was increased three times, up to €26.9 million, i.e. cumulatively by 124 %. This contravenes Article 172(3)(a)(iii) of the EU Financial Regulation), which only allows an increase of up to 50 %. EMA duly recorded this non-compliance in its register of exceptions, emphasising that the ceiling increases were all linked to exceptional developments, including unforeseen legislative changes related to EMA's public health mandate. In 2024 EMA paid €7.6 million under these contracts, in addition to €13.5 million it had paid by the end of 2023. The two amounts together exceed the maximum permitted increase of the contract ceiling of up to €18 million. Therefore, despite the exceptional circumstances invoked by EMA, we consider €3.1 million of what EMA paid under these contracts in 2024 as irregular.

3.19.10. A similar situation occurred with three other framework contracts in cascade signed on 10 September 2020 for IT software development, implementation and maintenance services for an initial amount of €44 million. The ceiling for these framework contracts was increased twice, up to €78 million, i.e. cumulatively by 77 %, although Article 172(3)(a)(iii) of the EU Financial Regulation only allowed an increase of up to €66 million. Also in this case, EMA duly recorded the non-compliance in its register of exceptions, emphasising that the ceiling increases were all linked to exceptional developments, including unforeseen legislative changes related to EMA's public health mandate. By the end of 2024, the cumulative payments under these contracts amounted to €62.3 million. Despite the exceptional circumstances invoked by EMA, we will consider as irregular any future payments under these contracts exceeding €66 million.

Follow-up of previous years' observations

3.19.11. An overview of the action taken by EMA in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years' observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2022	We found that EMA had not assigned clear identification to some of its assets since its relocation to Amsterdam in 2019. We also found some discrepancies between the list of assets donated by the Dutch government, EMA's assets register, and the assets found on the premises.	EMA labelled 11 000 items with a QR code and recorded them in a newly established management inventory database.	Closed
2	2023	After a data migration to a new corporate system for veterinary inspections (IRIS), EMA did not respect the legal deadlines for 48 veterinary inspections carried out at a cost of €1.3 million, and had issued the corresponding invoices with significant delays. The related revenue was wrongly booked in 2023, instead of 2022. These delays were not reported in the register of exceptions.	EMA revised its procedures, setting a 5-day deadline for validating the receipt of inspection reports and requiring that exceptions be documented when they are identified. We have not come across similar incidents in 2024.	Closed

European Medicines Agency (EMA)

EMA replies

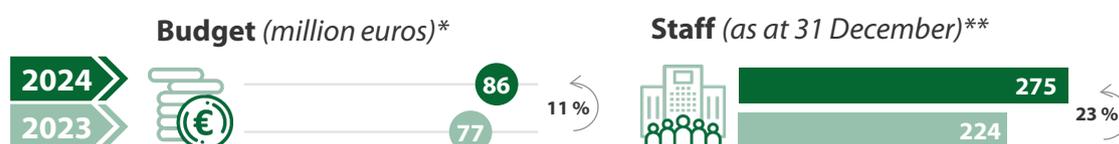
https://www.eca.europa.eu/Lists/ECARepplies/EMA-Replies-SAR-AGENCIES-2024/EMA-Replies-SAR-AGENCIES-2024_EN.pdf

3.20. European Public Prosecutor’s Office (EPPO)

Introduction

3.20.1. The European Public Prosecutor’s Office (EPPO), located in Luxembourg, was established by [Regulation \(EU\) 2017/1939](#) to investigate and prosecute offences affecting the EU’s financial interests. Currently, 24 EU member states are part of the EPPO. [Figure 3.20.1](#) presents key figures for the EPPO³⁶.

Figure 3.20.1 – Key figures for the EPPO



* Budget figures are based on the total payment appropriations available during the financial year.

** “Staff” includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Note: The main reason for the increase in the number of staff is due to the fact that Poland and Sweden joined the EPPO in 2024 and EPPO’s growing security needs.

Source: Annual accounts of the EPPO for the 2023 and 2024 financial years; staff figures provided by the EPPO.

Our statement of assurance to the European Parliament and the Council – Independent auditor’s report

Opinion

3.20.2. Our audit approach, the basis for our opinion, the responsibilities of the EPPO’s management and of those charged with governance, and the auditor’s responsibilities for the audit of the accounts and underlying transactions, are all described in section [3.1](#). The signature on page [319](#) forms an integral part of the opinion.

³⁶ More information on the EPPO’s role and activities is available on its website: www.eppo.europa.eu.

European Public Prosecutor's Office (EPPO)

3.20.3. We have audited:

- (a) the accounts of the European Public Prosecutor's Office (EPPO), which comprise the financial statements and the reports on the implementation of the EPPO's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts

Opinion on the reliability of the accounts

3.20.4. In our opinion, the EPPO's accounts for the year ended 31 December 2024 present fairly, in all material respects, the EPPO's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts

Revenue

Opinion on the legality and regularity of revenue underlying the accounts

3.20.5. In our opinion, the revenue underlying the EPPO's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments

Opinion on the legality and regularity of payments underlying the accounts

3.20.6. In our opinion, the payments underlying the EPPO's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

3.20.7. The observations which follow do not call our opinion into question.

Observations on management and control systems

3.20.8. The EPPO awarded a series of framework contracts for IT services on the basis of the rates offered by the tenderers for a number of generic IT consultant profiles, in line with the needs defined in a scenario set out in the tender specifications. The EPPO also reserved the right to contract IT consultants with specialist profiles, which were not covered by that scenario, through reopening of competition. By the time of our audit, around 40 % of all EPPO spending under these contracts was for the specialist IT consultant profiles, which were more expensive than the comparable generic IT consultant profiles defined in the framework contract price lists. The consultant profiles used for contract implementation thus differed significantly from the scenario defined in the tender specifications. We note that the contractual provisions allowed this and therefore the regularity of the payments was not affected. However, we consider that this issue may have limited the participation in the procurement.

Follow-up of previous years' observations

3.20.9. An overview of the action taken by the EPPO in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years' observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2021	The EPPO has not yet adopted a comprehensive business continuity plan.	The EPPO is working on its business continuity plan and expects to have it approved in 2025.	Open
2	2023	For a payment relating to the reimbursement of costs for EPPO staff whose children attended the European Schools in Luxembourg, the EPPO had used a different registration cut-off date than that laid down in the contribution agreement with the Commission. This resulted in a total overcharge of €25 400 for two pupils.	The temporary overcharge was regularised as part of the debit note for 2024, which was paid in March 2024.	Closed

European Public Prosecutor's Office (EPPO)

EPPO replies

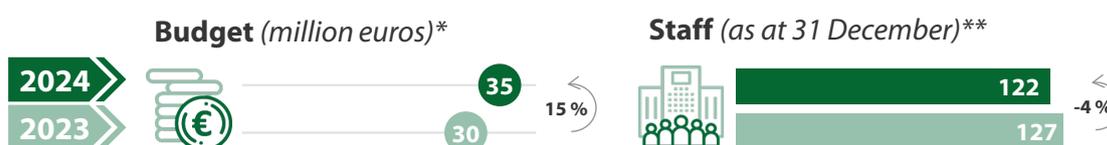
https://www.eca.europa.eu/Lists/ECARepplies/EPPO-Replies-SAR-AGENCIES-2024/EPPO-Replies-SAR-AGENCIES-2024_EN.pdf

3.21. European Training Foundation (ETF)

Introduction

3.21.1. The European Training Foundation (ETF), located in Turin, was established by Council Regulation (EEC) No 1360/90 (subsequently repealed and replaced by Regulation (EC) No 1339/2008). The ETF helps the EU's neighbouring countries to reform their education and training systems. To do this, it assists the Commission in the implementation of vocational training programmes. *Figure 3.21.1* presents key figures for the ETF³⁷.

Figure 3.21.1 – Key figures for ETF



* Budget figures are based on the total payment appropriations available during the financial year.

** "Staff" includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of the ETF for the 2023 and 2024 financial years; staff figures provided by the ETF.

Our statement of assurance to the European Parliament and the Council – Independent auditor's report

Opinion

3.21.2. Our audit approach, the basis for our opinion, the responsibilities of the ETF's management and of those charged with governance, and the auditor's responsibilities for the audit of the accounts and underlying transactions, are all described in section 3.1. The signature on page 319 forms an integral part of the opinion.

³⁷ More information on the ETF's role and activities is available on its website: www.etf.europa.eu.

European Training Foundation (ETF)

3.21.3. We have audited:

- (a) the accounts of the European Training Foundation (ETF), which comprise the financial statements and the reports on the implementation of the ETF's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts

Opinion on the reliability of the accounts

3.21.4. In our opinion, the ETF's accounts for the year ended 31 December 2024 present fairly, in all material respects, the ETF's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts

Revenue

Opinion on the legality and regularity of revenue underlying the accounts

3.21.5. In our opinion, the revenue underlying the ETF's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments

Opinion on the legality and regularity of payments underlying the accounts

3.21.6. In our opinion, the payments underlying the ETF's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

3.21.7. The observations which follow do not call our opinion into question.

Observations on the legality and regularity of transactions

3.21.8. In our [2022 report](#) on EU agencies (paragraph 3.21.8), we concluded that, in a framework contract awarded for the provision of content support services worth €1 million, the ETF had departed from the technical specifications by awarding the contract to a tenderer which had not reached the required financial turnover in one of the reference years. The contract resulting from the procedure was therefore irregular, as are all related payments, amounting to €186 175 in 2024.

3.21.9. We also concluded in the same [2022 report](#) (paragraph 3.21.9) that, in regard to an open procurement procedure for in-country support services with an estimated value of €4 million, the economic and financial capacity of the winning tenderer had not been demonstrated as required. The contract resulting from the procedure was therefore irregular, as were all the related payments, amounting to €252 714 in 2024.

Observations on management and control systems

3.21.10. In June 2023 the ETF launched an open procedure for the replacement of the wired and wireless LAN infrastructure on its premises. The financial capacity the ETF required from tenderers (yearly turnover of at least €200 000) exceeded by 33 % the figure of twice the estimated annual contract value, which is the maximum level for that requirement allowed under point 19.1 of Annex I to the EU Financial Regulation. This maximum may be exceeded in duly justified cases linked to the nature of the purchase, provided that the contracting authority explains it in the procurement documents, which the ETF did not do. Only one tender was submitted for this contract. Excessive financial capacity requirements may dissuade potential bidders from participating in a tender procedure.

Observations on budgetary management

3.21.11. In 2024 the ETF processed 982 payment requests, of which 54 (5.5 %), for an amount of €722 627 (4.7 %), were paid after the legal deadline. However, no late payment interest was charged. The share of late payments was higher than in 2023, when the ETF processed 816 payment requests, of which 42 (5.1 %), for an amount of €569 078 (4.5 %), were paid late but accrued no late payment interest.

Follow-up of previous years' observations

3.21.12. An overview of the action taken by the ETF in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years' observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2022	In an open procedure for the provision of content support services, the ETF incorrectly applied the selection criterion relating to economic and financial capacity by accepting a tenderer whose financial turnover had not reached the required threshold in one of the reference years.	In 2024 the ETF paid €186 175 under the resulting irregular contract (paragraph 3.21.8).	Open
2	2022	In another open procurement procedure, this time for in-country support services worth €4 million, the ETF awarded a contract to a tenderer whose economic and financial capacity had not been demonstrated.	In 2024 the ETF paid €252 714 under the resulting irregular contract (paragraph 3.21.9).	Open

European Training Foundation (ETF)

ETF replies

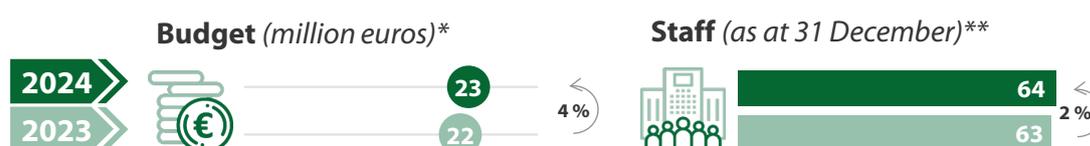
https://www.eca.europa.eu/Lists/ECARepplies/ETF-Replies-SAR-AGENCIES-2024/ETF-Replies-SAR-AGENCIES-2024_EN.pdf

3.22. European Agency for Safety and Health at Work (EU-OSHA)

Introduction

3.22.1. The European Agency for Safety and Health at Work (EU-OSHA), located in Bilbao, was established by Council [Regulation \(EC\) No 2062/94](#), subsequently repealed and replaced by [Regulation \(EU\) 2019/126](#). EU-OSHA's tasks include collecting and disseminating information on national and EU priorities in the field of health and safety at work, and supporting national and EU organisations involved in making and implementing policy in that field. [Figure 3.22.1](#) presents key figures for EU-OSHA³⁸.

Figure 3.22.1 – Key figures for EU-OSHA



- * Budget figures are based on the total payment appropriations available during the financial year.
- ** "Staff" includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of EU-OSHA for the 2023 and 2024 financial years; staff figures provided by EU-OSHA.

Our statement of assurance to the European Parliament and the Council – Independent auditor's report

Opinion

3.22.2. Our audit approach, the basis for our opinion, the responsibilities of EU-OSHA's management and of those charged with governance, and the auditor's responsibilities for the audit of the accounts and underlying transactions, are all described in section [3.1](#). The signature on page [319](#) forms an integral part of the opinion.

³⁸ More information on EU-OSHA's role and activities is available on its website: www.osha.europa.eu.

3.22.3. We have audited:

- (a) the accounts of the European Agency for Safety and Health at Work (EU-OSHA), which comprise the financial statements and the reports on the implementation of EU-OSHA's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts**Opinion on the reliability of the accounts**

3.22.4. In our opinion, EU-OSHA's accounts for the year ended 31 December 2024 present fairly, in all material respects, EU-OSHA's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts**Revenue****Opinion on the legality and regularity of revenue underlying the accounts**

3.22.5. In our opinion, the revenue underlying EU-OSHA's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments**Opinion on the legality and regularity of payments underlying the accounts**

3.22.6. In our opinion, the payments underlying EU-OSHA's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

3.22.7. The observations which follow do not call our opinion into question.

Observations on management and control systems

3.22.8. EU-OSHA paid for a series of online courses without checking the number of hours of training reported and invoiced by the contractor, contravening Article 73 of EU-OSHA's financial regulation.

Observations on budgetary management

3.22.9. In 2024 EU-OSHA carried over 22.6 % of the year's non-differentiated appropriations to 2025. There were significant carry-overs under Title II (33.3 %) and Title III (43.3 %), as in 2023. Recurrent high rates of carry-overs undermine the budgetary principle of annuality and are indicative of structural issues in the budget process and implementation cycle.

Follow-up of previous years' observations

3.22.10. An overview of the action taken by EU-OSHA in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years' observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2023	<p>EU-OSHA concluded three successive negotiated procedures with a single economic operator without first publishing a contract notice, although the conditions given in paragraph 11.1(c) of Annex I to the EU Financial Regulation did not apply.</p> <p>Moreover, EU-OSHA awarded the three contracts to the very same contractor whose admissibility was in doubt.</p>	<p>The contracts expired in 2023.</p> <p>The Early Detection and Exclusion System Panel ultimately recommended that the contractor not be excluded from participating in procurement and grant award procedures covered by the general budget of the EU.</p>	Closed
2	2023	<p>EU-OSHA contravened Article 160 of the EU Financial Regulation, which prohibits the splitting of contracts, by directly awarding two separate contracts (both of a value not exceeding €15 000) for nearly identical services.</p>	<p>EU-OSHA has centralised its procurement operations and introduced a standardised multiannual planning tool for procurement procedures, which is expected to prevent such situations arising in future.</p>	Closed
3	2023	<p>EU-OSHA has a high level of carry-overs.</p>	<p>The situation persisted in 2024 (paragraph 3.22.9)</p>	Open

European Agency for Safety and Health at Work (EU-OSHA)

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
4	2023	EU-OSHA has a high share of late payments.	EU-OSHA has put in place an action plan to reduce the incidence of late payments. In 2024 96.6 % of invoices were paid on time.	Closed

European Agency for Safety and Health at Work (EU-OSHA)

EU-OSHA replies

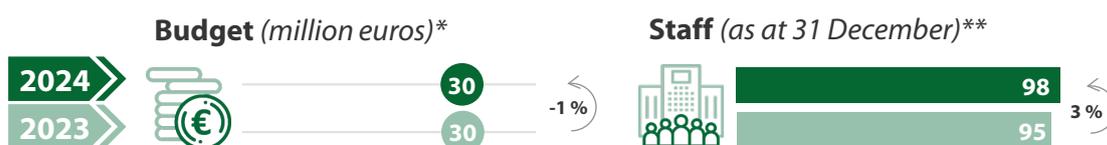
https://www.eca.europa.eu/Lists/ECARepplies/EU-OSHA-Replies-SAR-AGENCIES-2024/EU-OSHA-Replies-SAR-AGENCIES-2024_EN.pdf

3.23. European Foundation for the Improvement of Living and Working Conditions (Eurofound)

Introduction

3.23.1. The European Foundation for the Improvement of Living and Working Conditions (Eurofound), located in Dublin, was established by Council Regulation (EEC) No 1365/75, subsequently repealed and replaced by Regulation (EU) 2019/127. Eurofound's task is to contribute to the planning and establishment of better living and working conditions in the EU by increasing and disseminating knowledge which is relevant to this subject. *Figure 3.23.1* presents key figures for Eurofound³⁹.

Figure 3.23.1 – Key figures for Eurofound



* Budget figures are based on the total payment appropriations available during the financial year.

** "Staff" includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of Eurofound for the 2023 and 2024 financial years; staff figures provided by Eurofound.

Our statement of assurance to the European Parliament and the Council – Independent auditor's report

Opinion

3.23.2. Our audit approach, the basis for our opinion, the responsibilities of Eurofound's management and of those charged with governance, and the auditor's responsibilities for the audit of the accounts and underlying transactions, are all described in section 3.1. The signature on page 319 forms an integral part of the opinion.

³⁹ More information on Eurofound's role and activities is available on its website: www.eurofound.europa.eu.

European Foundation for the Improvement of Living and Working Conditions (Eurofound)

3.23.3. We have audited:

- (a) the accounts of the European Foundation for the Improvement of Living and Working Conditions (Eurofound), which comprise the financial statements and the reports on the implementation of Eurofound's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts

Opinion on the reliability of the accounts

3.23.4. In our opinion, Eurofound's accounts for the year ended 31 December 2024 present fairly, in all material respects, Eurofound's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts

Revenue

Opinion on the legality and regularity of revenue underlying the accounts

3.23.5. In our opinion, the revenue underlying Eurofound's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments

Opinion on the legality and regularity of payments underlying the accounts

3.23.6. In our opinion, the payments underlying Eurofound's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

European Foundation for the Improvement of Living and Working Conditions (Eurofound)

3.23.7. The observations which follow do not call our opinion into question.

Observations on budgetary management

3.23.8. In 2024 Eurofound carried over 15.1 % of the year's non-differentiated appropriations to 2025. There were still significant carry-overs under Title II (28.4 %) and Title III (53.2 %), as in 2023. Recurrent high rates of carry-overs undermine the budgetary principle of annuality and are indicative of structural issues in the budget process and implementation cycle.

Follow-up of previous years' observations

3.23.9. An overview of the action taken by Eurofound in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years' observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2023	Eurofound made a payment linked to a contract for assessing the quality of survey data without collecting some key supporting documents relating to the contractual deliverables. This is an internal control weakness which could expose Eurofound to operational and reputational risks.	Eurofound improved its procedures to ensure that all contracted deliverables are provided before payments are executed.	Closed
2	2023	Eurofound has a high level of carry-overs.	The situation persisted in 2024 (paragraph 3.23.8).	Open

European Foundation for the Improvement of Living and Working Conditions (Eurofound)

Eurofound replies

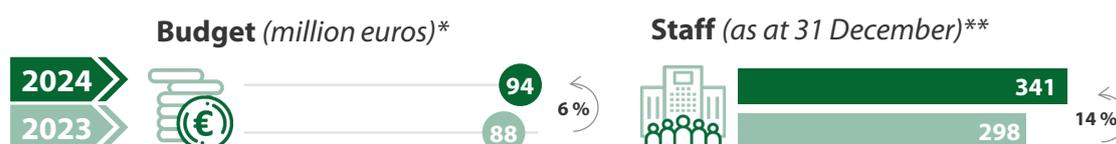
https://www.eca.europa.eu/Lists/ECARepplies/Eurofound-Replies-SAR-AGENCIES-2024/Eurofound-Replies-SAR-AGENCIES-2024_EN.pdf

3.24. European Union Agency for Criminal Justice Cooperation (Eurojust)

Introduction

3.24.1. The European Union Agency for Criminal Justice Cooperation (Eurojust), located in The Hague, was established by [Regulation \(EU\) 2018/1727](#). It superseded a body, also called Eurojust, which was established in 2002. Eurojust’s mission is to support the fight against serious organised crime by improving the coordination of cross-border investigations and prosecutions. Eurojust also has the power to collect, preserve and share evidence on war crimes. [Figure 3.24.1](#) presents key figures for Eurojust⁴⁰.

Figure 3.24.1 – Key figures for Eurojust



* Budget figures are based on the total payment appropriations available during the financial year.

** “Staff” includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of Eurojust for the 2023 and 2024 financial years; staff figures provided by Eurojust.

Our statement of assurance to the European Parliament and the Council – Independent auditor’s report

Opinion

3.24.2. Our audit approach, the basis for our opinion, the responsibilities of Eurojust’s management and of those charged with governance, and the auditor’s responsibilities for the audit of the accounts and underlying transactions, are all described in section [3.1](#). The signature on page [319](#) forms an integral part of the opinion.

⁴⁰ More information on Eurojust’s role and activities is available on its website: www.eurojust.europa.eu.

3.24.3. We have audited:

- (a) the accounts of the European Union Agency for Criminal Justice Cooperation (Eurojust), which comprise the financial statements and the reports on the implementation of Eurojust's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts**Opinion on the reliability of the accounts**

3.24.4. In our opinion, Eurojust's accounts for the year ended 31 December 2024 present fairly, in all material respects, Eurojust's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts**Revenue****Opinion on the legality and regularity of revenue underlying the accounts**

3.24.5. In our opinion, the revenue underlying Eurojust's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments**Opinion on the legality and regularity of payments underlying the accounts**

3.24.6. In our opinion, the payments underlying Eurojust's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

3.24.7. The observations which follow do not call our opinion into question.

Observations on the legality and regularity of transactions

3.24.8. In our [2020 report](#) on EU agencies (paragraph 3.27.9), we concluded that a framework contract for vehicle leasing with a single economic operator was not appropriate for the nature of the services required. The specific contract awarded as the outcome of the procedure, as well as all related payments, was therefore irregular. In 2024 Eurojust paid €64 221 under this contract.

Observations on management and control systems

3.24.9. Eurojust has not updated its business continuity plans since 2021, despite the fact that a number of important changes affecting resources and staff for key processes have occurred, including the introduction of SUMMA as a new budgetary, accounting and financial system. Furthermore, Eurojust did not follow the frequency of testing that was established in its last business continuity plan and it currently does not have a coordinated and agreed disaster recovery plan for its IT systems.

3.24.10. Eurojust did not adopt a proper financing decision prior to launching procurement procedures for operational expenditure. This undermines effective planning and oversight, and contravenes Articles 32(1) and 72(3)(b) of Eurojust's financial rules.

Observations on budgetary management

3.24.11. In 2024 Eurojust processed 2 912 payment requests, of which 824 (28.3 %), for an amount of €10.0 million (25.8 %), were paid after the legal deadline. A total of €795 was charged in late payment interest. The share of late payments was lower in number but higher in amount than in 2023 when Eurojust processed 2 577 payment requests, of which 1 287 (49.9 %), for an amount of €9.6 million (25.6 %), were paid late but accrued no late payment interest.

Follow-up of previous years' observations

3.24.12. An overview of the action taken by Eurojust in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years' observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2020	In our 2020 report on EU agencies we concluded that a procurement procedure for vehicle leasing was irregular. As a result, all payments made on the basis of this framework contract were irregular.	The framework contract expired in 2024 but a specific contract remains in force until September 2025 to cover the leasing of the current fleet of vehicles. In 2024 Eurojust paid €64 221 under this contract (paragraph 3.24.8).	Open
2	2022	Eurojust's SUMMA user management system is managed by DG BUDG, which is responsible for granting and removing the rights of SUMMA users on the basis of information provided by Eurojust. This process is not yet formally structured, and Eurojust does not specifically check attributed user rights. There is therefore a risk that the user roles in SUMMA may not be correctly assigned or updated. SUMMA also still lacks a suitable user profile for auditors.	In 2024 Eurojust took over the role of DG BUDG for granting and removing access rights. Upon request, auditors can be assigned a consultation role in SUMMA for a limited period of time and on an individual basis.	Closed
3	2022	Eurojust has a high share of late payments.	The situation persisted in 2024 (paragraph 3.24.11).	Open

European Union Agency for Criminal Justice Cooperation (Eurojust)

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
4	2023	<p>In 2023 we observed an increase in the number and value of non-standard transactions classified as exceptions or non-compliance events. The number of non-compliance events recorded by Eurojust rose from 43 to 71 between 2022 and 2023, and the total amount concerned increased from €294 000 to €566 400.</p>	<p>In 2024, on a quarterly basis, Eurojust analysed the non-compliance events of the previous quarter, identifying areas for improvement and proposed remedial actions.</p> <p>This resulted in an improvement in the 2024 non-compliance event statistics as compared to 2023, with a reduction of cases from 71 to 40 and the total amount concerned from €566 400 to €458 000.</p>	Closed

European Union Agency for Criminal Justice Cooperation (Eurojust)

Eurojust replies

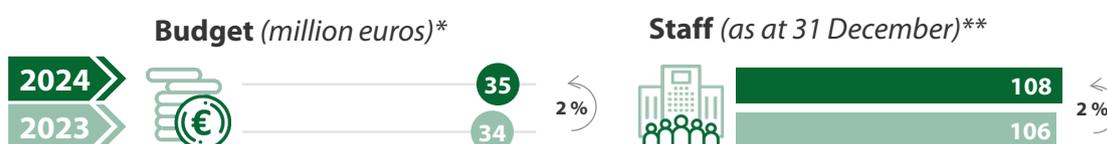
https://www.eca.europa.eu/Lists/ECARepplies/Eurojust-Replies-SAR-AGENCIES-2024/Eurojust-Replies-SAR-AGENCIES-2024_EN.pdf

3.25. European Union Agency for Fundamental Rights (FRA)

Introduction

3.25.1. The European Union Agency for Fundamental Rights (FRA), located in Vienna, was established by Council [Regulation \(EC\) No 168/2007](#). FRA provides assistance and expertise in implementing EU law on fundamental rights to EU and member state authorities. [Figure 3.25.1](#) presents key figures for FRA⁴¹.

Figure 3.25.1 – Key figures for FRA



* Budget figures are based on the total payment appropriations available during the financial year.

** “Staff” includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of FRA for the 2023 and 2024 financial years; staff figures provided by FRA.

Our statement of assurance to the European Parliament and the Council – Independent auditor’s report

Opinion

3.25.2. Our audit approach, the basis for our opinion, the responsibilities of FRA’s management and of those charged with governance, and the auditor’s responsibilities for the audit of the accounts and underlying transactions, are all described in section [3.1](#). The signature on page [319](#) forms an integral part of the opinion.

⁴¹ More information on FRA’s role and activities is available on its website: www.fra.europa.eu.

European Union Agency for Fundamental Rights (FRA)

3.25.3. We have audited:

(a) the accounts of the European Union Agency for Fundamental Rights (FRA), which comprise the financial statements and the reports on the implementation of FRA's budget for the financial year ended 31 December 2024, and

(b) the legality and regularity of the transactions underlying those accounts,

as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts

Opinion on the reliability of the accounts

3.25.4. In our opinion, FRA's accounts for the year ended 31 December 2024 present fairly, in all material respects, FRA's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts

Revenue

Opinion on the legality and regularity of revenue underlying the accounts

3.25.5. In our opinion, the revenue underlying FRA's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments

Opinion on the legality and regularity of payments underlying the accounts

3.25.6. In our opinion, the payments underlying FRA's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

3.25.7. The observations which follow do not call our opinion into question.

Observations on budgetary management

3.25.8. In 2024 FRA carried over 20.9 % of the year's non-differentiated appropriations to 2025. There were significant carry-overs under Title III (64.8 %), as in 2023. Recurrent high rates of carry-overs undermine the budgetary principle of annuality and are indicative of structural issues in the budget process and implementation cycle.

3.25.9. In 2024 FRA processed 1 505 payment requests, of which 215 (14.3 %), for an amount of €532 217 (3.9 %), were paid after the legal deadline. FRA paid late payment interest of €329 on one of these late payments. The share of late payments was higher in number but lower in amount than in 2023 when FRA processed 1 621 payment requests, of which 201 (12.4 %), for an amount of €732 528 (5.6 %), were paid late but accrued no late payment interest.

Follow-up of previous years' observations

3.25.10. An overview of the action taken by FRA in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years' observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2022	FRA has a high level of carry-overs.	The situation persisted in 2024 (paragraph 3.25.8).	Open

European Union Agency for Fundamental Rights (FRA)

FRA replies

https://www.eca.europa.eu/Lists/ECARepplies/FRA-Replies-SAR-AGENCIES-2024/FRA-Replies-SAR-AGENCIES-2024_EN.pdf



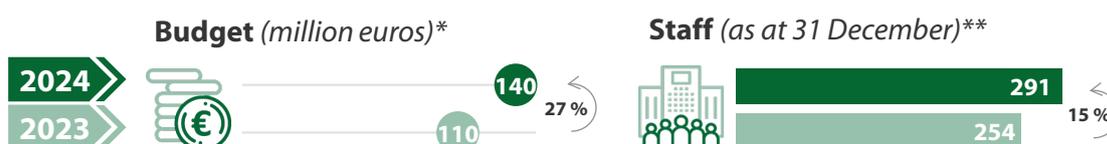
Agencies funded under MFF heading 3 – Natural resources and environment

3.26. European Environment Agency (EEA)

Introduction

3.26.1. The European Environment Agency (EEA), located in Copenhagen, was established by Council Regulation (EEC) No 1210/90, subsequently repealed and replaced by Regulation (EC) No 401/2009. In collaboration with a partner network, the EEA is responsible for providing the Commission, the Parliament, the member states and, more generally, the public with reliable information on the state of Europe’s environment, climate change and sustainability issues. *Figure 3.26.1* presents key figures for the EEA⁴².

Figure 3.26.1 – Key figures for the EEA



- * Budget figures are based on the total payment appropriations available during the financial year.
- ** “Staff” includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of the EEA for the 2023 and 2024 financial years; staff figures provided by the EEA.

Our statement of assurance to the European Parliament and the Council – Independent auditor’s report

Opinion

3.26.2. Our audit approach, the basis for our opinion, the responsibilities of the EEA’s management and of those charged with governance, and the auditor’s responsibilities for the audit of the accounts and underlying transactions, are all described in section 3.1. The signature on page 319 forms an integral part of the opinion.

⁴² More information on the EEA’s role and activities is available on its website: www.eea.europa.eu.

European Environment Agency (EEA)

3.26.3. We have audited:

- (a) the accounts of the European Environment Agency (EEA), which comprise the financial statements and the reports on the implementation of the EEA's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts**Opinion on the reliability of the accounts**

3.26.4. In our opinion, the EEA's accounts for the year ended 31 December 2024 present fairly, in all material respects, the EEA's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts**Revenue****Opinion on the legality and regularity of revenue underlying the accounts**

3.26.5. In our opinion, the revenue underlying the EEA's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments**Opinion on the legality and regularity of payments underlying the accounts**

3.26.6. In our opinion, the payments underlying the EEA's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

3.26.7. The observations which follow do not call our opinion into question.

Observations on the legality and regularity of transactions

3.26.8. Under a framework contract for canteen and catering services, the EEA paid €6 514 to refund costs incurred by the contractor without there being an invoice addressed to the EEA. This contravenes Article 111(2) of the EU Financial Regulation. For another cost item – staff lunches – the prices were increased by 34 % above the indexation mechanism set out in the framework contract, which resulted in an irregular payment of €2 044 for the lunches the EEA offered to some of its visitors. We note that the EEA recorded this non-compliance in an exception report.

Observations on management and control systems

3.26.9. When ordering catering services related to internal courses, expert meetings, and representation costs under the same framework contract for canteen and catering services, the EEA used its internal Expert Meeting System. This was not in line with the terms of the framework contract that required services to be ordered using standard order forms or specific contracts. Furthermore, because the Expert Meeting System does not result in legal commitments in the accounting system, the EEA does not have a reliable mechanism to monitor the cumulative expenditure under the framework contract, which contravenes Article 111(1) and (3) of the EU Financial Regulation and leads to a risk that the contract ceiling might be exceeded.

3.26.10. The EEA implemented another framework contract, for the provision of IT consultancy services, with a total estimated value of €9.0 million. To do so, the EEA signed a specific contract for an amount of €731 000, but without specifying that this was a time and means contract. Therefore it was not possible to reconcile the total contract amount with the price per consultant profile, the types of tasks to be performed for each profile, and the details of the deliverables as defined in the framework contract. This is not in line with the provisions in section 1.1 of Annex I to the EU Financial Regulation and exposes the EEA to a potential legal risk. However, as the invoices issued by the contractor and paid by the EEA could be reconciled with the relevant provisions of the framework contract, this error had no financial impact.

Observations on budgetary management

3.26.11. In 2024 the EEA carried over 16.3 % of the year's non-differentiated appropriations to 2025. There were still significant carry-overs under Title III (44.5 %), as in 2023. Recurrent high rates of carry-overs undermine the budgetary principle of annuality and are indicative of structural issues in the budget process and implementation cycle.

European Environment Agency (EEA)

3.26.12. In 2024 the EEA processed 1 643 payment requests, of which 294 (17.9 %), for an amount of €10.2 million (18.9 %), were paid after the legal deadline. However, no late payment interest was charged. The share of late payments was lower than in 2023, when EEA processed 1 534 payment requests, of which 282 (18.4 %), for an amount of €9.5 million (19.8 %), were paid late but accrued no late payment interest.

Follow-up of previous years' observations

3.26.13. An overview of the action taken by the EEA in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years' observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2023	<p>The EEA outsourced <i>ex ante</i> financial checks on grant payments to European Topic Centres to an external contractor.</p> <p>The EEA did not update its procedures for <i>ex ante</i> checks or its <i>ex post</i> strategy to reflect the fact that <i>ex ante</i> checks had been outsourced.</p> <p>In one case, the EEA did not sufficiently follow up on the external contractor's conclusions that salary costs for one of the partners in a European Topic Centre were likely to be overstated. In addition, the EEA did not require the contractor to check whether the same salaries had been declared more than once, which is a risk for partners working under more than one EEA agreement.</p>	<p>The EEA updated its policies and procedures for <i>ex ante</i> and <i>ex post</i> checks of European Topic Centres.</p> <p>In 2024 the EEA signed a contract for the financial checks on grant payments with a new provider. The tasks specified under the contract include checking salaries for partners working under more than one agreement.</p> <p>Subsequent to our audit in 2023 the EEA received the salary slips confirming that the costs claimed were correct.</p>	Closed
2	2023	<p>The EEA approved the use of lump sum grant payments to a European Topic Centre to reimburse a partner's salary costs; however, the</p>	<p>The EEA has provided documentation supporting the calculations of amounts for the lump sum decisions in 2024.</p>	Closed

European Environment Agency (EEA)

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
		EEA was not able to show how the lump sum amount was calculated.	For the 2024 financial year, these lump sum grant payments are limited to two partners representing 1.7 % of the total costs declared for all European Topic Centres.	
3	2023	The EEA increased the value of a framework contract from €6.4 million to €7.4 million. However, when making this amendment, it did not send the modification notice for publication.	The EEA has adapted its control mechanisms by reviewing and updating its internal checklist for modification of contracts.	Closed
4	2023	On 22 December 2023 the EEA published an amending budget in the <i>Official Journal of the European Union</i> . The amending budget showed total revenue of €76.1 million and total expenditure of €80.1 million, which is contrary to the budgetary principles of accuracy and equilibrium.	A corrigendum was published on 25 March 2024 to correct the publication of the wrong information in December 2023.	Closed
5	2023	In 2023 the EEA made 35 budget transfers, without sufficiently documenting why they were needed.	In 2024 we found sufficient justification for all the budget transfers.	Closed
6	2023	The EEA has a high share of late payments.	The situation persisted in 2024 (paragraph 3.26.12).	Open

European Environment Agency (EEA)

EEA replies

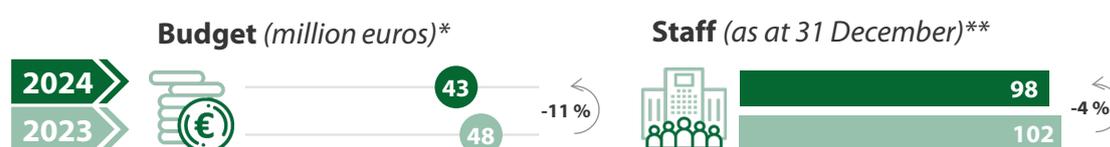
https://www.eea.europa.eu/Lists/ECARepplies/EEA-Replies-SAR-AGENCIES-2024/EEA-Replies-SAR-AGENCIES-2024_EN.pdf

3.27. European Fisheries Control Agency (EFCA)

Introduction

3.27.1. The European Fisheries Control Agency (EFCA), located in Vigo, was established by Regulation (EC) No 768/2005, subsequently repealed and replaced by Regulation (EU) 2019/473. EFCA's main task is to coordinate the member states' fisheries control, inspection and surveillance activities to ensure that the rules of the common fisheries policy are applied effectively and uniformly. *Figure 3.27.1* presents key figures for EFCA⁴³.

Figure 3.27.1 – Key figures for EFCA



* Budget figures are based on the total payment appropriations available during the financial year.

** "Staff" includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of EFCA for the 2023 and 2024 financial years; staff figures provided by EFCA.

Our statement of assurance to the European Parliament and the Council – Independent auditor's report

Opinion

3.27.2. Our audit approach, the basis for our opinion, the responsibilities of EFCA's management and of those charged with governance, and the auditor's responsibilities for the audit of the accounts and underlying transactions, are all described in section 3.1. The signature on page 319 forms an integral part of the opinion.

⁴³ More information on EFCA's role and activities is available on its website: www.efca.europa.eu.

European Fisheries Control Agency (EFCA)

3.27.3. We have audited:

- (a) the accounts of the European Fisheries Control Agency (EFCA), which comprise the financial statements and the reports on the implementation of EFCA's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts**Opinion on the reliability of the accounts**

3.27.4. In our opinion, EFCA's accounts for the year ended 31 December 2024 present fairly, in all material respects, EFCA's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts**Revenue****Opinion on the legality and regularity of revenue underlying the accounts**

3.27.5. In our opinion, the revenue underlying EFCA's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments**Opinion on the legality and regularity of payments underlying the accounts**

3.27.6. In our opinion, the payments underlying EFCA's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

3.27.7. The observations which follow do not call our opinion into question.

Observations on management and control systems

3.27.8. The tender specifications of an open procedure for the provision of IT services included award criteria based on price (40 %) and quality (60 %). However, the formula used for the price criterion included an additional coefficient and resulted in an effective weighting of the price criterion at below 30 %. The level of 30 % is the minimum recommended by the Commission's guidelines to ensure that the weighting does not neutralise the price criterion, as required by point 21.2 of Annex I to the EU Financial Regulation.

3.27.9. EFCA's internal rules require seconded national experts (s) to reside in Vigo. These experts receive daily and monthly allowances to cover living expenses in Vigo. To receive them, they must make a formal declaration that they actually live there. EFCA's *ex ante* checks on these declarations are weak: they are based solely on the declarations of the seconded national experts and not on documentary evidence. There are no *ex post* checks. This creates the risk that the amounts EFCA pays for these allowances may not be correct. It is a systematic weakness in EFCA's management and control systems.

Observations on budgetary management

3.27.10. In 2024 EFCA carried over 22.2 % of the year's non-differentiated appropriations to 2025. We observed that there were still significant carry-overs under Title III (38 %), as in 2023. Recurrent high rates of carry-overs undermine the budgetary principle of annuality and are indicative of structural issues in the budgetary process and implementation cycle.

Follow-up of previous years' observations

3.27.11. An overview of the action taken by EFCA in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years' observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2022	EFCA signed a framework contract for the value of €90 million for chartering three vessels, with an initial duration of 24 months, to be tacitly renewed four times, each time for additional 12 months, up to 6 years. Point 1.1. of Annex I to the EU Financial Regulation allows framework contracts with a duration of more than 4 years, but only in exceptional, duly justified cases. We found that EFCA did not have a sufficient justification for a longer contract. Consequently, we concluded that, if the contract is extended beyond the 4-year limit, we will consider subsequent associated payments irregular.	The framework contract remains in place but no payments beyond the 4-year limit have yet occurred (2024 was the contract's third year of implementation).	Open
2	2022	In May 2022 EFCA launched a negotiated procedure without the prior publication of a contract notice for the lease of an offshore patrol vessel to be used in the waters between the EU and the UK. In June 2022 it signed a contract for the lease of an offshore patrol vessel, to bridge the gap between the expiry of a previous contract and the entry into force of a new contract (for three vessels) under an ongoing open procedure which had lasted longer than initially expected. EFCA justified the negotiated procedure by extreme urgency brought about by unforeseeable events that were not attributable to the	The contract was signed for 6 months and expired on 28 December 2022. EFCA did not make payments on this contract in 2024.	Closed

European Fisheries Control Agency (EFCA)

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
		contracting authority, which is an exception permitted under point 11.1(c) of Annex I to the EU Financial Regulation. We concluded that while some of the factors which produced this urgency may not have been foreseeable, certain others were. The fact that they were not adequately taken into account indicates a weakness in EFCA's planning and its management of the procurement for chartering the three vessels.		
3	2022	EFCA has high level of carry-overs.	The situation persisted in 2024 (paragraph 3.27.10)	Open
4	2023	EFCA used an interinstitutional framework contract for the provision of travel arrangement services to acquire event organisation services which was beyond the scope of that contract, as applicable to EFCA. The associated 2023 payments of €257 274 are therefore irregular.	EFCA did not use the interinstitutional framework contract for the provision of travel arrangement services to acquire event organisation services in 2024. Furthermore, EFCA signed a 4-year framework contract for event organisation services with a new service provider on 20 September 2023.	Closed

European Fisheries Control Agency (EFCA)

EFCA replies

https://www.eca.europa.eu/Lists/ECARepplies/EFCA-Replies-SAR-AGENCIES-2024/EFCA-Replies-SAR-AGENCIES-2024_EN.pdf



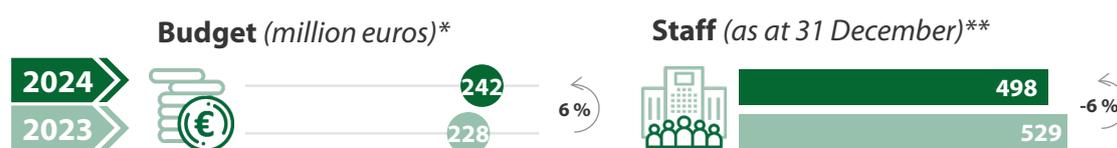
Agencies funded under MFF heading 4 – Migration and border management

3.28. European Union Agency for Asylum (EUAA)

Introduction

3.28.1. The European Union Asylum Support Office (EUAA), located in Valletta, was established by [Regulation \(EU\) 2021/2303](#). The EUAA succeeded and replaced the European Asylum Support Office (EASO) established in 2010. It implements operational plans signed with 13 member states. The EUAA aims to harmonise asylum practices across the EU, in line with EU obligations. The EUAA's main task is to support member states in applying the package of EU laws that governs asylum, international protection and reception conditions, known as the Common European Asylum System. [Figure 3.28.1](#) presents key figures for the EUAA⁴⁴.

Figure 3.28.1 – Key figures for the EUAA



* Budget figures are based on the total payment appropriations available during the financial year.

** "Staff" includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of the EUAA for the 2023 and 2024 financial years; staff figures provided by the EUAA.

⁴⁴ More information on the EUAA's role and activities is available on its website: www.euaa.europa.eu.

Our statement of assurance to the European Parliament and the Council – Independent auditor’s report

Opinion

3.28.2. Our audit approach, the basis for our opinion, the responsibilities of the EUAA’s management and of those charged with governance, and the auditor’s responsibilities for the audit of the accounts and underlying transactions, are all described in section 3.1. The signature on page 319 forms an integral part of the opinion.

3.28.3. We have audited:

(a) the accounts of the European Union Agency for Asylum (EUAA), which comprise the financial statements and the reports on the implementation of the EUAA’s budget for the financial year ended 31 December 2024, and

(b) the legality and regularity of the transactions underlying those accounts,

as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts

Opinion on the reliability of the accounts

3.28.4. In our opinion, the EUAA’s accounts for the year ended 31 December 2024 present fairly, in all material respects, the EUAA’s financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission’s accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts

Revenue

Opinion on the legality and regularity of revenue underlying the accounts

3.28.5. In our opinion, the revenue underlying the EUAA's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments

Opinion on the legality and regularity of payments underlying the accounts

3.28.6. In our opinion, the payments underlying the EUAA's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

Follow-up of previous years' observations

3.28.7. An overview of the action taken by the EUAA in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years' observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2017	The procurement procedures for EASO's rented premises in Lesbos were irregular. As a result, all subsequent payments on this contract are irregular.	The contract for the premises in Lesbos in Greece was terminated in April 2023 and there were no related payments in 2024.	Closed
2	2020	The procurement procedure used for the rented premises in Rome was irregular. As a result, all subsequent payments under these contracts are irregular.	The contract was terminated in July 2023. The new framework contract for premises in Rome entered into force on 1 August 2023. Therefore, there were no payments related to the previous and irregular contract in 2024.	Closed

European Union Agency for Asylum (EUAA)

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
3	2022	<p>Schengen associated countries co-finance some of the EUAA's activities. Their share of the EUAA's budget for these activities is based on the proportion of the size of their economies to the EU economy. However, the agreements with these countries which serve as a legal basis for calculating their contributions, are unclear and allow divergent interpretations.</p> <p>We consider the EUAA's interpretation to be flawed, because it has led to Schengen associated countries contributing around €0.7 million (7 %) less to the EUAA's budget than the size of their economies (in relation to the EU economy) would dictate. This disproportionality is caused by the fact that the EUAA calculates the contribution of each Schengen associated country by dividing the size of the country's economy by the combined size of the EU economy and the economies of all the Schengen associated countries, and then by multiplying the resulting "contribution ratio" by the EU budget subsidy for the EUAA's activities concerned.</p>	<p>The situation persisted in 2024.</p> <p>The negotiations with Schengen associated countries are conducted by the Commission.</p>	Open

European Union Agency for Asylum (EUAA)

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
4	2023	<p>After the award decision procedure for the provision of interpretation and cultural mediation services was communicated for one of the lots, one tenderer objected because the evaluation committee had wrongly used clarifications provided by that tenderer for a different lot from the one evaluated. In view of this error, the EUAA authorising officer requested that the tender be re-evaluated.</p>	<p>Through the re-evaluation by the evaluation committee, the contracting authority adequately ensured the legality and regularity of the procurement procedure. Furthermore, to mitigate the risk of needing to carry out re-evaluations in other procurement procedures, all staff and the Management Board have been told about this case as part of the annual assessment of internal control systems. The information is accessible to all staff on the EUAA intranet. Furthermore, the EUAA raised awareness by sharing lessons learned and best practice in weekly internal meetings where business cases such this one are discussed.</p>	Closed

European Union Agency for Asylum (EUAA)

EUAA replies

https://www.eca.europa.eu/Lists/ECARepplies/EUAA-Replies-SAR-AGENCIES-2024/EUAA-Replies-SAR-AGENCIES-2024_EN.pdf

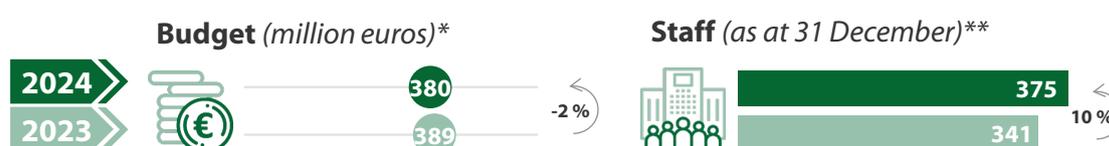
3.29. European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA)

Introduction

3.29.1. The European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA), located in Tallinn, Strasbourg and St Johann im Pongau, was established by [Regulation \(EU\) 2018/1726](#). eu-LISA succeeded and replaced the European Agency for the operational management of large-scale IT systems in the area of freedom, security and justice, established in 2011. Its mandate covers the development and operational management of the entry/exit system for non-EU nationals and the European travel information and authorisation system. eu-LISA's core mission is to fulfil the operational management tasks for the second-generation Schengen information system, the Visa Information System and the European system for the comparison of fingerprints.

[Figure 3.29.1](#) presents key figures for eu-LISA⁴⁵.

Figure 3.29.1 – Key figures for eu-LISA



* Budget figures are based on the total payment appropriations available during the financial year.

** "Staff" includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of eu-LISA for the 2023 and 2024 financial years; staff figures provided by eu-LISA.

⁴⁵ More information on eu-LISA's role and activities is available on its website: <https://www.eulisa.europa.eu>.

Our statement of assurance to the European Parliament and the Council – Independent auditor’s report

Opinion

3.29.2. Our audit approach, the basis for our opinion, the responsibilities of eu-LISA’s management and of those charged with governance, and the auditor’s responsibilities for the audit of the accounts and underlying transactions, are all described in section **3.1**. The signature on page **319** forms an integral part of the opinion.

3.29.3. We have audited:

- (a) the accounts of the European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA), which comprise the financial statements and the reports on the implementation of eu-LISA’s budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts

Opinion on the reliability of the accounts

3.29.4. In our opinion, eu-LISA’s accounts for the year ended 31 December 2024 present fairly, in all material respects, eu-LISA’s financial position as at 31 December 2024, the results of its operations, its cashflows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission’s accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts

Revenue

Opinion on the legality and regularity of revenue underlying the accounts

3.29.5. In our opinion, the revenue underlying eu-LISA's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments

Opinion on the legality and regularity of payments underlying the accounts

3.29.6. In our opinion, the payments underlying eu-LISA's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

3.29.7. The observations which follow do not call our opinion into question.

Observations on the legality and regularity of transactions

3.29.8. Following a negotiated procedure for the rental of premises for temporary use by eu-LISA in Strasbourg, the premises' surface area (2 074m²) and number of workplaces (200) identified in the resulting rental contract were below the needs defined in the tender specifications (surface area of between 2 500m² and 3 500m² with a capacity of 250 workplaces). Furthermore, even though the quality of the offer was assessed to be very low (with 18 out of a maximum 100 points), it was not rejected, and this is contrary to the Commission's procurement guidance. Lastly, some of the award criteria defined in the tender specification were subsequently negotiated with the tenderer and not taken into consideration for the evaluation, which is contrary to Article 167(3) and point 6.5 of Annex I to the EU Financial Regulation. Therefore, the negotiated procedure and the resulting rental contract are irregular, as are all associated payments, which amounted to €850 068 in 2024.

3.29.9. In relation to a procurement procedure for the delivery of electrical and civil works for technical infrastructure in Strasbourg, the evaluation committee contacted the two tenderers by email during the evaluation of the selection and award criteria to obtain additional clarifications regarding their tender documentation, including, in particular, the

European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA)

financial offers. However, we found that, in the case of the winning bidder, the initial financial tender was modified in relation to a price element, while no clerical error was pointed out. This is contrary to Article 151 of the EU Financial Regulation. As it affected the outcome of the procurement procedure, the contract signed with the winning bidder is irregular, as are the related payments, which in 2024 amounted to €150 205.

3.29.10. In our [2023 report](#) on EU agencies (paragraph 3.29.9), we concluded that changes in some pricing elements of the financial offers of two tenderers, going beyond the corrections allowed under Article 151 of the EU Financial Regulation, decisively affected the outcome of the tender and the two tenderers were awarded contracts in the framework contract cascade's second and third positions. The contracts signed with these two tenderers were irregular, as well as all related payments. In 2024 eu-LISA paid an amount of €1.4 million in relation to these contracts.

Observations on management and control systems

3.29.11. In February 2024 eu-LISA awarded a specific contract for monitoring and maintenance services in relation to the Visa Information System, using a reopening of competition under the transversal operations framework contract. This award is linked to the termination of a previous contract which we assessed as irregular in our [2022 report](#) on EU agencies (paragraph 3.29.17). The three financial offers received through the reopening of competition procedure differed significantly, with the cheapest offer, from the winning tenderer (€47.8 million), five times lower than the second cheapest offer (€243.4 million) and 50 times lower than the most expensive offer (€2.4 billion). The evaluation committee, based on the clarifications obtained from the tenderer regarding the planned automation of maintenance services, concluded that the cheapest offer was not abnormally low and should not be rejected. Due to persistent doubts about the validity of that offer, eu-LISA set up a working group to review this reopening of competition. The working group confirmed the assessment of the financial offers conducted by the evaluation committee but reported an operational and contractual risk linked to the fact that eu-LISA would have to pay the bulk of the contract price upfront. We consider this risk to be significant.

Follow-up of previous years' observations

3.29.12. An overview of the action taken by eu-LISA in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years' observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2017	eu-LISA currently manages three separate, non-integrated large-scale IT systems, all dealing with data in the EU's policy area of freedom, security and justice. Such an approach may prevent eu-LISA from achieving economies of scale and synergies between the different systems.	<p>The new transversal approach is implemented through framework contracts concluded between 2020 and 2022. These contracts are intended as the main driver for achieving economy of scale.</p> <p>Their impact will be subject to assessment as they are implemented. Their implementation dates range from 2024 to 2026.</p>	Open
2	2021	<p>eu-LISA amended the value of three contracts. The amendments increased the maximum amount of the contracts by 50 %.</p> <p>Because the amended contracts were close to expiry and the amount committed was still considerably lower than the maximum amount of the contract, eu-LISA could have used the new transversal contracts as soon as possible instead of amending the legacy contracts by the maximum amount allowed by the EU Financial Regulation.</p>	One of the contracts from 2017 expired and other one was still in force at the end of 2024.	Open for the remaining 2017 contract.

European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA)

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
3	2022	<p>eu-LISA used a specific contract for fixed price elements to purchase hardware either not covered by the associated framework contract or priced 23 % higher than the corresponding items in the framework contract. This constitutes a substantial deviation from the framework contract. Consequently, the associated 2022 payments, corresponding to the increase in price of the fixed price element, which amounted to €2.9 million, are irregular.</p>	<p>The contract was not in force anymore at the end of 2024 and there were no payments in that year.</p>	Closed
4	2022	<p>For another specific contract for custom development and testing related to the entry/exit system, eu-LISA concluded an amendment to raise the contract value by €3.6 million. However, in line with the associated framework contract, the specific contract in question was for a fixed price, therefore such a change was not allowed.</p> <p>Consequently, the 2022 payment of €0.9 million related to these additional services is irregular.</p>	<p>The contract was still in force at the end of 2024, but there were no payments under this contract.</p>	Open

European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA)

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
5	2022	For procurement for the maintenance of the common shared infrastructure, we concluded that the specific contract deviated fundamentally from the framework contract, and that no amendments had been made to the framework contract.	The contract was no longer in force since 2023. In 2024 there were no payments under this contract.	Closed
6	2022	eu-LISA decided to award a contract in connection with the Visa Information System using a negotiated procedure without the prior publication of a contract notice. It justified this decision on the grounds of extreme urgency. eu-LISA decided to use this type of procedure against the advice of its own procurement department and legal service. We concluded that the use of this procedure was not justified, and that an ordinary procedure could have been used.	Both the framework contract and the last specific contract were terminated or expired at the end of 2024. There were no payments under this contract in 2024.	Closed
7	2022	The procurement of a transversal operations framework contract, with an estimated total value of €490 million, was divided into two lots. eu-LISA appointed two evaluation committees, each with 33 members. We consider that such a high number of members dilutes their individual responsibility. In addition, we noted that for six evaluation committee meetings, no meeting records had been kept, and only the final report had been signed.	In 2024 eu-LISA implemented revised procurement guidelines to address the issue.	Closed

European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA)

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
8	2022	eu-LISA has a high level of carry-overs.	In 2024 the level of carry-overs fell below 15 %, which is our reporting threshold.	Closed
9	2023	<p>During the evaluation in the context of an open procedure, eu-LISA contacted two of the three tenderers by email to obtain additional clarifications regarding the submitted tender documentation, including the financial offer. Both tenderers agreed with the changes in their financial offers proposed by eu-LISA, as otherwise their bids would be deemed unacceptable, and the procedure would have had to be cancelled if only one bidder had remained.</p> <p>Nevertheless, the fact that eu-LISA made significant changes in some pricing elements of the financial offers of two tenderers, going beyond the corrections allowed under Article 151 of the EU Financial Regulation, decisively affected the outcome of the tender and the two tenderers were awarded contracts in the framework contract cascade's second and third positions.</p> <p>Therefore, the contracts signed with these two tenderers are irregular, as are the related payments, which in 2023 amounted to €2.7 million for the two contractors concerned.</p>	These contracts expired in 2023. However, in 2024 eu-LISA paid €1.4 million under these contracts.	Open

European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA)

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
10	2023	<p>In 2023 eu-LISA spent €11.0 million under two framework contracts with consortia of IT resellers, one for hardware and related services (€1.9 million), and another for software and related services (€9.1 million). According to the terms of both contracts, the price to be paid by eu-LISA is the vendor's price minus a pre-defined minimum discount plus a mark-up for the reseller. To ensure that the minimum discount is correctly applied, and any greater discounts obtained by resellers from the vendors are correctly reflected in the price charged to eu-LISA, the reseller should provide eu-LISA with the price lists of vendors as well as the invoices showing the actual price paid to the vendor. We found that eu-LISA obtained the price lists of the vendors from the reseller (usually prices before any discount) but not the invoices with the actual price paid for these purchases and therefore, was not able to perform a necessary check to ensure that it had not overpaid for the goods and services received.</p>	<p>In 2024 eu-LISA spent €69.2 million under these two framework contracts. While the quality of the documentation regarding the vendors' price lists has improved, the necessary checks to ensure that eu-LISA did not overpay for the goods and services received were still not performed against the invoices with the actual price paid for these purchases.</p>	Open

European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA)

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
11	2023	<p>In 2023 eu-LISA amended a framework contract for the provision of services in relation to transversal operations framework contract (TOF) to include reinstatement fee costs in its scope. Reinstatement fees are a penalty applied by vendors when the maintenance for a product is not renewed on time but is then resumed later.</p> <p>These costs stem from another framework contract that eu-LISA entered into in 2019 for the implementation of the entry/exit system (EES) with another consortium. Due to delays in the implementation of the EES, a dispute arose with the contractor, who refused to cover the extra cost of maintenance for certain IT products for the extended duration of the project.</p> <p>Consequently, maintenance elapsed, which led to the need to pay a reinstatement fee.</p> <p>Because of this situation, several IT products lacked proper contractual maintenance coverage between November 2022 and April 2023, with the associated risk for eu-LISA's operations. We note that, by deciding to include the reinstatement fee in another contract (TOF), eu-LISA addressed the risk of</p>	<p>In 2024 eu-LISA paid €1.3 million for these disputed costs of renewal of software maintenance and related reinstatement fees under the transversal operations framework contract. At the end of 2024, eu-LISA had not yet initiated litigation against the EES contractor in this regard.</p>	Open

European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA)

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
		<p>disruption of its operations due to persisting lack of maintenance.</p> <p>However, this decision also meant that eu-LISA accepted to pay significant costs (€5.3 million in 2023) which, according to its interpretation of the EES contract, should have been covered by another party (the EES contractor). We also note that, by the time of our audit, eu-LISA had not initiated legal proceedings against the EES contractor over this matter.</p>		

European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA)

eu-LISA replies

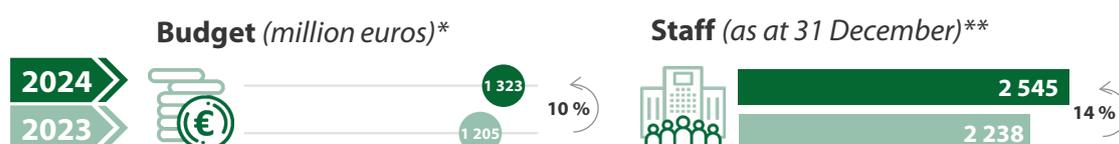
https://www.eca.europa.eu/Lists/ECARepplies/eu-LISA-Replies-SAR-AGENCIES-2024/eu-LISA-Replies-SAR-AGENCIES-2024_EN.pdf

3.30. European Border and Coast Guard Agency (Frontex)

Introduction

3.30.1. The European Border and Coast Guard Agency (Frontex), located in Warsaw, was established by [Regulation \(EU\) 2016/1624](#), subsequently repealed and replaced by [Regulation \(EU\) 2019/1896](#). Frontex succeeded and replaced the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union, established in 2004. Frontex and member states' authorities in charge of border management and return operations jointly constitute the European Border and Coast Guard, which is responsible for the integrated management of the EU's external borders. [Figure 3.30.1](#) presents key figures for Frontex⁴⁶.

Figure 3.30.1 – Key figures for Frontex



* Budget figures are based on the total payment appropriations available during the financial year.

** "Staff" includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of Frontex for the 2023 and 2024 financial years; staff figures provided by Frontex.

Our statement of assurance to the European Parliament and the Council – Independent auditor's report

Opinion

3.30.2. Our audit approach, the basis for our opinion, the responsibilities of Frontex's management and of those charged with governance, and the auditor's responsibilities for the audit of the accounts and underlying transactions, are all described in section [3.1](#). The signature on page [319](#) forms an integral part of the opinion.

⁴⁶ More information on Frontex's role and activities is available on its website: www.frontex.europa.eu.

European Border and Coast Guard Agency (Frontex)

3.30.3. We have audited:

- (a) the accounts of the European Border and Coast Guard Agency (Frontex), which comprise the financial statements and the reports on the implementation of Frontex's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts**Opinion on the reliability of the accounts**

3.30.4. In our opinion, Frontex's accounts for the year ended 31 December 2024 present fairly, in all material respects, Frontex's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts**Revenue****Opinion on the legality and regularity of revenue underlying the accounts**

3.30.5. In our opinion, the revenue underlying Frontex's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments**Opinion on the legality and regularity of payments underlying the accounts**

3.30.6. In our opinion, the payments underlying Frontex's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

3.30.7. The observations which follow do not call our opinion into question.

Observations on budgetary management

3.30.8. In 2024 Frontex carried over 43 % of the year's non-differentiated appropriations to 2025. There were significant carry-overs under Title II (43 %) and Title III (58 %), as in 2023. Recurrent high rates of carry-overs undermine the budgetary principle of annuality and are indicative of structural issues in the budget process and implementation cycle.

3.30.9. In 2024 Frontex processed 39 940 payment requests, of which 2 516 (6.3 %), for an amount of €73.3 million (8.4 %), were paid after the legal deadline. A total of €149 374 was charged in late payment interest. The share of late payments was lower than in 2023 when Frontex processed 38 629 payment requests, of which 5 136 (13.3 %), for an amount of €100.9 million (13.2 %), were paid late, leading to a total of €7 756 in late payment interest.

Follow-up of previous years' observations

3.30.10. An overview of the action taken by Frontex in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years' observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2018	Frontex has a high level of carry-overs.	The situation with carry-overs persisted in 2024 (paragraph 3.30.8)	Open
2	2018	Frontex did not reach the required post occupancy rates laid down in the staff establishment plan. Frontex should improve the guidance given to selection committee members and verify the candidates' financial entitlements more closely.	<p>There has been an improvement in post occupancy rates over the last 5 years.</p> <ul style="list-style-type: none"> ○ 2020: 61 % ○ 2021: 77 % ○ 2022: 82 % ○ 2023: 89 % ○ 2024: 85 % <p>However, Frontex still has a significant number of vacancies.</p>	Open
3	2020	The European Ombudsman has opened two inquiries: (a) in November 2020 it assessed the effectiveness and transparency of Frontex's complaints mechanism and the role and independence of Frontex's fundamental rights officer, and issued nine suggestions on 15 June 2021; (b) in March 2021 it	<p>Frontex monitors its progress regularly (with a fixed point on the agenda of each management board meeting).</p> <p>As regards the issues raised by the European Ombudsman, of the 22 improvement actions</p>	Open for the follow-up action relating to the issues raised by the European Ombudsman.

European Border and Coast Guard Agency (Frontex)

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
		investigated how Frontex was complying with its fundamental rights obligations and ensuring accountability in relation to its new enhanced responsibilities. There are also two ongoing investigations: (a) from OLAF, concerning allegations of harassment, misconduct and migrant pushbacks involving Frontex; (b) from the European Parliament, concerning allegations of violations of fundamental rights in Frontex.	developed on the basis of recommendations, Frontex reports 18 actions as implemented and 4 as “in progress”. As regards the issues raised by the European Parliament’s Frontex Scrutiny Working Group (FSWG) and by OLAF, Frontex reports all actions as implemented or closed.	Closed for the follow-up action relating to the issues raised by the FSWG and by OLAF.
4	2021	Frontex has a high share of late payments.	The situation persisted in 2024 (paragraph 3.30.9).	Open
5	2022	Frontex does not have formalised guidance or procedures to ensure the consistent calculation of accrued charges (2022: €213.5 million). As a result, the estimated amount varies depending on which unit is responsible for calculating the accrual amount.	General guidelines on calculation of automatic carry-overs adopted on 26 November 2024.	Closed
6	2022	In May 2019 Frontex signed a framework contract with a total value of €30 million for travel services, including accommodation. We found that the invoices which the travel agency issued for accommodation were not supported by the hotels’ actual invoices. Instead, the underlying invoices were actually issued by another travel agency’s subsidiary. Frontex’s	The 2019 framework contract expired in 2021. In May 2022 Frontex terminated the subsequent framework contract for travel services. Since then, Frontex has not had a travel agency for booking missions, including the long-term Standing Corps missions. Instead, Frontex staff book their travel	Closed

European Border and Coast Guard Agency (Frontex)

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
		<p>internal controls on the implementation of the contract were insufficient in that they did not produce evidence of the costs actually incurred. This is a critical weakness which entails a significant risk of overcharging.</p>	<p>arrangements on their own. Given the risk of excessive costs linked to such an arrangement, we reviewed Frontex's internal controls in this regard and examined a sample of mission orders. Our checks of 2024 mission orders revealed no cases of manifestly excessive costs.</p>	
7	2022	<p>In one recruitment procedure, we found that the selection committee had aggregated its members' individual assessments instead of applying a consensual method as required by Frontex's internal rules. Furthermore, there were no clear standards or instructions for selection committee members on how to assess individual selection criteria. Lastly, although the chair of the selection committee declared a direct hierarchical relationship with the recruited person, we found no evidence that anything was done to address the potential conflict of interest. These weaknesses undermine the principles of transparency and equal treatment of candidates in recruitment procedures, and may expose Frontex to reputational and legal risks. We made a similar observation in paragraph 3.30.14 of our 2021 report.</p>	<p>The Executive Director's revised decision on recruitment and selection of temporary and contract staff (EDD 2024/106), which addresses the potential conflict of interest issue, was adopted in October 2024.</p>	Closed

European Border and Coast Guard Agency (Frontex)

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
8	2022	<p>Schengen-associated countries co-finance Frontex’s activities. Their share of Frontex’s budget is based on the proportion of the size of their economies in relation to the EU economy. However, the agreements with these countries, which serve as a legal basis for calculating their contributions, are unclear and open to divergent interpretations.</p> <p>We consider Frontex’s interpretation to be flawed, because it has led to the Schengen associated countries contributing around €3.5 million (7 %) less to Frontex’s budget than the size of their economies, in relation to the EU economy, would dictate. This disproportionality is caused by the fact that Frontex calculates the contribution of each Schengen associated country by dividing the size of the country’s economy by the combined size of the EU economy and the economies of all the associated countries, and then multiplying the resulting “contribution ratio” by the EU budget subsidy for Frontex (omitting the budget share of the Schengen associated countries).</p>	The situation persisted in 2024. This issue is not within Frontex’s control	Open

European Border and Coast Guard Agency (Frontex)

Frontex replies

https://www.eca.europa.eu/Lists/ECARepplies/Frontex-Replies-SAR-AGENCIES-2024/Frontex-Replies-SAR-AGENCIES-2024_EN.pdf



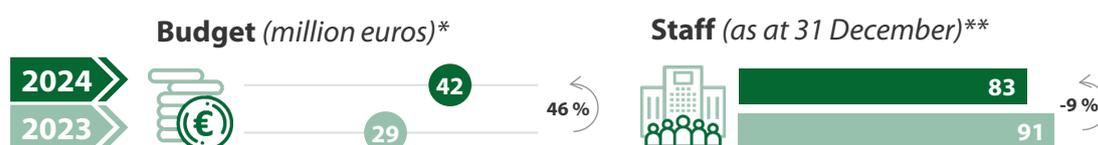
Agencies funded under MFF heading 5 – Security and defence

3.31. European Union Agency for Law Enforcement Training (CEPOL)

Introduction

3.31.1. The European Union Agency for Law Enforcement Training (CEPOL), located in Budapest, was established by [Regulation \(EU\) 2015/2219](#). CEPOL succeeded and replaced the European Police College, established in 2005. CEPOL's task is to bring together national police training institutes in the member states to provide training sessions for senior police agents, based on common standards. [Figure 3.31.1](#) presents key figures for CEPOL⁴⁷.

Figure 3.31.1 – Key figures for CEPOL



* Budget figures are based on the total payment appropriations available during the financial year.

** "Staff" includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Note: The significant increase in CEPOL's budget is linked to the assigned revenue CEPOL received for implementing four training and cooperation projects which started in June 2024.

Source: Annual accounts of CEPOL for the 2023 and 2024 financial years; staff figures provided by CEPOL.

Our statement of assurance to the European Parliament and the Council – Independent auditor's report

Opinion

3.31.2. Our audit approach, the basis for our opinion, the responsibilities of CEPOL's management and of those charged with governance, and the auditor's responsibilities for the audit of the accounts and underlying transactions are all described in section [3.1](#). The signature on page [319](#) forms an integral part of the opinion.

⁴⁷ More information on CEPOL's role and activities is available on its website: www.cepol.europa.eu.

European Union Agency for Law Enforcement Training (CEPOL)

3.31.3. We have audited:

- (a) the accounts of the European Union Agency for Law Enforcement Training (CEPOL), which comprise the financial statements and the reports on the implementation of CEPOL's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts**Opinion on the reliability of the accounts**

3.31.4. In our opinion, CEPOL's accounts for the year ended 31 December 2024 present fairly, in all material respects, CEPOL's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Emphasis of matter

3.31.5. We draw attention to the background information note, section 3 – 'Operational highlights' in the financial statements, to the annual accounts for 2024, which describe the impact of a cybersecurity incident that occurred during the reporting year and the remedial action taken. This event significantly disrupted CEPOL's operational activities, resulting in temporary service outages, and additional unplanned expenditures related to incident response, system recovery, and enhanced cybersecurity measures. The incident also had implications for the implementation of certain budgetary and operational objectives.

Our opinion is not modified in respect of this matter.

Legality and regularity of the transactions underlying the accounts

Revenue

Opinion on the legality and regularity of revenue underlying the accounts

3.31.6. In our opinion, the revenue underlying CEPOL's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments

Opinion on the legality and regularity of payments underlying the accounts

3.31.7. In our opinion, the payments underlying CEPOL's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

3.31.8. The observations which follow do not call our opinion into question.

Observations on budgetary management

3.31.9. In 2024 CEPOL processed 1 887 payment requests, of which 197 (10.4 %), for an amount of € 1.6 million (13.7 %), were paid after the legal deadline. Late payment interest was not charged. The share of late payments was higher than in 2023, when CEPOL processed 2 183 payment requests, of which 128 (5.9 %), for an amount of €791 343 (8.1 %), were paid late. In 2023 a total of €115 was charged in late payment interest.

Follow-up of previous years' observations

3.31.10. An overview of the action taken by CEPOL in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years’ observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2022	<p>When auditing the implementation of a framework contract of €1.1 million for educational editorial services in 2022, we found that the amounts paid could not be reconciled with the services provided. Some categories of task did not reflect the nature of actual work performed, and for some categories, the amount of work paid for did not correspond to the amount of work actually done.</p> <p>Because of a lack of essential audit evidence supporting the amounts paid, we conclude that all payments under this framework contract, which in 2022 amounted to €152 655 and in 2023 amounted to €84 961, are irregular.</p>	The framework contract expired in August 2023 and there were no payments in 2024.	Closed
2	2023	When implementing a framework contract for travel and event organisation, CEPOL monitored contract consumption at the level of payments rather than budgetary commitments, which is not in line with Article 111 of the EU Financial Regulation. This practice raises the risk of exceeding the framework contract ceiling.	In May 2024 CEPOL introduced a monthly report which combines monitoring at both payment and budgetary commitment levels, which decreases the risk of exceeding the contract ceiling to an acceptable level.	Closed

European Union Agency for Law Enforcement Training (CEPOL)

CEPOL replies

https://www.eca.europa.eu/Lists/ECARepplies/CEPOL-Replies-SAR-AGENCIES-2024/CEPOL-Replies-SAR-AGENCIES-2024_EN.pdf

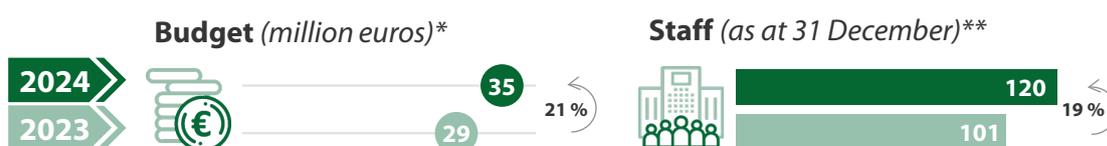
3.32. European Union Drugs Agency (EUDA)

Introduction

3.32.1. The European Union Drugs Agency (EUDA), located in Lisbon, was established by Regulation (EU) 2023/1322. It replaced the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA), initially established in 1993. Its main mission is twofold. First, to provide the EU and the member states with factual, objective, reliable and comparable information, early warning and risk assessment on drugs and drug use and other drug related matters at EU level. Second, to recommend appropriate and concrete evidence-based actions on how to address the challenges relating to drugs, drug use and other drug related matters.

Figure 3.32.1 presents key figures for the EUDA⁴⁸.

Figure 3.32.1 – Key figures for EUDA



* Budget figures are based on the total payment appropriations available during the financial year.

** “Staff” includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Note: The budget increase is explained by the EUDA’s new mandate that was applicable from 2 July 2024.

Source: Annual accounts of the EUDA for the 2023 and 2024 financial years; staff figures provided by the EUDA.

⁴⁸ More information on the EUDA’s role and activities is available on its website: www.euda.europa.eu.

Our statement of assurance to the European Parliament and the Council – Independent auditor’s report

Opinion

3.32.2. Our audit approach, the basis for our opinion, the responsibilities of the EUDA’s management and of those charged with governance, and the auditor’s responsibilities for the audit of the accounts and underlying transactions, are all described in section 3.1. The signature on page 319 forms an integral part of the opinion.

3.32.3. We have audited:

- (a) the accounts of the European Union Drugs Agency (EUDA), which comprise the financial statements and the reports on the implementation of the EUDA’s budget for the financial year ended 31 December 2024, and
- (b) the legality and regularity of the transactions underlying those accounts,

as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts

Opinion on the reliability of the accounts

3.32.4. In our opinion, the EUDA’s accounts for the year ended 31 December 2024 present fairly, in all material respects, the EUDA’s financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission’s accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts

Revenue

Opinion on the legality and regularity of revenue underlying the accounts

3.32.5. In our opinion, the revenue underlying the EUDA's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments

Opinion on the legality and regularity of payments underlying the accounts

3.32.6. In our opinion, the payments underlying the EUDA's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

3.32.7. The observations which follow do not call our opinion into question.

Observations on the legality and regularity of transactions

3.32.8. In 2024 the EUDA awarded three contracts in relation to an event co-organised with Portuguese authorities in Lisbon. One of the contracts related to venue rental and the two other contracts related to catering costs borne by the EUDA. The aggregated value of those three contracts was €210 668. These procurements were affected by several shortcomings.

- The use of three smaller contracts contravened the rules on contract splitting, as set out in Article 160 (2) of the EU Financial Regulation, as it allowed the EUDA to avoid an open procurement procedure.
- Key documentation was lacking, including justification for the choice of the venue, tender specifications, evaluation reports and award decisions, as well as the non-respect of requirements for procurement publicity and of rules on the delegation of powers.
- For each of the split procedures, the EUDA opted for a negotiated procedure without prior publication of a contract notice, as an exception allowed for the protection of exclusive rights under point 11.1(b)(iii) of Annex I to the EU Financial Regulation. We consider that the use of this exception was unwarranted because it is only applicable

European Union Drugs Agency (EUDA)

when there is no reasonable alternative or substitute, which is clearly not the case for the provision of catering services in Lisbon.

Therefore, we conclude that the split contracts are irregular, as are the associated payments which, in 2024, amounted to €193 063.

3.32.9. In 2024 the EUDA launched a negotiated procedure without prior publication of a contract notice with an estimated maximum value of €410 000, for the provision of services to establish a reporting system on the production and trafficking of specific drugs. We have noted several shortcomings, including the absence of:

- a proper justification for the using a negotiated procedure under point 11.1 of Annex I to the EU Financial Regulation, in particular the choice of inviting a single economic operator to participate;
- any description, in the tender specifications, of the award criteria and award method, as required under Article 166 (2) and point 16.3 of Annex I to the EU Financial Regulation;
- an actual tender from the contractor, including a financial offer and a description of how the requested services would be provided (methodology, timeline, staffing);
- an evaluation committee as required by Article 150 of the EU Financial Regulation.

In view of these shortcomings, we conclude that the contract is irregular, and so are the associated payments which, in 2024, amounted to €60 000.

3.32.10. We have audited three payments made in relation to the EUDA's first management board meeting and relating to EUDA inauguration ceremonies. The payments amounted to €95 527 whilst the legal commitment underpinning those payments amounted to €81 520. The amount of €14 007 charged to the EUDA's budget in excess of the corresponding contract value contravened Article 73 of the EUDA's financial regulation, and is therefore irregular. In addition, the EUDA did not provide evidence about the checks made with regard to authorisation of the excess payments.

3.32.11. The EUDA carried out a low-value negotiated procedure for an amount of €10 000 for the provision of data collection in Ukraine in the context of the European School Survey Project on Alcohol and Other Drugs. We found that the tender specification did not make any reference to award criteria and that there was no award decision prior to the signature of the contract, both required for low value procedures (below €15 000) by Article 167 and point 30 of Annex I to the EU Financial Regulation. Therefore, the contract and the related payment of €10 000 made in 2024 are irregular.

Observations on management and control systems

3.32.12. A negotiated procurement procedure for the provision of interim services with an estimated value of €100 000 had several shortcomings:

- The *ex ante* publicity for this procurement procedure did not respect the requirements for procedures below the threshold set out in Article 163 (2) of the EU Financial Regulation. The EUDA's single programming document for the 2023-2025 period, published on the EUDA's website, did not contain any information on the procurement procedure to allow a potential contractor to identify a future need for interim services, nor did it mention the intention to procure such services or an indicative time schedule.
- The staff opening and evaluating the tender did not sign declarations of absence of conflict of interest.

We noted similar shortcomings in another negotiated procedure in our [2023 report](#) (paragraph 3.32.9)

Observations on budgetary management

3.32.13. In 2024 the EUDA processed 2 644 payment requests, of which 336 (12.7 %), for an amount of €766 241 (6.0 %) were paid after the legal deadline. A total of €296 was charged in late payment interest. The share of late payments was higher in number but lower in amount than in 2023, when the EMCDDA processed 1 573 payment requests, of which 164 (10.4 %), for an amount of €734 959 (9.7 %) were paid late but accrued no late payment interest.

Follow-up of previous years' observations

3.32.14. An overview of the action taken by the EUDA in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years' observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2022	The legal commitment for one contract concluded in May 2021 and worth €75 000 had not been preceded by a budgetary commitment for the same amount. The same situation arose again in 2022, when renewal of the same contract worth €75 000 was not fully covered by a budgetary commitment.	The EUDA addressed the situation in 2024: the legal commitment was covered by a budgetary commitment.	Closed
2	2023	For an open procurement procedure for the provision of travel agency services with a maximum duration of 4 years and an estimated value of €1.8 million, the financial capacity required from the tenderers (annual turnover of over €2 million) exceeded the figure of twice the estimated annual contract value (€900 000), which is the maximum allowed under point 19.1 of Annex I to the EU Financial Regulation.	Our review of the documentation of a previous similar procurement, where the requirement was correctly set, suggests that this was a one-off occurrence.	Closed
3	2023	We found shortcomings in a negotiated procedure for the purchase of two vehicles with an estimated value of €100 000. First, the EMCDDA did not publish a list of contracts on its website. Second, the members of the	Regarding transparency, the list of contracts awarded in 2021 (below €139 000) published on the EUDA website refers only to lot 1 but does not refer to lot 2.	Open

European Union Drugs Agency (EUDA)

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
		opening and evaluation committees did not sign a declaration of absence of conflict of interest.	We report a similar finding for 2024 (paragraph 3.32.12) regarding the lack of declaration of absence of conflict of interest by the members of the opening and evaluation committees.	
4	2023	In our 2022 report on EU agencies (paragraph 3.32.9), we noted that the legal commitments for a maintenance contract were not covered by budgetary commitments. Similarly, for 2023 the budgetary commitment for rental costs under the lease agreement with the EMCDDA's landlord does not cover the legal commitment in full. The total amount affected in 2023 by these budgetary management issues was €208 000.	The EUDA addressed the situation in 2024: the legal commitment was covered by a budgetary commitment.	Closed
5	2023	In 2023 the EMCDDA processed 1 573 payment requests, of which 164 (10 %) were paid after the legal deadline. However, no late payment interest was charged. For comparison, in 2022 the EMCDDA processed 1 595 payment requests, of which 107 (7 %), were paid late, leading to a total of €374 in late payment interest.	The situation persisted in 2024 (paragraph 3.32.13).	Open

European Union Drugs Agency (EUDA)

EUDA replies

https://www.eca.europa.eu/Lists/ECARepplies/EUDA-Replies-SAR-AGENCIES-2024/EUDA-Replies-SAR-AGENCIES-2024_EN.pdf

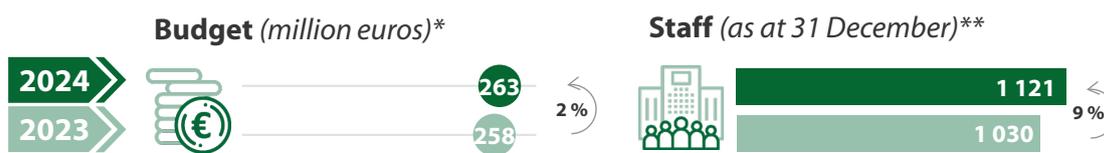
3.33. European Union Agency for Law Enforcement Cooperation (Europol)

Introduction

3.33.1. The European Union Agency for Law Enforcement Cooperation (Europol), located in The Hague, was established by Council Decision (2009/371/JHA), subsequently repealed and replaced by Regulation (EU) 2016/794. Europol's objective is to support action by the member states' police authorities and other law enforcement services. It also supports mutual cooperation in preventing and combating serious crime affecting two or more member states, forms of crime which affect a common interest covered by EU policy, and terrorism.

Figure 3.33.1 presents key figures for Europol⁴⁹.

Figure 3.33.1 – Key figures for Europol



* Budget figures are based on the total payment appropriations available during the financial year.

** "Staff" includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of Europol for the 2023 and 2024 financial years; staff figures provided by Europol.

Our statement of assurance to the European Parliament and the Council – Independent auditor's report

Opinion

3.33.2. Our audit approach, the basis for our opinion, the responsibilities of Europol's management and of those charged with governance, and the auditor's responsibilities for the audit of the accounts and underlying transactions, are all described in section 3.1. The signature on page 319 forms an integral part of the opinion.

⁴⁹ More information on Europol's role and activities is available on its website: www.europol.europa.eu.

3.33.3. We have audited:

- (a) the accounts of the European Union Agency for Law Enforcement Cooperation (Europol), which comprise the financial statements and the reports on the implementation of Europol's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts**Opinion on the reliability of the accounts**

3.33.4. In our opinion, Europol's accounts for the year ended 31 December 2024 present fairly, in all material respects, Europol's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts**Revenue****Opinion on the legality and regularity of revenue underlying the accounts**

3.33.5. In our opinion, the revenue underlying Europol's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments**Opinion on the legality and regularity of payments underlying the accounts**

3.33.6. In our opinion, the payments underlying Europol's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

European Union Agency for Law Enforcement Cooperation (Europol)

3.33.7. The observations which follow do not call our opinion into question.

Observations on the legality and regularity of transactions

3.33.8. In our [2022 report](#) on EU agencies (paragraph 3.33.9), we concluded that Europol had irregularly reimbursed VAT through grants whose beneficiaries (such as police forces) were public authorities governed by public law and engaging in activities in that capacity. In 2024 Europol paid grants of €4.6 million, including VAT, and a 7 % provision for associated overheads, to fund the activities of national police forces in member states. However, under Article 186(4)(c) of the EU Financial Regulation the grants should not have included VAT, because the beneficiaries were public authorities governed by public law and acting in that capacity. We conclude, therefore, that €316 451 of the grants, corresponding to the ineligible VAT and the related portion of overheads, was irregular.

Follow-up of previous years' observations

3.33.9. An overview of the action taken by Europol in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years’ observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2022	<p>In 2022 Europol paid grants to fund the activities of national police forces, including an element to reimburse VAT. Under Article 186(4)(c) of the EU Financial Regulation the grants should not have included VAT, because the beneficiaries were public authorities governed by public law and acting in that capacity.</p>	<p>Following our observation, Europol ceased to accept VAT as eligible expenditure. This applied to new grant calls launched after 1 November 2023. As a transitional measure, Europol continued to accept and reimburse VAT for activities under an ongoing procurement procedure and covered by purchase orders issued no later than 30 October 2023.</p> <p>In 2024 the total amount of irregular VAT reimbursements was €316 451 (paragraph 3.33.8).</p>	Open

European Union Agency for Law Enforcement Cooperation (Europol)

Europol replies

https://www.eca.europa.eu/Lists/ECARepplies/Europol-Replies-SAR-AGENCIES-2024/Europol-Replies-SAR-AGENCIES-2024_EN.pdf



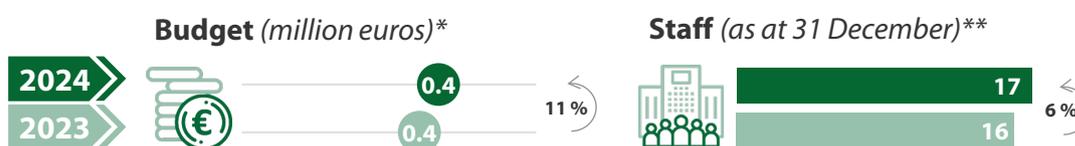
Agencies funded under MFF heading 7 – European public administration

3.34. Euratom Supply Agency (ESA)

Introduction

3.34.1. The Euratom Supply Agency (ESA), located in Luxembourg, was established in 1958 by the Council of the European Atomic Energy Community. ESA's original [statutes](#) were subsequently repealed and replaced by Council [Decision 2008/114/EC, Euratom](#). ESA's main task is to ensure that there is a regular supply of nuclear materials, in particular nuclear fuels, to EU users. [Figure 3.34.1](#) presents key figures for ESA⁵⁰.

Figure 3.34.1 – Key figures for ESA



* Budget figures are based on the total payment appropriations available during the financial year.

** "Staff" includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of ESA for the 2023 and 2024 financial years; staff figures provided by ESA.

Our statement of assurance to the European Parliament and the Council – Independent auditor's report

Opinion

3.34.2. Our audit approach, the basis for our opinion, the responsibilities of ESA's management and of those charged with governance, and the auditor's responsibilities for the audit of the accounts and underlying transactions, are all described in section [3.1](#). The signature on page [319](#) forms an integral part of the opinion.

⁵⁰ More information on ESA's role and activities is available on its website: <http://ec.europa.eu/euratom/index.html>.

Euratom Supply Agency (ESA)

3.34.3. We have audited:

- (a) the accounts of the Euratom Supply Agency (ESA), which comprise the financial statements and the reports on the implementation of ESA's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts

Opinion on the reliability of the accounts

3.34.4. In our opinion, ESA's accounts for the year ended 31 December 2024 present fairly, in all material respects, ESA's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts

Revenue

Opinion on the legality and regularity of revenue underlying the accounts

3.34.5. In our opinion, the revenue underlying ESA's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments

Opinion on the legality and regularity of payments underlying the accounts

3.34.6. In our opinion, the payments underlying ESA's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

Euratom Supply Agency (ESA)

Follow-up of previous years' observations

3.34.7. An overview of the action taken by ESA in response to our observations in previous years is provided in the [Annex](#).

Euratom Supply Agency (ESA)

Annex – Follow-up of previous years' observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2022	ESA systematically awards low-value contracts (below €15 000) without issuing the corresponding evaluation reports and award decisions. This is not in line with points 30.3 and 30.4 of Annex I to the EU Financial Regulation.	In 2023 ESA revised its procedures and introduced a new template for low-value contracts covering both an evaluation report and an award decision.	Closed

Euratom Supply Agency (ESA)

ESA replies

https://www.eca.europa.eu/Lists/ECARepplies/ESA-Replies-SAR-AGENCIES-2024/ESA-Replies-SAR-AGENCIES-2024_EN.pdf



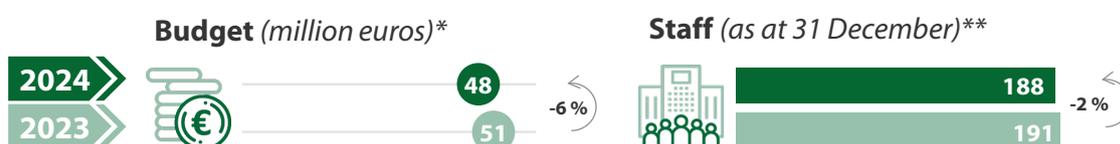
Self-financed agencies

3.35. Translation Centre for the Bodies of the European Union (CdT)

Introduction

3.35.1. The Translation Centre for the Bodies of the European Union (CdT), located in Luxembourg, was established by [Regulation \(EC\) No 2965/94](#). The CdT provides European Union bodies with translation services. It is a self-financed body, as its budget is funded from fees charged to its customers. [Figure 3.35.1](#) presents key figures for the CdT⁵¹.

Figure 3.35.1 – Key figures for the CdT



* Budget figures are based on the total payment appropriations available during the financial year.

** “Staff” includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of the CdT for the 2023 and 2024 financial years; staff figures provided by the CdT.

Our statement of assurance to the European Parliament and the Council – Independent auditor’s report

Opinion

3.35.2. Our audit approach, the basis for our opinion, the responsibilities of the CdT’s management and of those charged with governance, and the auditor’s responsibilities for the audit of the accounts and underlying transactions, are all described in section [3.1](#). The signature on page [319](#) forms an integral part of the opinion.

⁵¹ More information on the CdT’s role and activities is available on its website: www.cdt.europa.eu.

3.35.3. We have audited:

(a) the accounts of the Translation Centre for the Bodies of the European Union (CdT), which comprise the financial statements and the reports on the implementation of the CdT's budget for the financial year ended 31 December 2024, and

(b) the legality and regularity of the transactions underlying those accounts,

as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts**Opinion on the reliability of the accounts**

3.35.4. In our opinion, the CdT's accounts for the year ended 31 December 2024 present fairly, in all material respects, the CdT's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Emphasis of matter

3.35.5. We draw attention to the explanatory note attached to the financial statements, which indicates that the CdT's negative economic outcome of €5.7 million is the result of a sharp decline in operating revenue by €5.4 million (13.2 %) compared to 2023, linked to the drop in invoiced pages by 11.4 % (from 537 772 in 2023 to 476 298 in 2024), and by 17.6 % (from 577 900) since 2022.

We also draw attention to table B.6 of the annual accounts, comprising the reserve for pricing stability, which was created in 2011 to offset fluctuations in business volume from clients and to help the CdT ensure budget and price stability. This reserve peaked at €15.6 million in 2014 and dropped to €8.9 million in 2024 (a decrease of 42.9 % since 2014).

The management's evaluation of the events and conditions and management's plans to mitigate these matters are also described in the explanatory note. Our opinion is not modified with respect to this matter.

Legality and regularity of the transactions underlying the accounts

Revenue

Opinion on the legality and regularity of revenue underlying the accounts

3.35.6. In our opinion, the revenue underlying the CdT's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments

Opinion on the legality and regularity of payments underlying the accounts

3.35.7. In our opinion, the payments underlying the CdT's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

3.35.8. The observations which follow do not call our opinion into question.

Observations on the legality and regularity of transactions

3.35.9. In 2016, following a negotiated procedure without prior publication of a contract notice, the CdT signed a contract to rent racks for its IT equipment at a contractor's data centre, and subsequently renewed the contract 13 times. The CdT based its approach on an exemption for building contracts under Article 134(1)(h) of Commission Delegated Regulation (EU) No 1268/2012 (rules of application for the EU Financial Regulation). However, we concluded that the rental of IT racks cannot be classified as a building contract, as defined in Article 121(1) of those rules of application. Therefore, the initial contract as well as all its renewals are irregular, and so are the related payments which, in 2024, amounted to €29 231. In addition, the CdT contravened Article 30(3) of the CdT financial regulation as regards maintaining a proper audit trail, as it was unable to provide essential documentation for the initial procurement procedure.

Follow-up of previous years' observations

3.35.10. An overview of the action taken by the CdT in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years' observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2022	Weaknesses in two procurement procedures: contracts signed without prior publication of a contract notice. Insufficient justification of extreme urgency.	Both contracts expired at the end of 2022 and there were no payments in 2024.	Closed
2	2022	Payments under framework contracts exceeded the ceiling for individual framework contracts or for the procedure as a whole.	The CdT established an automatic daily report to track the consumption of each framework contract or for the procedure as a whole compared to its ceiling. In 2024 we did not identify any cases of contract or procedure ceiling being exceeded.	Closed
3	2022	The CdT did not monitor its financial ceilings for individual procedures and framework contracts for translations. This was a critical weakness in the CdT's management and control systems.	The CdT established an automatic daily report to track the consumption of each framework contract or for the procedure as a whole compared to its ceiling. In 2024 we did not identify any cases of contract or procedure ceiling being exceeded.	Closed

Translation Centre for the Bodies of the European Union (CdT)

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
4	2023	<p>For the past 3 years, the CdT has signed 40 low-value contracts for maintenance services with the same provider, for a total of €56.7 thousand. Considering the similar nature of the contracted services and the fact that their total value exceeded €15 000, the CdT should not have used a direct award procedure. Instead it should have launched a competitive procedure based on an estimate of future costs. As a result, all payments under these contracts, which amounted to €25.8 thousand in 2023, were irregular.</p>	<p>The CdT is considering its approach to ordering maintenance services, in particular, the prospect of launching a competitive procedure to establish a framework contract for these services.</p> <p>In the meantime, the CdT will organise simplified competitive procedures when ordering maintenance services for a contract value exceeding €1 000.</p>	Open

Translation Centre for the Bodies of the European Union (CdT)

CdT replies

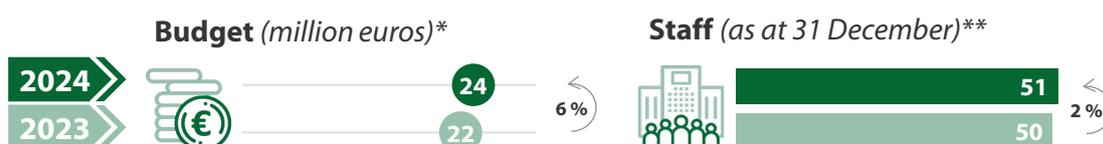
https://www.eca.europa.eu/Lists/ECARepplies/CdT-Replies-SAR-AGENCIES-2024/CdT-Replies-SAR-AGENCIES-2024_EN.pdf

3.36. Community Plant Variety Office (CPVO)

Introduction

3.36.1. The Community Plant Variety Office (CPVO), located in Angers, was created by Council Regulation (EC) No 2100/94. Its main task is to register and examine applications for the granting of EU industrial property rights for plant varieties, and to ensure that the necessary technical examinations are carried out by the competent offices in the member states. The CPVO is a self-financing body, being funded from fees charged to private companies. Figure 3.36.1 presents key figures for the CPVO⁵².

Figure 3.36.1 – Key figures for CPVO



* Budget figures are based on the total payment appropriations available during the financial year.

** “Staff” includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of the CPVO for the 2023 and 2024 financial years; staff figures provided by the CPVO.

Our statement of assurance to the European Parliament and the Council – Independent auditor’s report

Opinion

3.36.2. Our audit approach, the basis for our opinion, the responsibilities of the CPVO’s management and of those charged with governance, and the auditor’s responsibilities for the audit of the accounts and underlying transactions, are all described in section 3.1. The signature on page 319 forms an integral part of the opinion.

⁵² More information on the CPVO’s role and activities is available on its website: www.cpvo.europa.eu.

Community Plant Variety Office (CPVO)

3.36.3. We have audited:

- (a) the accounts of the Community Plant Variety Office (CPVO), which comprise the financial statements and the reports on the implementation of the CPVO's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts**Opinion on the reliability of the accounts**

3.36.4. In our opinion, the CPVO's accounts for the year ended 31 December 2024 present fairly, in all material respects, the CPVO's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts**Revenue****Opinion on the legality and regularity of revenue underlying the accounts**

3.36.5. In our opinion, the revenue underlying the CPVO's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments**Opinion on the legality and regularity of payments underlying the accounts**

3.36.6. In our opinion, the payments underlying the CPVO's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

3.36.7. The observations which follow do not call our opinion into question.

Community Plant Variety Office (CPVO)

Observations on budgetary management

3.36.8. The CPVO's budget for 2024 was adopted by its Administrative Council on 6 October 2023 and published in the *Official Journal of the European Union* on 28 June 2024. This contravenes Article 31 of the CPVO's financial regulation, which establishes that budgets are to be published within 3 months of their adoption.

3.36.9. In 2024 the CPVO processed 4 495 payment requests, of which 968 (21.5 %), for an amount of €2.0 million (16.0 %), were paid after the legal deadline. However, no late payment interest was charged. The share of late payments was higher than in 2023, when the CPVO processed 5 077 payment requests, of which 899 (17.7 %), for an amount of €1.5 million (13.8 %), were paid late but accrued no late payment interest.

Follow-up of previous years' observations

3.36.10. An overview of the action taken by the CPVO in response to our observations in previous years is provided in the [Annex](#).

Community Plant Variety Office (CPVO)

Annex – Follow-up of previous years' observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2014	Although the CPVO became operational in 1995, no headquarters agreement has yet been signed with the host member state.	A headquarters agreement was signed on 9 December 2024 and is awaiting ratification by the French Parliament.	Open
2	2016	The CPVO's founding regulation does not require periodic external performance evaluations.	The Commission recently started a process to review the legislation on Community plant variety rights .	Open
3	2021	A procurement procedure for security services (which concluded with a contract of €249 609) and the associated payments were considered irregular because of the application by the evaluation committee of illegal tender specifications to demonstrate tenderers' financial capacity which led to the exclusion of two tenderers.	The contract expired in December 2023, and the CPVO made no payments in this connection in 2024. A new contract entered into force on 1 January 2024.	Closed
4	2022	For two grants (amounting to €469 037) funding research projects, we detected weaknesses in the criteria used to evaluate the projects, the <i>ex ante</i> and <i>ex post</i> checks on the reality and eligibility of the activities, and the required supporting documentation for the final payment.	In 2023 the President of the CPVO adopted a new procedure for handling grants. One new grant was awarded under this procedure in 2024, with final payment scheduled for 2026. No grants were awarded in 2023.	Closed

Community Plant Variety Office (CPVO)

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
5	2023	<p>Two contracts of the same nature (total value €339 250) and the associated payments (also €339 250) were considered irregular because the CPVO had awarded both to the same provider using the cascade mechanism, although the underlying framework contract did not allow this mechanism to be used for contracts worth more than €200 000.</p> <p>Use of the cascade mechanism instead of re-opening the contracts to competition contravened Article 160 of the EU Financial Regulation, which prohibits the splitting of contracts.</p>	<p>The CPVO's procurement team has been strengthened by the arrival of a new procurement officer.</p> <p>In 2024 all staff were given compulsory training on the "expenditure lifecycle" and procurement rules.</p>	Closed
6	2023	<p>The CPVO's budget for 2023, and two amending budgets, were not published in the <i>Official Journal of the European Union</i>, contravening the principle of transparency.</p>	<p>A similar issue arose with the budget for 2024 (paragraph 3.36.8).</p>	Open

Community Plant Variety Office (CPVO)

CPVO replies

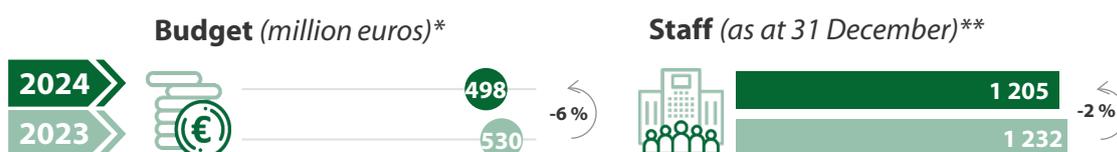
https://www.eca.europa.eu/Lists/ECARepplies/CPVO-Replies-SAR-AGENCIES-2024/CPVO-Replies-SAR-AGENCIES-2024_EN.pdf

3.37. European Union Intellectual Property Office (EUIPO)

Introduction

3.37.1. The European Union Intellectual Property Office (EUIPO), located in Alicante, was established by [Regulation \(EU\) 2017/1001](#). The EUIPO succeeded and replaced the Office for Harmonisation in the Internal Market (OHIM), established in 1994. The EUIPO is responsible for managing EU trade marks, registered EU designs and geographical indications for craft and industrial products, as well as European and international cooperation in the field of intellectual property. It also manages the European Observatory on Infringements of Intellectual Property Rights. The EUIPO is a self-financed body. Its budget is funded from fees charged to applicants. [Figure 3.37.1](#) presents key figures for the EUIPO⁵³.

Figure 3.37.1 – Key figures for EUIPO



* Budget figures are based on the total payment appropriations available during the financial year.

** “Staff” includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of the EUIPO for the 2023 and 2024 financial years; staff figures provided by the EUIPO.

Our statement of assurance to the European Parliament and the Council – Independent auditor’s report

Opinion

3.37.2. Our audit approach, the basis for our opinion, the responsibilities of the EUIPO’s management and of those charged with governance, and the auditor’s responsibilities for the audit of the accounts and underlying transactions, are all described in section [3.1](#). The signature on page [319](#) forms an integral part of the opinion.

⁵³ More information on the EUIPO’s role and activities is available on its website: www.euiipo.europa.eu.

European Union Intellectual Property Office (EUIPO)

3.37.3. We have audited:

- (a) the accounts of the European Union Intellectual Property Office (EUIPO), which comprise the financial statements and the reports on the implementation of the EUIPO's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts**Opinion on the reliability of the accounts**

3.37.4. In our opinion, the EUIPO's accounts for the year ended 31 December 2024 present fairly, in all material respects, the EUIPO's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts**Revenue****Opinion on the legality and regularity of revenue underlying the accounts**

3.37.5. In our opinion, the revenue underlying the EUIPO's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments**Opinion on the legality and regularity of payments underlying the accounts**

3.37.6. In our opinion, the payments underlying the EUIPO's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

3.37.7. The observations which follow do not call our opinion into question.

Observations on the legality and regularity of transactions

3.37.8. On 30 April 2024 the implementation of a framework contract for the provision of sport facilities management services expired. The EUIPO signed direct contracts with the same provider over 4 months for a total value of €59 960 to ensure the continuity of the services. This contravenes Article 164(5) and point 6.3 of Annex I to the EU Financial Regulation, which do not allow direct contracts for amounts over €15 000. Therefore, these contracts and the payments of €59 960 in 2024 are irregular.

3.37.9. The EUIPO, based in Alicante, acting as lead contracting authority, launched a procurement procedure for catering services with the joint undertaking Fusion for Energy (F4E), based in Barcelona. The tender specifications requested the provision of services in both locations, Alicante and Barcelona. We consider that the request to provide services in both locations simultaneously had the effect of restricting competition, which constitutes a breach of Article 160(3) of the EU Financial Regulation. Therefore, the procedure is irregular, as will be all subsequent payments. The EUIPO paid €480 097 under these contracts in 2024.

3.37.10. In our [2022 report](#) on EU agencies (paragraph 3.37.8), we concluded that a contract for travel agency services was irregular because it was awarded through a negotiated procedure without prior publication of a contract notice, and with no proper justification of the extreme urgency claimed. As a result, all the subsequent payments under this contract, which came to a total of €60 651 in 2024, are irregular.

Observations on management and control systems

3.37.11. In 2024 EUIPO paid €4.8 million to the national intellectual property offices for the running costs of their public databases for EU trade marks and designs. The amounts paid were not related to the actual cost of maintaining these databases and of providing data on national trade marks and designs. There was also no other justification for how these amounts were determined. We had reported this issue in our [special report 06/2022](#). The EUIPO had accepted our recommendation to provide proper justification for these running costs by the end of 2023. However, by the end of 2024, the EUIPO had still not implemented our recommendation.

Follow-up of previous years' observations

3.37.12. An overview of the action taken by the EUIPO in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years’ observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2021	<p>The EUIPO modified its budget structure in 2021, presenting the payment of €8.5 million made to the European School in Alicante under Title 4, ‘Contribution to EU policies’, instead of Title 1, ‘Expenditure relating to persons working with the Office’, which had been the practice in previous years.</p> <p>We consider co-financing of the European School to be an instrument of human resources policy, linked to the wellbeing of the EUIPO’s staff and their families. Re-classifying the related payments as a contribution to EU policies goes against the nature of the expenditure.</p>	<p>With the approval of the EUIPO Budget Committee, the situation persisted in the 2024 accounts. The payment of €10.4 million made to the European School in Alicante in 2024 was still presented under Title 4 instead of Title 1.</p>	Open
2	2022	<p>The EUIPO awarded a contract of €5 million for travel agency services after a negotiated procedure without prior publication of a contract notice for reasons of extreme urgency. We consider that the use of such a procedure was not justified. The EUIPO did not make any payments under this contract in 2022.</p>	<p>The contract came to an end in September 2023. However, the EUIPO paid €60 651 under this contract in 2024 from carried-forward commitments (paragraph 3.37.10).</p>	Open

European Union Intellectual Property Office (EUIPO)

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
3	2023	The tender specifications of a procedure for the provision of IT services included award criteria based on price (30 %) and quality (70 %). However, the formula used for the price criterion resulted in an effective weighting of this criterion at significantly below 30 %. The 30 % price weighting is the minimum recommended in Commission guidelines. However, in this case, it did not affect the outcome of the procedure.	In its reply to the observation in our 2023 report on EU agencies (paragraph 3.37.9), the EUIPO undertook not to use this formula in any of its future procurement procedures.	Closed

European Union Intellectual Property Office (EUIPO)

EUIPO replies

https://www.eca.europa.eu/Lists/ECARepplies/EUIPO-Replies-SAR-AGENCIES-2024/EUIPO-Replies-SAR-AGENCIES-2024_EN.pdf

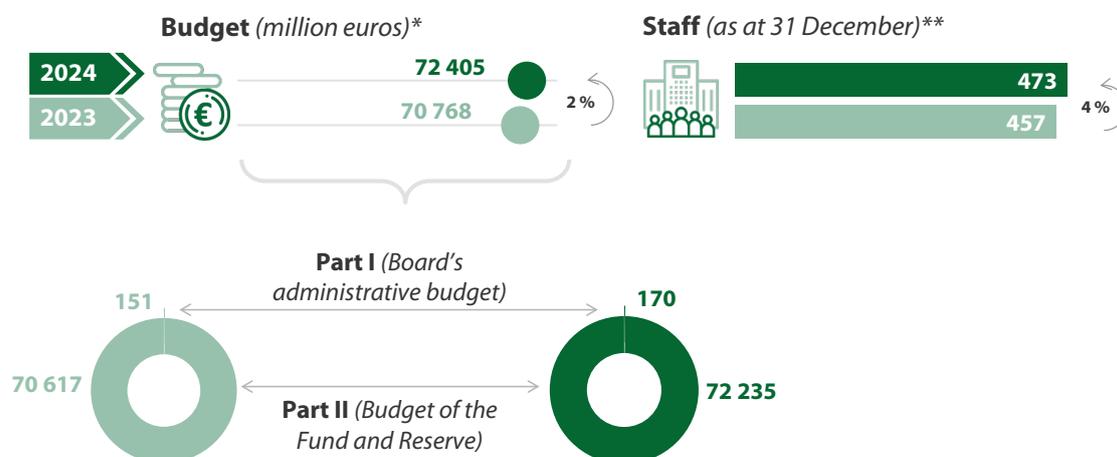
3.38. Single Resolution Board (SRB)

Introduction

3.38.1. The Single Resolution Board (SRB), located in Brussels, was established by [Regulation \(EU\) No 806/2014](#) on the Single Resolution Mechanism (SRM Regulation). The SRB's mission is to ensure that credit institutions and certain investment firms ("institutions") which fail, or which are likely to fail, can be resolved in an orderly fashion with as little impact as possible on the real economy and the public finances of the participating member states of the banking union. The SRB is in charge of administrating the Single Resolution Fund, which was established by the [SRM Regulation](#) and which is intended to support the single resolution mechanism.

3.38.2. The SRB has its own budget, which is separate from the EU budget. Contributions are raised from credit institutions established in member states participating in the banking union. [Figure 3.38.1](#) presents key figures for the SRB⁵⁴.

Figure 3.38.1 – Key figures for the SRB



* Budget figures are based on the total payment appropriations available during the financial year.

** "Staff" includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of the SRB for the 2023 and 2024 financial years; staff figures provided by the SRB.

⁵⁴ More information on the SRB's role and activities is available on its website: <https://www.srb.europa.eu>.

Our statement of assurance to the European Parliament and the Council – Independent auditor’s report

Opinion

3.38.3. Our audit approach, the basis for our opinion, the responsibilities of the SRB’s management and of those charged with governance, and the auditor’s responsibilities for the audit of the accounts and underlying transactions, are all described in section 3.1. The signature on page 319 forms an integral part of the opinion.

3.38.4. We have audited:

(a) the accounts of the Single Resolution Board (SRB), which comprise the financial statements and the reports on the implementation of SRB’s budget for the financial year ended 31 December 2024, and

(b) the legality and regularity of the transactions underlying those accounts,

as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts

Opinion on the reliability of the accounts

3.38.5. In our opinion, the SRB’s accounts for the year ended 31 December 2024 present fairly, in all material respects, the SRB’s financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission’s accounting officer. These are based on internationally accepted accounting standards for the public sector.

Emphasis of matter

3.38.6. We draw attention to note 7.E ‘Provisions for risks and liabilities’, which describes and measures potential financial exposures as a result of the latest judgments of the General Court in relation to the *ex ante* contributions and the annual target level, amounting to €3.18 billion, and to note 8.L ‘Disclosure on appeals and legal cases’ of the

Single Resolution Board (SRB)

SRB's accounts, which describes administrative appeals and judicial proceedings brought against the SRB before the General Court or the Court of Justice of the European Union.

We also draw attention to note 8.R. 'Events after the reporting period', which explains that after the completion of the 2025 target level verification exercise as of 31 December 2024, the SRB confirmed that the financial resources of the Single Resolution Fund amounted to €80 billion, exceeding the target of 1 % of covered deposits, and therefore no regular annual contributions will be collected in 2025.

Our opinion is not qualified in these matters.

Other matter

3.38.7. Our legal mandate includes two reporting obligations with regard to the SRB. On the one hand, Article 287 of the [Treaty on the Functioning of the European Union](#) requires us to issue "a statement of assurance as to the reliability of the accounts and the legality and regularity of the underlying transactions", which we do in this specific annual report on the SRB. On the other hand, Article 92(4) of the [SRM Regulation](#) imposes on us an obligation to "report on any contingent liabilities (whether for the Board, the Council, the Commission or otherwise) arising as a result of the performance by the Board, the Council and the Commission of their tasks under this Regulation". We meet this latter reporting obligation in the Appendix to this specific annual report on the SRB. What we report in the Appendix does not call into question our audit opinion expressed here.

Legality and regularity of the transactions underlying the accounts

Revenue

Opinion on the legality and regularity of revenue underlying the accounts

3.38.8. In our opinion, the revenue underlying the SRB's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Other matter

3.38.9. Without calling into question the opinion expressed above, Fund contributions are calculated on the basis of information provided by credit institutions and certain investment firms ("institutions") to the SRB. Our audit of the SRB's Fund contributions was based on this information, but we did not verify its reliability. The

Single Resolution Board (SRB)

SRM Regulation does not provide for a comprehensive and consistent control framework be put in place to ensure the reliability of the information. However, the SRB performs consistency and analytical checks of the information, as well as some *ex post* checks at “institution” level. We also noted that for entities that are part of a group referred to in Article 7(2)(a) of the **SRM Regulation**, agreed-upon procedures by auditors are mandatory since 2022. This increases the assurance regarding the reliability of the information provided by the “institutions”.

The SRB cannot release details of the risk-assessed contribution calculation for each credit institution, as they are interlinked and include confidential information about other “institutions”. The Court of Justice considered that the SRB’s obligation to state reasons for its *ex ante* contribution decisions must be balanced against the principle of the protection of business secrets. The SRB has significantly improved transparency within the limits imposed by its obligation to observe the confidentiality of the “institutions” business secrets, and to meet the standards of reasoning and transparency set by the European Court of Justice (Case C-584/20 P⁵⁵). The SRB organises a consultation phase for the institutions in question in order for them to issue comments on any aspect of the calculation exercise. In this consultation, common data points from the contribution’s calculation exercise are communicated, allowing institutions, together with the data in the institution’s individual data reporting form, to simulate the *ex ante* contribution calculation. Since 2022, the consultation has also covered the impact of adjustments in the data initially submitted by the “institutions”. This additional step in the contribution calculation process has increased the SRB’s transparency towards institutions and investment firms. The SRB collected data to have the capacity to raise contributions if needed, and the data was subject to the same data verification as performed every year. For 2024, the SRB processed a total of 236 restatements, concerning 148 institutions across 16 different Member States, but did not calculate or collect any contributions for 2024, as the financial resources of the Single Resolution Fund had reached the target of 1 % of covered deposits by the end of 2023.

Payments

Opinion on the legality and regularity of payments underlying the accounts

3.38.10. In our opinion, the payments underlying the SRB’s accounts for the year ended 31 December 2024 are legal and regular in all material respects.

3.38.11. The observations which follow do not call our opinion into question.

⁵⁵ Judgment of 15 July 2021, *Commission v Landesbank Baden Wurttemberg and SRB*, joined cases C-584/20 P and C-621/20 P, ECLI:EU:C:2021:601.

Single Resolution Board (SRB)

Observations on management and control systems

3.38.12. Until May 2024 members of the SRB accounting team executed bank transfers and carried out certain other banking operations without a formal delegation of powers from the accounting officer.

3.38.13. In August 2024 the SRB's accounting officer adopted a charter describing in detail the accounting officer's tasks, rights, and obligations. However, the SRB Board has not yet approved this charter, as required by Article 42 of the SRB's financial regulation.

3.38.14. In its treasury operations, the SRB has been applying unofficial treasury management guidelines that have not been adopted at the appropriate management level. This practice is not in line with Articles 42 and 47 of the SRB's financial regulation on the accounting officer's tasks. It is also not in line with Article 43(1) and (2), which requires the authorising officer to put in place internal control mechanisms to ensure sound financial management. Without properly adopted guidelines, there is a risk that treasury management practices may not be in line with the SRB's strategy.

3.38.15. The terms of a framework contract for IT services signed in 2023, with a value of €24.9 million, provided that the contract performance would be checked against a set of quality indicators. However, the SRB never defined those indicators and consequently paid for the services obtained without checking that their quality was in line with the contractual provisions. This contravened Article 43 of the SRB's financial regulation, which requires adequate *ex ante* checks.

Follow-up of previous years' observations

3.38.16. An overview of the action taken by the SRB in response to our observations in previous years is provided in the [Annex](#).

Single Resolution Board (SRB)

Annex – Follow-up of previous years' observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status ECA observation (Open/closed)
1	2023	<p>In 2023 several key elements of the SRB's business continuity management system were outstanding:</p> <ul style="list-style-type: none"> ○ revised business impact analysis clearly defining the recovery time objectives and recovery point objectives for critical IT applications; ○ updated business continuity policy and communication plan; ○ introduction of monitoring controls over business continuity arrangements of key third parties, such as the European Commission. 	<p>Since 2023 the SRB has adopted an IT disaster recovery plan and has updated its business continuity policy and communication plan through a series of documents.</p> <p>However, the work on introducing monitoring controls over business continuity arrangements of key third parties is still ongoing.</p>	<p>Open as regards introducing monitoring controls over business continuity arrangements of key third parties.</p> <p>Closed for the remaining aspects.</p>

Single Resolution Board (SRB)

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status ECA observation (Open/closed)
2	2023	The SRB did not fully comply with the principles of sound financial management and risk management. Shortcomings such as the absence of ad hoc stress testing, in particular during a banking crisis, insufficient risk metrics and risk monitoring tools restricted the SRB's capacity to ensure the preservation of the Fund's capital and liquidity, and to respond in a timely manner to any breaches of investment policy.	Since 2023 the SRB has taken a series of steps to address our observation, including the introduction of additional metrics to measure and monitor financial risks in the Single Resolution Fund and of two new scenarios to the existing four stress tests, as well as a complete overhaul of the main risk monitoring tool (Risk Dashboard), released in May 2025.	Closed

Single Resolution Board (SRB)

Appendix to the SRB specific annual report, reporting on the SRM contingent liabilities of the SRB

Reporting

(pursuant to Article 92 (4) Regulation (EU) No 806/2014)

On any contingent liabilities arising as a result of the performance by the Single Resolution Board, of its tasks, under this Regulation for the 2024 financial year

Introduction

Legal basis

- (1) Article 92 (4) of the Single Resolution Mechanism (SRM) [Regulation](#) requires us to report on any contingent liabilities (whether for the Single Resolution Board (SRB), the Council, the Commission or otherwise) arising as a result of the performance by the SRB, the Council and the Commission of their tasks under this Regulation. This appendix covers the SRM contingent liabilities of the SRB and those of the Commission and Council are covered in our annual report on the implementation of the EU budget for the 2024 financial year. The SRM contingent liabilities of the SRB are also covered by our opinion on the reliability of the SRB's accounts (paragraphs [3.38.5-3.38.7](#)).

Contingent liabilities: definition and recognition criteria

- (2) A contingent liability is defined as follows:
 - o a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the European Union,
 - o or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of economic resources embodying economic benefits or service potential will be required to settle the obligation, or because the amount of the obligation cannot be measured with sufficient reliability.
- (3) To determine if a contingent liability needs to be disclosed or a provision recognised, the probability of an outflow of economic resources (in general, of cash) must be assessed. If a future outflow of resources is:
 - o probable, a provision needs to be recognised;
 - o possible, a contingent liability needs to be disclosed;
 - o remote, no disclosure is necessary.

Single Resolution Board (SRB)

Background information on contingent liabilities related to the Single Resolution Mechanism

- (4) In the context of the performance of their tasks under the [SRM Regulation](#), the SRB, the Council and the Commission can incur contingent liabilities linked to ongoing legal proceedings (before EU or national courts) in relation to:
- **their resolution and non-resolution decisions** – both a decision to apply or not to apply resolution tools can be challenged before a court. However, in June 2024, the Court of Justice ruled⁵⁶ that only the Commission’s endorsement decisions can be challenged before the EU Courts;
 - **the “no creditor worse off” principle** – to safeguard fundamental property rights, the [SRM Regulation](#) provides that no creditor must be left worse off under resolution than they would be under normal insolvency proceedings. Based on that principle, any creditors who would have received better treatment under normal insolvency proceedings must be compensated by the Single Resolution Fund. To assess the treatment of creditors and shareholders, a valuation of difference in treatment must be conducted.
- (5) In addition, the SRB can have contingent liabilities linked to ongoing legal proceedings before EU courts in relation to its calculation and collection of:
- **banks’ administrative contributions towards the SRB’s operating costs;**
 - **banks’ contributions to the Single Resolution Fund.**

⁵⁶ Case C-551/22 P.

Observations

Contingent liabilities of the SRB

- (6) *Table 1* shows the number of SRM-related legal proceedings potentially affecting the SRB as a result of the SRB's performance of its tasks under the [SRM regulation](#) and the related contingent liabilities of €121.6 million disclosed in the SRB's accounts, as well as the related provisions of €3.18 billion recognised in these accounts.

Table 1 – SRM-related legal proceedings affecting the SRB and the related contingent liabilities and provisions

Cases related to	Number of cases before EU courts	Number of cases before national courts or under administrative proceedings	Related contingent liabilities disclosed in the SRB's accounts (in € million)	Related provisions recognised in the SRB's accounts (in € million)
	(The numbers in brackets show the figures from our 2023 report)			
Resolution and non-resolution decisions	15 (113)	11 (336)	0 (0)	0 (0)
<i>Resolution of Banco Popular Español S.A. (BPE)</i>	4 (102)	8 (333)	0 (0)	0 (0)
<i>Non-resolution of ABLV</i>	3 (3)	0 (0)	0 (0)	0 (0)
<i>Non-resolution of PNB Banka</i>	2 (0)	0 (0)	0 (0)	0 (0)
<i>Resolution of Sberbank d.d. and Sberbank banka d.d. and non-resolution of Sberbank Europe AG</i>	6(8)	3 (3)	0 (0)	0 (0)
"No creditor worse off" decisions	2 (0)	0 (0)	0 (Not applicable)	0 (Not applicable)
Ex ante contributions	106 (126)	89 (99)	121.6 (158.3)	3 179.7(2 767.7)

Single Resolution Board (SRB)

Cases related to	Number of cases before EU courts	Number of cases before national courts or under administrative proceedings	Related contingent liabilities disclosed in the SRB's accounts (in € million)	Related provisions recognised in the SRB's accounts (in € million)
	(The numbers in brackets show the figures from our 2023 report)			
Administrative contributions	0 (0)	0 (0)	Not applicable	
TOTAL	123 (239)	100 (435)	121.6 (158.3)	3 179.7 (2 767.7)

Source: The SRB's 2024 accounts and additional information provided by the SRB, as well as information from curia.europa.eu.

Resolution and non-resolution decisions

Banco Popular Español S.A.

- (7) On 7 June 2017 the SRB took a resolution decision regarding Banco Popular Español S.A. (BPE). In mid-2025 there were four pending cases⁵⁷ affecting the SRB in this regard, while in mid-2024, as stated in our [2023 report](#), this number was 102. This decrease in the number of pending cases is explained by the following developments:
- For four BPE pilot cases⁵⁸, appeals⁵⁹ had been brought against the General Court's rulings of 1 June 2022, which had confirmed the legality of the resolution decision and rejected the action for damages. Of these, one case⁶⁰ was declared inadmissible following the Commission's appeal⁶¹ regarding the fact that the application was lodged only against the SRB's resolution decision and not against the Commission's decision endorsing the SRB's resolution scheme. In its judgment of 18 June 2024, the Court of Justice found that only the Commission's endorsement decisions can be challenged before EU courts.

⁵⁷ Cases T-498/17, T-499/17, T-600/17, and T-678/17.

⁵⁸ Cases T-481/17, T-510/17, T-523/17 and Case T-628/17.

⁵⁹ Cases C-448/22 P, C-535/22 P, C-541/22 P and Case C-551/22 P.

⁶⁰ T-481/17.

⁶¹ C-551/22 P.

Single Resolution Board (SRB)

Subsequently, two⁶² of the remaining appeals in BPE pilot cases were dismissed, and one⁶³ was withdrawn.

- o Subsequently, 29 other cases were dismissed as inadmissible and 65 were withdrawn or closed without the need to adjudicate.
- (8) In addition, in mid-2025 8 court or administrative proceedings related to the resolution of Banco Popular Español S.A were pending at national level.
- (9) Moreover, in the context of the BPE resolution, the SRB is the defendant in an appeal lodged by the European Data Protection Supervisor⁶⁴ (EDPS) against the judgment of the General Court⁶⁵ of 26 April 2023 annulling the EDPS' (revised) decision of 24 June 2020.

ABLV

- (10) On 23 February 2018 the SRB took a resolution decision regarding ABLV. In our [2023 report](#) on EU agencies, we stated that there were three pending cases⁶⁶ before EU courts affecting the SRB in this regard, and these three cases remain pending mid-2025.

PNB Banka

- (11) On 15 August 2019 the SRB took a resolution decision regarding PNB Banka. In mid-2025 there were two pending cases affecting the SRB in this regard. At the end of 2023, as stated in our [2023 report](#), there were no such pending cases. Since then, one case⁶⁷ was lodged before the General Court, and one appeal was lodged before the Court of Justice⁶⁸.

Sberbank d.d., Sberbank banka d.d. and Sberbank Europe AG

- (12) On 1 March 2022 the SRB took a resolution decision regarding Sberbank d.d. and Sberbank banka d.d., and a non-resolution decision regarding Sberbank Europe AG. In mid-2025 there were six pending cases⁶⁹ affecting the SRB in this regard, while in mid-2024, as stated in our [2023 report](#), the number of pending cases was eight⁷⁰. This decrease in the number of pending cases is explained by the following developments:

⁶² Cases [C-535/22 P](#) and [C-541/22 P](#).

⁶³ Case [C-448/22 P](#).

⁶⁴ Case [C-413/23 P](#).

⁶⁵ Case [T-557/20](#).

⁶⁶ Cases [C-602/22 P](#), [T-71/23](#) and [T-430/23](#).

⁶⁷ Case [T-434/24](#).

⁶⁸ Case [C-74/24 P](#).

⁶⁹ Cases [T-523/22](#), [T-524/22](#), [T-571/22](#), [T-572/22](#), [T-290/23](#), [T-291/23](#).

⁷⁰ Cases [T-450/22](#), [T-523/22](#), [T-524/22](#), [T-525/22](#), [T-526/22](#), [T-527/22](#), [T-571/22](#) and [T-572/22](#).

Single Resolution Board (SRB)

- o The three appeals⁷¹ regarding the three cases⁷² in which the action brought by the applicants had been declared inadmissible, on 10 October 2023, by rejecting orders of the General Court, were dismissed in May 2025.
- o In June 2025 the General Court dismissed the action brought by the applicant in case T-450/22.
- o Two appeals⁷³ against the refusal to gain access to documents, lodged in May 2023, were not mentioned in our 2023 report.

Contingent liabilities and provisions

- (13) The SRB did not disclose any contingent liabilities nor recognise any provisions in its 2024 accounts, in relation to any of the cases mentioned above, pending before EU courts, because it considered the likelihood of an unfavourable outcome in these cases to be remote. As regards the court or administrative procedures mentioned above, pending at national level, the SRB disclosed the nature of the associated contingent liabilities, but was not in a position to quantify the possible financial effect.

“No creditor worse off” decisions

- (14) Two applications⁷⁴ were filed in March 2025, following the adoption of the no compensation decision based on the results of a valuation of difference in treatment for the former shareholders and creditors of Sberbank banka d.d and Sberbank d.d. In its 2024 accounts, the SRB did not disclose any contingent liabilities or provisions in relation to these two cases.

Ex ante contributions

- (15) The SRB collects *ex ante* contributions to the Single Resolution Fund from credit institutions and investment firms. These contributions can be used to support bank resolutions. In mid-2025 there were 106 pending cases⁷⁵ affecting the SRB in this regard, while at the end of 2023, as stated in our [2023 report](#), this number was 126. This decrease in the number of pending cases is explained by the following developments during 2024 and first half of 2025:

⁷¹ Cases [C-791/23 P](#), [C-792/23P](#) and [C-793/23 P](#).

⁷² Cases [T-525/22](#), [T-526/22](#) and [T-527/22](#).

⁷³ Cases [T-290/23](#) and [T-291/23](#).

⁷⁴ Cases [T-147/25](#) and [T-149/25](#).

⁷⁵ 2017 *ex ante* contribution cycle: 3 cases, 2018: 1 case, 2019: 2 cases, 2020: 2 cases, 2021: 19 cases, 2022: 24 cases, 2023: 55 cases.

Single Resolution Board (SRB)

- 6 cases⁷⁶ remained open;
 - 120 cases before the General Court were closed;
 - 100 new cases were lodged, including 81 appeals to the Court of Justice, and 18 cases⁷⁷ lodged before the General Court after the SRB re-adopted the 2021 *ex ante* contribution decisions in June 2024. In addition, a new action⁷⁸ filed by a credit institution following the re-adoption of the decision on the calculation of the 2017 *ex ante* contributions to the Single Resolution Fund.
- (16) In its 2024 accounts, the SRB disclosed contingent liabilities of €121.6 million for one⁷⁹ of the 106 pending cases against its *ex ante* contribution decisions pending before the EU courts in mid-2025, compared to €158.3 million for 12 cases in its 2023 accounts. For 98 cases the SRB booked €3.18 billion non-current provisions for risks and liabilities (see paragraph 3.38.6), compared to €2.8 billion for 76 cases the previous year.
- (17) Of the 98 cases for which the SRB recognised the €3.18 billion non-current provisions, 97 relate to the pleas regarding the target level cap, as applied by the SRB to the calculation of *ex ante* contributions for the years 2020 to 2023. In its first judgment on such a plea⁸⁰, and all subsequent judgments and reasoned orders, the General Court annulled the *ex ante* contribution decisions as regards the applicants but maintained their effect temporarily. The SRB appealed against all these judgments and reasoned orders. One⁸¹ of these 98 cases concerned the estimation of net liabilities underlying the calculation of *ex ante* contribution as regards the applicant.
- (18) Due to the complexity of the matter and because the SRB may ultimately depend on actions to be taken by the legislator, the SRB was not in a position to quantify the financial effect of elements of the two judgments⁸² of the General Court that certain parts of the legal framework (including Council Implementing Regulation (EU) 2015/81 as regards the adjusted methodology for the calculation of *ex ante* contributions) are unlawful and inapplicable with respect to the institutions concerned.

⁷⁶ Cases T-414/18, T-479/19, T-480/19, T-413/20, T-428/20, T-428/23.

⁷⁷ Cases: T-419/24, T-424/24, T-422/24, T-423/24, T-426/24, T-427/24, T-435/24, T-437/24, T-438/24, T-439/24, T-440/24, T-442/24, T-447/24, T-441/24, T-667/24, T-8/25, T-11/25, T-12/25.

⁷⁸ Case T-181/25.

⁷⁹ Cases T-428/23.

⁸⁰ Case T-411/22.

⁸¹ Case T-406/18.

⁸² Cases T-395/22, T-406/22.

Single Resolution Board (SRB)

- (19) Due to the absence of necessary data, contingent liabilities were not disclosed for four⁸³ legal cases related to *ex ante* contributions because the SRB could not reliably assess the difference between the contribution amounts received and the potential revised amounts. For those cases for which the risk was assessed as possible, but the SRB felt unable to quantify the potential financial exposure, it disclosed the nature and the reason the amounts at risk could not be reliably estimated.
- (20) Because the national courts do not have the competence to annul *ex ante* contribution decisions⁸⁴, the SRB did not disclose contingent liabilities regarding national legal proceedings pending against *ex ante* contribution decisions, as it considers the risk of an economic outflow remote.
- (21) In 2024 the SRB also disclosed contingent liabilities of €0.32 million in relation to 6 cases for applicants' legal costs, which the Court of Justice of the European Union might require the SRB to bear. For comparison, the amount for 2023 was €1.2 million (for 18 cases) For 185 cases, *including also those cases ruled in favour of the applicants*, the SRB recognised provisions for applicants' legal costs amounting to €9.24 million in line with the developments in the Court proceedings. By comparison, the amount for 2023 was €6.4 million (for 102 cases).

⁸³ Cases C-787/24 P, C-778/24 P, T-414/18, T-479/19.

⁸⁴ Judgment of 3 December 2019, *Iccrea Banca*, C-414/18, EU:C:2019:1036.

Single Resolution Board (SRB)

SRB replies

https://www.eca.europa.eu/Lists/ECARepplies/SRB-Replies-SAR-AGENCIES-2024/SRB-Replies-SAR-AGENCIES-2024_EN.pdf

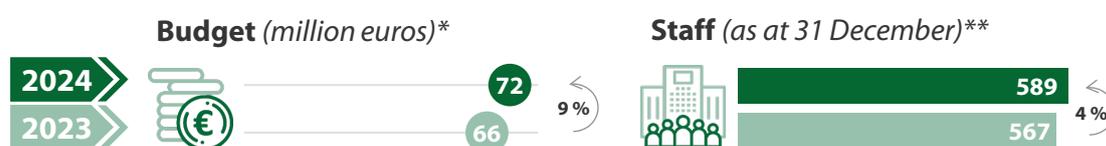
European Commission executive agencies

3.39. European Climate Infrastructure and Environment Executive Agency (CINEA)

Introduction

3.39.1. The European Climate, Infrastructure and Environment Executive Agency (CINEA), located in Brussels, was established by Commission Implementing Decision (EU) 2021/173, which will remain applicable until 31 December 2028. CINEA succeeded and replaced the Innovation and Networks Executive Agency (INEA), established in 2013 as a successor to the Trans-European Transport Network Executive Agency, established in 2007. CINEA's mission is to support stakeholders in delivering the European Green Deal. It also implements parts of various EU programmes, most of them associated with environment and climate policy. *Figure 3.39.1* presents key figures for CINEA⁸⁵.

Figure 3.39.1 – Key figures for CINEA



* Budget figures are based on the total payment appropriations available during the financial year.

** "Staff" includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of CINEA for the 2023 and 2024 financial years; staff figures provided by CINEA.

⁸⁵ More information on CINEA's role and activities is available on its website: https://cinea.ec.europa.eu/index_en.

Our statement of assurance to the European Parliament and the Council – Independent auditor’s report

Opinion

3.39.2. Our audit approach, the basis for our opinion, the responsibilities of CINEA’s management and of those charged with governance, and the auditor’s responsibilities for the audit of the accounts and underlying transactions, are all described in section 3.1. The signature on page 319 forms an integral part of the opinion.

3.39.3. We have audited:

(a) the accounts of the European Climate Infrastructure and Environment Executive Agency (CINEA), which comprise the financial statements and the reports on the implementation of CINEA’s budget for the financial year ended 31 December 2024, and

(b) the legality and regularity of the transactions underlying those accounts,

as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts

Opinion on the reliability of the accounts

3.39.4. In our opinion, CINEA’s accounts for the year ended 31 December 2024 present fairly, in all material respects, CINEA’s financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission’s accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts

Revenue

Opinion on the legality and regularity of revenue underlying the accounts

3.39.5. In our opinion, the revenue underlying CINEA's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments

Opinion on the legality and regularity of payments underlying the accounts

3.39.6. In our opinion, the payments underlying CINEA's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

Follow-up of previous years' observations

3.39.7. An overview of the action taken by CINEA in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years' observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2022	CINEA's SUMMA user management system is managed by DG BUDG, which is responsible for granting and removing SUMMA users' rights on the basis of information provided by CINEA. The fact that CINEA does not yet directly manage access rights, as it did for the predecessor system, may constitute a risk that the user roles in SUMMA may not be correctly assigned and updated, in line with Article 36(3)(a) of the EU Financial Regulation.	<p>During 2024 CINEA took over the responsibility of DG BUDG for granting and removing access rights.</p> <p>Upon request, auditors can be assigned a consultation role in SUMMA for a limited period and on an individual basis.</p>	Closed

European Climate Infrastructure and Environment Executive Agency (CINEA)

CINEA replies

https://www.eca.europa.eu/Lists/ECARepplies/CINEA-Replies-SAR-AGENCIES-2024/CINEA-Replies-SAR-AGENCIES-2024_EN.pdf

3.40. European Education and Culture Executive Agency (EACEA)

Introduction

3.40.1. The European Education and Culture Executive Agency (EACEA), located in Brussels, was established by Commission [Implementing Decision \(EU\) 2021/173](#), which will remain applicable until 31 December 2028. EACEA succeeded and replaced the Education, Audiovisual and Culture Executive Agency, established in 2005. EACEA focuses on educational and creative activities, and on projects close to EU citizens. EACEA manages funding for education, culture, the audio-visual sector, sport, citizenship and volunteering. [Figure 3.40.1](#) presents key figures for EACEA⁸⁶.

Figure 3.40.1 – Key figures for EACEA



* Budget figures are based on the total payment appropriations available during the financial year.

** “Staff” includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of EACEA for the 2023 and 2024 financial years; staff figures provided by EACEA.

Our statement of assurance to the European Parliament and the Council – Independent auditor’s report

Opinion

3.40.2. Our audit approach, the basis for our opinion, the responsibilities of EACEA’s management and of those charged with governance, and the auditor’s responsibilities for the audit of the accounts and underlying transactions, are all described in section [3.1](#). The signature on page [319](#) forms an integral part of the opinion.

⁸⁶ More information on EACEA’s role and activities is available on its website: <http://www.eacea.ec.europa.eu/>.

European Education and Culture Executive Agency (EACEA)

3.40.3. We have audited:

- (a) the accounts of the European Education and Culture Executive Agency (EACEA), which comprise the financial statements and the reports on the implementation of EACEA's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts**Opinion on the reliability of the accounts**

3.40.4. In our opinion, EACEA's accounts for the year ended 31 December 2024 present fairly, in all material respects, EACEA's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts**Revenue****Opinion on the legality and regularity of revenue underlying the accounts**

3.40.5. In our opinion, the revenue underlying EACEA's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments**Opinion on the legality and regularity of payments underlying the accounts**

3.40.6. In our opinion, the payments underlying EACEA's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

3.40.7. The observations which follow do not call our opinion into question.

Observations on management and control systems

3.40.8. Since February 2025 transactions have been carried out on the liaison account by a staff member who has neither been formally appointed as an accounting officer, nor duly delegated to act as such. This contravenes Article 30 and 30a of the Standard Financial Regulation for the Executive Agencies.

Observations on budgetary management

3.40.9. In 2024 EACEA processed 372 payment requests (under its administrative budget), of which 24 (6.5 %), for an amount of €746 285 (4.1 %), were paid after the legal deadline. A total of €67 was charged in late payment interest. The share of late payments was higher than in 2023, when EACEA processed 500 payment requests, of which 18 (3.6 %), for an amount of €557 562 (1.9 %), were paid late but accrued no late payment interest.

European Education and Culture Executive Agency (EACEA)

EACEA replies

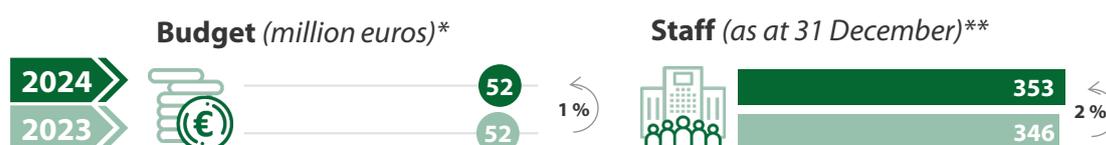
https://www.eca.europa.eu/Lists/ECARepplies/EACEA-Replies-SAR-AGENCIES-2024/EACEA-Replies-SAR-AGENCIES-2024_EN.pdf

3.41. European Innovation Council and SMEs Executive Agency (EISMEA)

Introduction

3.41.1. The European Innovation Council and SMEs Executive Agency (EISMEA), located in Brussels, was established by Commission [Implementing Decision \(EU\) 2021/173](#), which will remain applicable until 31 December 2028. EISMEA succeeded and replaced the Executive Agency for Small and Medium-sized Enterprises (EASME), established in 2013, and is a successor to the Intelligent Energy Executive Agency, established in 2003. EISMEA’s mission is to reinforce the EU’s position as a global leader in research and innovation by providing support to European innovators, researchers, businesses and consumers. [Figure 3.41.1](#) presents key figures for EISMEA⁸⁷.

Figure 3.41.1 – Key figures for EISMEA



* Budget figures are based on the total payment appropriations available during the financial year.

** “Staff” includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of EISMEA for the 2023 and 2024 financial years; staff figures provided by EISMEA.

Our statement of assurance to the European Parliament and the Council – Independent auditor’s report

Opinion

3.41.2. Our audit approach, the basis for our opinion, the responsibilities of EISMEA’s management and of those charged with governance, and the auditor’s responsibilities for the audit of the accounts and underlying transactions, are all described in section [3.1](#). The signature on page [319](#) forms an integral part of the opinion.

⁸⁷ More information on EISMEA’s role and activities is available on its website: <https://eismea.ec.europa.eu/>.

3.41.3. We have audited:

- (a) the accounts of the European Innovation Council and SMEs Executive Agency (EISMEA), which comprise the financial statements and the reports on the implementation of EISMEA's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts**Opinion on the reliability of the accounts**

3.41.4. In our opinion, EISMEA's accounts for the year ended 31 December 2024 present fairly, in all material respects, EISMEA's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts**Revenue****Opinion on the legality and regularity of revenue underlying the accounts**

3.41.5. In our opinion, the revenue underlying EISMEA's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments**Opinion on the legality and regularity of payments underlying the accounts**

3.41.6. In our opinion, the payments underlying EISMEA's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

3.41.7. The observations which follow do not call our opinion into question.

Observations on the legality and regularity of transactions

3.41.8. For two grants, an audit firm was contracted by EISMEA in July 2022 to carry out *ex post* checks. The audit firm reported that ineligible staff costs had been claimed by the beneficiaries. In such a situation, the standard practice is for the authorising officer to initiate the recovery of the ineligible costs concerned. In these two cases, however, EISMEA decided to contract an external consultant, through a direct award procedure carried out in March 2024, to reassess the eligibility of the costs claimed. Moreover, this ad hoc approach contravenes Article 202(4) of the EU Financial Regulation, which stipulates that it is up to the beneficiary to propose a duly substantiated alternative method of establishing the amount to be recovered. Therefore, this direct contract for €15 000 is irregular, as will be the related payment.

Follow-up of previous years' observations

3.41.9. An overview of the action taken by EISMEA in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years’ observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2021	In 2020 and 2021 EISMEA made several entries related to contract management issues in its registry of exceptions and non-compliance events. This recurrence of non-compliance events during the implementation of contracts suggests a weakness in EISMEA’s internal controls. This could expose EISMEA to financial, legal and reputational risks.	EISMEA updated its procedure on “Exceptions and non-compliance management” in 2024. Only four similar but minor cases (amounting to less than €14 000 in total) were included in the registry of exceptions and non-compliance events for 2024.	Closed
2	2023	EISMEA moved to its new premises in Brussels without a formal legal agreement with the Office for Infrastructure and Logistics in Brussels (OIB). Furthermore, EISMEA paid €418 533 for the balance of the services provided by the OIB related to EISMEA premises in 2022, without the OIB issuing the corresponding debit note. This does not comply with the EU Financial Regulation and shows a significant deficiency in EISMEA’s management and control systems. EISMEA had not recorded these deviations in the registry of exceptions.	A new service level agreement between the OIB and EISMEA relating to the EISMEA premises was signed on 14 November 2024.	Closed

European Innovation Council and SMEs Executive Agency (EISMEA)

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
3	2023	Several members of EISMEA staff authorised 62 % of all mission travel orders without a formal delegation from the responsible authorising officer. This contravened the EU Financial Regulation and the “EISMEA internal guidelines for missions”.	EISMEA formalised all delegations in MiPS in December 2023. In May 2024 EISMEA updated its internal guidelines for missions to indicate that delegations to sign mission travel orders should be granted by the authorising officer.	Closed

European Innovation Council and SMEs Executive Agency (EISMEA)

EISMEA replies

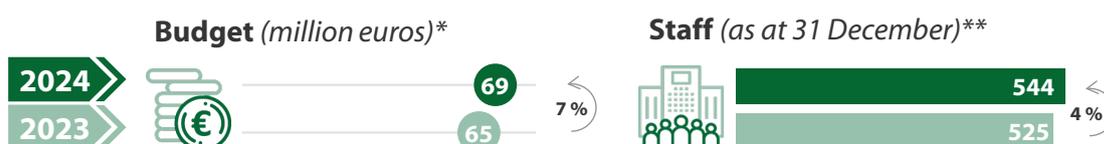
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3.42. European Research Council Executive Agency (ERCEA)

Introduction

3.42.1. The European Research Council Executive Agency (ERCEA), located in Brussels, was established by Commission [Decision 2008/37/EC](#), subsequently repealed and most recently replaced by Commission [Implementing Decision \(EU\) 2021/173](#), which will remain applicable until 31 December 2028. The ERCEA is responsible for the implementation of European Research Council actions under Horizon Europe. [Figure 3.42.1](#) presents key figures for the ERCEA⁸⁸.

Figure 3.42.1 – Key figures for ERCEA



* Budget figures are based on the total payment appropriations available during the financial year.

** “Staff” includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of the ERCEA for the 2023 and 2024 financial years; staff figures provided by ERCEA.

Our statement of assurance to the European Parliament and the Council – Independent auditor’s report

Opinion

3.42.2. Our audit approach, the basis for our opinion, the responsibilities of the ERCEA’s management and of those charged with governance, and the auditor’s responsibilities for the audit of the accounts and underlying transactions, are all described in section [3.1](#). The signature on page [319](#) forms an integral part of the opinion.

⁸⁸ More information on the ERCEA’s role and activities is available on its website: <https://erc.europa.eu/about-erc/erc-executive-agency-ercea>.

European Research Council Executive Agency (ERCEA)

3.42.3. We have audited:

- (a) the accounts of the European Research Council Executive Agency (ERCEA), which comprise the financial statements and the reports on the implementation of the ERCEA's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts

Opinion on the reliability of the accounts

3.42.4. In our opinion, the ERCEA's accounts for the year ended 31 December 2024 present fairly, in all material respects, the ERCEA's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts

Revenue

Opinion on the legality and regularity of revenue underlying the accounts

3.42.5. In our opinion, the revenue underlying the ERCEA's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments

Opinion on the legality and regularity of payments underlying the accounts

3.42.6. In our opinion, the payments underlying the ERCEA's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

Follow-up of previous years' observations

3.42.7. An overview of the action taken by the ERCEA in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years' observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2023	<p>In 2023 the ERCEA renewed the lease with the owner of its premises in Brussels for an estimated amount of €16.1 million over 5 years. The Director's decision to sign the renewal was taken in the face of the explicit objection of a majority of the ERCEA Steering Committee. However, the Director did not consider this objection binding because the Steering Committee's rules of procedure required a majority to include at least one of the two members who are not Commission officials.</p> <p>We considered that the ERCEA Steering Committee's rules of procedure were not compatible with Regulation (EC) No 58/2003.</p>	<p>The Director raised the issue of the rules of procedure with the Steering Committee, with a view to ensuring compatibility with Regulation (EC) No 58/2003 while reflecting specific governance at the ERCEA. Discussions were held at Steering Committee meetings on 13 December 2024 and 27 February 2025. The ERCEA and the Directorate-General for Research and Innovation discussed a first draft of the revised rules at a technical level on 20 March 2025. The revised rules of procedure with the Steering Committee were adopted by the Steering Committee held on 19 June 2025.</p>	Closed

European Research Council Executive Agency (ERCEA)

ERCEA replies

https://www.eca.europa.eu/Lists/ECARepplies/ERCEA-Replies-SAR-AGENCIES-2024/ERCEA-Replies-SAR-AGENCIES-2024_EN.pdf

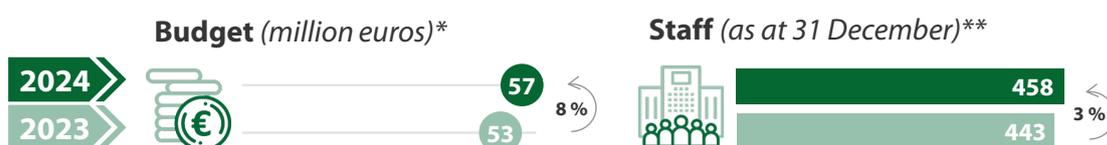
3.43. European Health and Digital Executive Agency (HaDEA)

Introduction

3.43.1. The European Health and Digital Executive Agency (HaDEA), located in Brussels, was established by Commission [Implementing Decision \(EU\) 2021/173](#), which will remain applicable until 31 December 2028. HaDEA's tasks include managing EU action in the area of public health and coordinating digital programmes in areas including industry and space.

[Figure 3.43.1](#) presents key figures for HaDEA⁸⁹.

Figure 3.43.1 – Key figures for HaDEA



* Budget figures are based on the total payment appropriations available during the financial year.

** "Staff" includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of HaDEA for the 2023 and 2024 financial years; staff figures provided by HaDEA.

Our statement of assurance to the European Parliament and the Council – Independent auditor's report

Opinion

3.43.2. Our audit approach, the basis for our opinion, the responsibilities of HaDEA's management and of those charged with governance, and the auditor's responsibilities for the audit of the accounts and underlying transactions, are all described in section [3.1](#). The signature on page [319](#) forms an integral part of the opinion.

⁸⁹ More information on HaDEA's role and activities is available on its website: <https://hadea.ec.europa.eu>.

European Health and Digital Executive Agency (HaDEA)

3.43.3. We have audited:

- (a) the accounts of the European Health and Digital Executive Agency (HaDEA), which comprise the financial statements and the reports on the implementation of HaDEA's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts

Opinion on the reliability of the accounts

3.43.4. In our opinion, HaDEA's accounts for the year ended 31 December 2024 present fairly, in all material respects, HaDEA's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts

Revenue

Opinion on the legality and regularity of revenue underlying the accounts

3.43.5. In our opinion, the revenue underlying HaDEA's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments

Opinion on the legality and regularity of payments underlying the accounts

3.43.6. In our opinion, the payments underlying HaDEA's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

Follow-up of previous years' observations

3.43.7. An overview of the action taken by HaDEA in response to our observations in previous years is provided in the [Annex](#).

Annex – Follow-up of previous years' observations

Number	Year of our observation	Our observation (summary)	Corrective action and other relevant developments (summary)	Status of ECA observation (Open/closed)
1	2022	We found weaknesses in four out of six audited low-value procurement procedures (below €15 000). These included unclear descriptions of contract subjects, negotiations with potential contractors starting before invitations to tender were sent, certain costs being included in the contractor's offer but omitted from the order forms, and award decisions not having been signed by the authorising officer.	Since 2022 HaDEA has been using the Public Procurement Management Tool, part of the e-procurement IT platform, which supports the planning, preparation and monitoring of all types of procurement procedures. Already in 2023 this allowed HaDEA to address many of the issues identified in our observation. In 2024 we no longer found the unclear contract subject descriptions.	Closed

European Health and Digital Executive Agency (HaDEA)

HaDEA replies

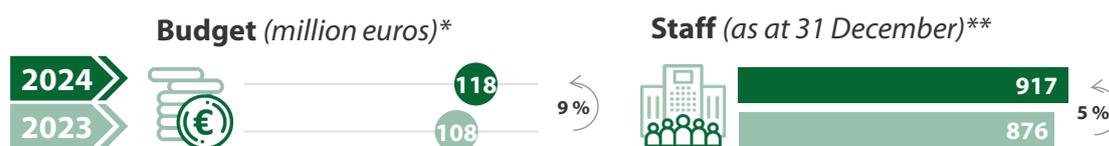
https://www.eca.europa.eu/Lists/ECARepplies/HaDEA-Replies-SAR-AGENCIES-2024/HaDEA-Replies-SAR-AGENCIES-2024_EN.pdf

3.44. European Research Executive Agency (REA)

Introduction

3.44.1. The European Research Executive Agency (REA), located in Brussels, was established by Commission [Implementing Decision \(EU\) 2021/173](#), which will remain applicable until 31 December 2028. REA succeeded and replaced the Research Executive Agency, established in 2007. It supports the EU’s research and innovation policy by managing projects financed by the Horizon Europe framework programme and its predecessor Horizon 2020. REA also manages the Research Fund for Coal and Steel and promotional measures for agricultural products. [Figure 3.44.1](#) presents key figures for REA⁹⁰.

Figure 3.44.1 – Key figures for REA



* Budget figures are based on the total payment appropriations available during the financial year.

** “Staff” includes EU officials, EU temporary staff, EU contract staff and seconded national experts, but excludes interim workers and consultants.

Source: Annual accounts of REA for the 2023 and 2024 financial years; staff figures provided by REA.

Our statement of assurance to the European Parliament and the Council – Independent auditor’s report

Opinion

3.44.2. Our audit approach, the basis for our opinion, the responsibilities of REA’s management and of those charged with governance, and the auditor’s responsibilities for the audit of the accounts and underlying transactions, are all described in section [3.1](#). The signature on page [319](#) forms an integral part of the opinion.

⁹⁰ More information on REA’s role and activities is available on its website: www.ec.europa.eu/rea.

European Research Executive Agency (REA)

3.44.3. We have audited:

- (a) the accounts of the European Research Executive Agency (REA), which comprise the financial statements and the reports on the implementation of REA's budget for the financial year ended 31 December 2024, and
 - (b) the legality and regularity of the transactions underlying those accounts,
- as required by Article 287 of the Treaty on the Functioning of the European Union (TFEU).

Reliability of the accounts

Opinion on the reliability of the accounts

3.44.4. In our opinion, REA's accounts for the year ended 31 December 2024 present fairly, in all material respects, REA's financial position as at 31 December 2024, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Legality and regularity of the transactions underlying the accounts

Revenue

Opinion on the legality and regularity of revenue underlying the accounts

3.44.5. In our opinion, the revenue underlying REA's accounts for the year ended 31 December 2024 is legal and regular in all material respects.

Payments

Opinion on the legality and regularity of payments underlying the accounts

3.44.6. In our opinion, the payments underlying REA's accounts for the year ended 31 December 2024 are legal and regular in all material respects.

European Research Executive Agency (REA)

REA replies

https://www.eca.europa.eu/Lists/ECARepplies/REA-Replies-SAR-AGENCIES-2024/REA-Replies-SAR-AGENCIES-2024_EN.pdf

This report was adopted by Chamber IV, headed by Mr Petri Sarvamaa, Member of the Court of Auditors, in Luxembourg at its meeting of 23 September 2025.

For the Court of Auditors

A handwritten signature in blue ink, appearing to read 'Tony Murphy', with a stylized flourish at the end.

Tony Murphy

President

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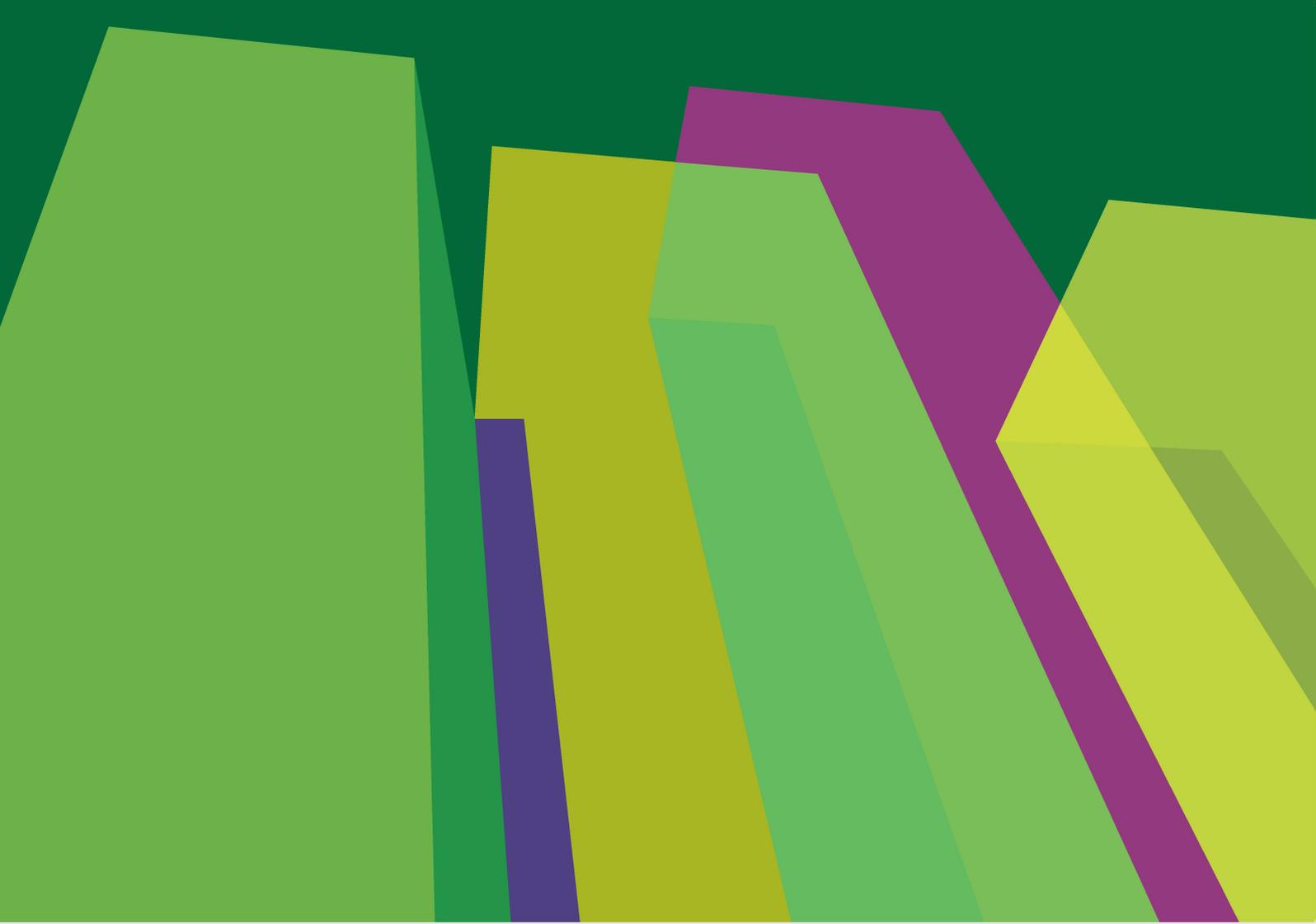
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