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More important than ever – EU agencies in times of crisis

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Introduction

The latest European Court of Auditors (ECA) [Special Report on EU agencies](#) is worth a thorough read. This audit is the first overall assessment of the conditions put in place to ensure that EU agencies are effectively delivering policies to the benefit of all citizens.

In brief, the ECA finds that ‘EU agencies are playing an increasingly important part in the Union, but their role in serving EU citizens effectively needs to be evaluated more carefully’. Consequently, the Commission and the agencies should:

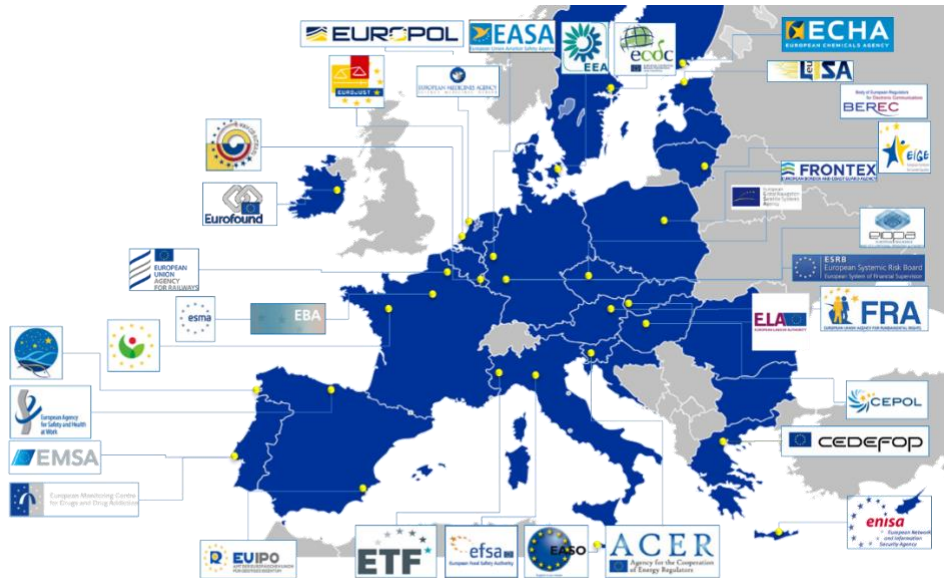
- (1) ensure the relevance, coherence and flexibility of the set-up of agencies;
- (2) allocate resources in a more flexible manner;
- (3) improve governance, accountability and reporting on performance; and
- (4) strengthen the role of agencies as centres of expertise and networking.

The ECA’s special audit comes at a time when EU agencies are considered more than ever to be solutions to European problems. With more and more agencies all over Europe and their increasing prominence in terms of power, visibility, staff and budget, one needs to understand what agencies are and how to work with them in order to contribute to a functioning European Union in times of crisis.

Today more than 48 EU agencies spread throughout 23 Member States

Currently, there are 48 entities listed as EU agencies, located in 23 Member States. They are independent bodies which perform specific tasks for the EU or its Member States. The creation of EU agencies has made it possible to relieve the burden on the European institutions, in particular the Commission, as well as to strengthen cooperation between the Member State governments and the Commission in many policy areas by pooling the specialist and expert knowledge available at European and national level.

The 34 so-called ‘decentralised’ EU agencies are the most prominent: independent bodies with their own legal personality and individual legal basis, which are set up for an unlimited period of time. Their tasks concern legal, administrative, scientific or technical issues and regulatory tasks. They range from simple observation and advice to independent supervision, decision-making and control in a wide range of policy areas.



EU agencies in times of the COVID-19 pandemic

With the outbreak of the COVID-19 pandemic in Europe, some EU agencies have been particularly active and important in supporting a functioning EU.

- The *European Centre for Disease Prevention and Control (ECDC)* provides information and risk assessment on the pandemic, and gives guidance and advice for public health measures to EU Member States and the Commission.
- The *European Medicines Agency (EMA)* provides guidance to medical device developers and pharmaceutical companies on how to accelerate the development and approval of medicines and vaccines to combat the pandemic and how they should address the regulatory challenges posed by the pandemic.
- The *European Union Agency for Fundamental Rights (FRA)* provides regular information on the restrictions on human and fundamental rights that have inevitably arisen as a result of the COVID-19 pandemic. All governments have had to take measures to halt its spread in order to protect public health and provide medical care to those who need it.
- The *European Union Aviation Safety Agency (EASA)* helps ensure that operations in the aviation industry can continue as normally as possible while remaining safe for all stakeholders - pilots, crew and passengers - through measures such as hygiene standards on aircraft, application of existing rules on licensing and training, or maintenance issues.

These examples show how EU agencies play an increasingly important role in shaping European policies as solutions to crises the EU faces. In the course of the global financial and public debt crisis, also, part of the EU’s response was the creation of three EU supervisory agencies; the so-called refugee crisis further strengthened the *European Asylum Support Office (EASO)* and what is now the *European Border and Coast Guard Agency (Frontex)*. And there are three more to come.

More EU agencies in the planning stage

Currently, the EU is planning three more EU agencies.

As part of an enhanced cooperation between Austria, Belgium, Bulgaria, Croatia, Cyprus, the Czech Republic, Estonia, Finland, France, Germany, Greece, Italy, Latvia, Lithuania, Luxembourg, Portugal, Romania, Slovakia, Slovenia, Spain and the United Kingdom the Regulation establishing the *European Public Prosecutor's Office (EPPO)* was adopted on 12 October 2017. Currently, only national authorities can investigate and prosecute fraud against the EU budget, but their powers end at national borders. The new European Public Prosecutor will act as a single body in all participating EU countries and will centralise European and national prosecution efforts in a single approach. The new EU agency is expected to become operational by the end of 2020.

In addition, the European Parliament and the Council of the EU agreed in spring 2019 to establish a *European Labour Authority (ELA)* based in Bratislava. It will ensure that all EU rules on labour mobility are 'enforced in a fair, simple and effective way' from 2024 at the latest.

Finally, the *European Global Navigation Satellite System (GSA)* Agency, based in Prague, will be enlarged in 2021 and transformed into the new European Union Agency for the Space Programme (EUSPA).

Almost 100% of EU agencies funded from the EU general budget

EU agencies are almost entirely funded from the EU general budget. In 2020, the total revenues of the decentralised agencies amounted to EUR 2.5 billion, of which EUR 1.8 billion came from the EU budget (this figure represents 1.5% of the total EU budget). The decentralised agencies together employ 6,864 staff, excluding contract agents and seconded national experts. In the draft budget for 2021, numbers continue to go up with a total of EUR 2.7 billion, of which EUR 2.0 billion contribution from EU budget, and 7,004 staff.

This forms the basis for the yearly examination by the Court of Auditors of the accounts of all agencies set up by the EU, the revenue they receive and the payments they make. According to the ECA's latest [Opinion](#) on the 2019 accounts, the auditors found 'almost no fault with the legality and regularity of agencies' revenue and payment operations, except for some issues affecting payments by the Agency for the Cooperation of Energy Regulators (ACER) and the EU Asylum Support Office (EASO). This means that the accounts present fairly the agencies' financial situation, operations and cash flows in line with the accounting rules.

Conclusion

The latest ECA report not only issued an opinion (which was clean) on the 2019 accounts. Its special audit assessed for the first time how well the EU agencies have been able to deliver EU policies for the public good. The Special Report shows that there is 'a need for more networking and cooperation – as well as more flexibility in the set-up, functioning and possible winding-up of agencies'.

These proposals are part of a continuing process of rethinking public management at both national and European levels.



One trend has been the outsourcing of executive responsibilities of national ministries and the Commission to (partially) autonomous agencies at European level. In this process, a wide range of regulatory, supervisory, decision-making, monitoring and coordination tasks have been transferred to a rapidly growing and wide-spreading number of EU agencies.

Assessing how EU agencies can contribute more effectively to EU policies is essential for the future of Europe, because Europe relies on EU agencies more than ever – especially in time of crisis.