

## 54th Meeting of the Administrative Board

Lisbon, 21 March 2019

### SUMMARY OF DECISIONS

#### 1. Welcome from the Chairman and adoption of the draft agenda

No conflicts of interest were declared. The Agenda was adopted.

#### 2. Minutes of the last meeting

The Administrative Board approved the minutes and decisions of the last meeting, which took place on 14 and 15 November 2018 in Lisbon.

#### 3. Adoption of the list of “A” items

The Administrative Board took note of the following “A” items, examined in detail by the Administrative and Finance Committee, on the basis of the recommendation by the Chairman of the Committee.

(a) **EMSA Financial Statement for 2018 – took note** of the information provided by the Agency.

(b) **School Arrangement – Annual Report 2018 – took note.**

(c) **Revision of the EMSA Financial Regulation – took note** of the main elements of the future revision of the EMSA Financial Regulation.

(d) **2019 Budget Update – took note.**

(e) **Monitoring of findings and recommendations from internal and external audits and EMSA follow up (ECA, IAS) – took note** of the information provided on findings and recommendations from internal and external audits and the EMSA follow-up.

#### 4. EMSA Consolidated Annual Activity Report 2018

##### (a) Consideration and Adoption by the Administrative Board

The Administrative Board **considered and adopted** the EMSA Consolidated Annual Activity Report 2018, in accordance with Articles 15(2)(d) and 10(2)(b) of the EMSA Founding Regulation, taking into account the European Court of Auditors’ observations of previous years and subject to the preliminary observations of the European Court of Auditors.

##### (b) Assessment by the Administrative Board

The Administrative Board **provided its assessment** of the EMSA Consolidated Annual Activity Report 2018, in accordance with Article 47 of the EMSA Financial Regulation.

#### 5. European cooperation on coast guard functions - 2019 Budget Execution

The Administrative Board **took note** of the information provided by the Agency on the 2019 budget execution in the field of the European cooperation on coast guard functions and of the Agency’s intention to propose the reallocation of 4.9 MEURO in commitment appropriations to mostly antipollution measures,

where the funds could be usefully consumed. The proposal would be detailed and formalised through a written procedure.

#### **6. AB Recommendations – EMSA action plan**

The Administrative Board **took note** of the update on the EMSA action plan following Administrative Board recommendations. It was agreed that further information would be provided at the June meeting by the Commission on the state of play regarding the EMSW and by EMSA regarding the participation of other Member States as observers during a visit, in line with the methodology for visits to Member States.

#### **7. Draft Administrative Arrangements**

None tabled for consideration by the Administrative Board.

The Administrative Board took note of the information provided by the Agency on the draft grant agreement on the Setting up and enabling the transition phase to CISE operations with DG MARE that was under written procedure until 5 April 2019.

#### **8. Any Other Business**

The Administrative Board took note of the information provided by the Agency on its Action Plan for Gender Balance adopted in June 2018. The Executive Director hoped Member States would promote SNE vacancies in their administrations and encourage more female applicants.

In view of the uncertainties ahead, Ms Haroona Chughtai (UK) wished to thank fellow Board Members and the Agency for the cooperation over the years within this forum.

### **Dates of next EMSA's Administrative Board Meeting**

#### **June 2019, Genova, Italy**

Administrative and Finance Committee: **26 June 2019 (morning)**

Administrative Board: **26 June 2019 (afternoon) and 27 June 2019 (all day)**

#### **November 2019, Lisbon**

Administrative and Finance Committee: **6 November 2019 (afternoon)**

Administrative Board: **7 November 2019 (all day), 8 November 2018 (morning)**

## DETAILED MINUTES

### 1. Welcome from the Chairman and adoption of the draft agenda

**No conflicts of interest were declared. The Chairman announced the adoption of the draft agenda, welcomed the newly appointed members and alternates, and listed proxies as follows:**

*Nominations:*

**Croatia:**

Board member: Mr Siniša Orlić, Deputy Minister, Ministry of the Sea, Transport and Infrastructure.

Alternate: Mr Lukša Čičovački, Head of Sector, Ministry of the Sea, Transport and Infrastructure.

**Lithuania:**

Alternate: Mr. Linas Kasparavicius, Head of Maritime Supervision Division, Maritime Department (Acting Director of Maritime Department).

**The Netherlands:**

Board member: Ms Lieske Streefkerk-Arts, Head of Unit Maritime Shipping, Ministry of Infrastructure and Water Management (Ms Lieske Streefkerk-Arts was not present at the meeting).

Alternate: Mr Jeroen Witter, Senior Advisor Merchant Shipping within the Netherlands Shipping Directorate.

**European Commission:**

Alternate: Ms Sian Prout, Head of Unit Maritime Safety, DG MOVE, replacing Ms Christine Berg.

*Proxies:*

**Austria** and **Czech Republic** did not attend the meeting and had not provided proxies to any other Member State.

**European Commission:** Mr Johannes Luchner, DG ECHO, provided a proxy to Ms Magda Kopczynska, DG MOVE.

*In addition, the Chairman welcomed the following observers/experts present:*

**Denmark:** Mr Per Sønderstrup, Director of Maritime Regulation and Legal Affairs.

**Germany:** Ms Annika Nagel, Federal Ministry of Transport, Building and Urban Development.

**Malta:** Ms Dulcie Zammit, expert.

**Sweden:** Ms Christina Bergström, expert.

The Chairman took the opportunity to welcome the incoming Executive Director Ms Maja Markovčić Kostelac and thanked Cyprus and the Cyprus Embassy for the previous evening's invitation. He also expressed appreciation for the previous day's workshop on the 5-year Strategy and suggested that discussions under a similar format be organised occasionally, alongside a shorter administrative agenda, to allow for more intensive debates on substantive issues. Additionally, he indicated that future meetings might be kicked off with an item on the "state of play of maritime safety in Europe".

The Executive Director welcomed the Board Members and mentioned that EMSA emergency services had been mobilised four times since the beginning of the year. The Commission took the opportunity to transmit the appreciation of the President of the Commission for EMSA support in relation to these incidents.



## 2. Minutes of the last meeting

**The Administrative Board approved the minutes and decisions of the last meeting, which took place on 14 and 15 November 2018 in Lisbon.**

## 3. Adoption of the list of “A” items

**The Administrative Board took note of the following “A” items, examined in detail by the Administrative and Finance Committee, on the basis of the recommendation by the Chairman of the Committee.**

The Chairman of the Administrative and Finance Committee, Mr Benito Núñez Quintanilla, reported that the necessary quorum for the meeting had been in place with the participation in the meeting of the representatives from Spain, France, Germany, Poland, Sweden, United Kingdom, and the Commission. Relevant EMSA staff members and management were also present. The Committee had reviewed all the “A” points and could recommend that the Administrative Board take note, consider or adopt them as appropriate, “en bloc”.

### (a) EMSA Financial Statement for 2018

The EMSA Financial Statement for 2018 was presented by Mr Davide Mola, the Accounting Officer. In line with the provisions stemming from the Founding and Financial Regulations, the EMSA Financial Statement for 2018 had been transmitted to the Commission by 1 March. At this stage of the year the document was provisional and for information only, the main elements being:

- total balance of 76,3 MEUR (+24.87% compared to 2017), mainly due to an increase in cash (+8,5 MEUR) and inventories (+2,3 MEUR);
- economic outturn of 5,03 MEUR (vs. -2,5 MEUR compared to 2017);
- total revenues up + 26% due to an increase in the EU subsidy (+21 MEUR) and earmarked revenues (Project Financed Activities) (+3 MEUR);
- EU subsidy (DG MOVE) is the main revenue (71.6 MEUR, representing 78% of the total revenue) though Project Financed Activities (FRONTEX SLA, COPERNICUS, SAFEMED, BCSea, EFCA SLA etc.) had an important impact (20.22% of the total revenue);
- total expenditure up + 15% compared to 2017 mainly due to an increase in operational costs (+8,5 MEUR);
- budgetary execution was 99,02% in commitments and of 92.84% in payments for C1 funds (credits of the year).

*Committee recommendation: Take note.*

**Administrative Board Action: Took note of the EMSA final accounts for 2018.**

### (b) School Arrangement – Annual Report 2018

Ms Cristina Romay Lopez, Head of Unit “Human Resources & Internal Support” explained that a total of 117 children of staff members had been enrolled in different schools, with 11 new applications evaluated and accepted in 2018. The budgetary impact of 675,000 EURO continued to be significantly lower than the average cost per student of the European Schools.

The Agency also informed the Committee of its continued efforts towards the goal of setting up an Accredited European School in Lisbon, but the final decision and initiative lay with the Portuguese Authorities.

*Committee recommendation: Take note.*

**Administrative Board Action: Took note of the School Report for 2018.**

**(c) Revision of the EMSA Financial Regulation**

Ms Dominika Lempicka-Fichter, Head of Unit “Legal, Financial and Facilities Support” informed the Committee about the future changes required by the new Delegated Regulation on the Framework Financial Regulation for decentralised, to be adapted and adopted by Agencies with entry into force on 1<sup>st</sup> July 2019.

Due to new provisions in relation to the grant and delegation agreements and pending modification of the founding regulation currently not covering these agreements, EMSA will seek approval for a derogation to continue to be entrusted with tasks with specific budget and deliverables, as it provides a number of services under such agreements (e.g. grants by DG NEAR, DG MARE, DG GROW).

The revision of the EMSA Financial Regulation would be adopted either at the June Board meeting or via written procedure before 1<sup>st</sup> July 2019. For the EMSA Administrative Board, the main change relates to Conflict of Interest: Board members will be required to provide Declarations of Commitment and Confidentiality on an annual basis.

*Committee recommendation: Take note.*

**Administrative Board Action: Took note of the main elements if the future revision of the EMSA Financial Regulation.**

**(d) 2019 Budget Update**

Mr Andrea Tassoni, Head of the Executive Office, informed the Committee of cash payments of earmarked revenues, which until receipt is recorded as “p.m.” in the budget, amounting to a total of 210,256.16 EUR received since 1<sup>st</sup> January 2019, mainly from Equasis contributions.

Once cashed, such revenues are automatically loaded into the Agency’s budget. The Agency duly informs the Administrative Board of such amounts, which would be taken into account at the end of the calendar year in the usual final budget amendment submitted for adoption by the Administrative Board.

*Committee recommendation: Take note.*

**Administrative Board Action: Took note of the 2019 Budget Update**

**(e) Monitoring of findings and recommendations from internal and external audits and EMSA follow up (ECA, IAS)**

Mr Tom Van Hees, Internal Control Coordinator, briefed the Committee on the status of IAS recommendations, with all recommendations stemming from the HR audit now “closed” and four recommendations stemming from the Visits and Inspections audit “open”, due for July 2019.

*Committee recommendation: Take note.*

**Administrative Board Action: Took note of the findings and recommendations from internal and external audits and EMSA follow up (ECA, IAS).**



#### **4. EMSA Consolidated Annual Activity Report 2018**

##### **(a) Consideration and Adoption by the Administrative Board**

Mr Andrea Tassoni introduced the report, which was in line with relevant requirements and identical in structure to previous years.

The Executive Director highlighted the overall positive results for 2018, acknowledging the work of her predecessor Mr Markky Mylly who had been in position until the end of the year, and of the Agency staff as a whole. The staff were given the floor in the now traditional EMSA annual report video – this time in their own languages. The video was warmly welcomed by Members and Italy in particular intended to use the video within the administration to raise awareness about EMSA's work.

Members were invited to comment on the report per chapter.

Concerning quality standards and auditing, the Agency clarified for Poland that following a gap analysis in relation to the cybersecurity standard ISO 27001, the Agency had opted to implement only those elements assessed as relevant for EMSA maritime applications and had developed its own implementation plan to achieve this. In the area of visits and inspections, the ISO certification was audited annually, and the Agency agreed to share the relevant audit report, following the request of Estonia. The Executive Director explained that quality management would be extended to all Agency processes, with or without certification as deemed appropriate in the different business areas.

Picking up on cybersecurity, the Chairman noted that the robustness of information systems was increasingly high on the agenda and the Agency should consider preparing a document on the subject for a future meeting.

***The Administrative Board considered and adopted the EMSA Consolidated Annual Activity Report 2018, in accordance with Articles 15(2)(d) and 10(2)(b) of the EMSA Founding Regulation, taking into account the European Court of Auditors' observations of previous years and subject to the preliminary observations of the European Court of Auditors.***

##### **(b) Assessment by the Administrative Board**

The Chairman presented the draft document proposed as a basis for developing the Administrative Board's assessment. The Administrative and Finance Committee provided a positive opinion on section c) on management, which took into account the suggestions provided by the Commission ahead of that meeting.

The Commission explained that the additional wording was intended to clarify the reasons for the carryover, surplus and under-execution in 2018 that would result in penalties according to the applicable rules and possibly additional stringency given the current context of extreme budgetary pressure. While recognising that the Agency cannot control certain crucial elements, notably delays in obtaining permits to fly as pointed out by the Chairman, the Commission urged the Agency to step up mitigating measures such as anticipating even further the need to return funds – returning more/earlier – and adjusting cash management practices related to project financing, and welcomed steps already taken by the Agency to renegotiate such practices with Frontex.

The Executive Director invited the Commission to take note of the mitigating measures that would be presented in detail under the next agenda item but also recalled that carryovers could not be eliminated completely due to the multi-annual nature of the Agency's operations, for example the necessity to cash funds in November and December in order to be able to purchase satellite images in January and February.



In order to illustrate the sometimes complex cash management dynamics (Poland), the Agency would prepare some slides for the next Board Meeting to explain the funding structure of some of the Agency's services.

Members discussed sections a) and b) on strategic and operational achievements as well as the conclusion, and agreed on a final draft.

***The Administrative Board provided its assessment of the EMSA Consolidated Annual Activity Report 2018, in accordance with Article 47 of the EMSA Financial Regulation, taking into account the European Court of Auditors' observations of previous years, and subject to the preliminary observations of the European Court of Auditors.***

***The Administrative Board's adoption and assessment will be subsequently confirmed by written procedure if there are no substantial changes or revisited at the June meeting if there are, once the preliminary observations are available. The CAAR2018 will then be transmitted to the Institutions as required.***

## **5. European cooperation on coast guard functions - 2019 Budget Execution**

The Executive Director provided a detailed presentation on the state of play of the implementation of the activities and the budget of the RPAS volet of the 2019 European cooperation on coast guard budget, which at 76% represented by far the heaviest part. Despite the difficulties already mentioned and ahead of listing the mitigating measures, she wished to highlight the progress nevertheless achieved by EMSA in what was, in fact, a truly pioneering venture – an operational civilian RPAS service to support maritime traffic monitoring, pollution prevention and response, and more in future, as the service matures.

In terms of mitigating measures, the Executive Director outlined the three main elements. First, Member States will be requested to provide early indications of likely requests for services in 2020 to allow the Agency to plan the administrative processes earlier; 2) the draft SLA with EASA was almost finalised and while it would not remove all hurdles it would certainly help in particular for the larger craft (MALE) and multi country operations; urged Member States to help the Agency with the permits to fly – the main bottleneck to date; and lastly very regular management meetings were scheduled to keep track of developments incl. planning information from Member States.

In terms of budget execution, for the moment the Agency expected to execute all payment appropriations and planned to reallocate the 4,9 Million euros extra commitments mainly to anti-pollution measures, where the funds could be usefully applied. A written procedure to this effect would be launched at a later stage.

The Chairman invited the Agency to prepare a similar presentation for the next Board meeting, also detailing planned deployments and providing an indication of what they represent in budgetary terms. He also recalled the idea put forward at a previous meeting by Poland to gather lessons learned and the Executive Director urged Member States to share their experience with the process of obtaining permits to fly so that the Agency could add this to its own information.

***The Administrative Board took note of the information provided by the Agency on the 2019 budget execution in the field of the European cooperation on coast guard functions and of the Agency's intention to propose the reallocation of 4.9 MEURO in commitment appropriations to mostly antipollution measures, where the funds could be usefully consumed. The proposal would be detailed and formalised through a written procedure.***



## 6. AB Recommendations – EMSA action plan

The Commission was asked to provide updates in relation to pending developments on their side affecting recommendations 1 and 2, related to EMSA support for the EMSW and opening EMSA systems and information respectively (Germany).

Concerning the first point, the Commission was in the process of developing the detailed breakdown of tasks and resources between the Commission and EMSA, also in consultation with DIGIT. The outcome would be communicated via the designated Member State expert. The whole process was foreseen over a 10-year span with final systems up and running in Member States in 6 years and an initial phase of work lasting 36 months, including setting up the various delegated acts needed.

Concerning the second point, and whether there was progress in the Commission's position in relation to opening SSN to the public, the Commission would return with more information on the outcome of the legal services analysis of whether AIS data could legally be made available to the public.

In relation to recommendation no 3, there were questions on the actual procedure once a Member State has requested to participate in a visit as an observer (Poland), and on the degree of involvement of such observer, considered to be slightly lacking and therefore of limited added value (Chairman). The Agency recalled both the meaning of the word "observer" and the impetus from the Board itself for such a cautious approach but agreed to prepare a document for the next meeting providing more details on the procedure.

***The Administrative Board took note of the update on the EMSA action plan following Administrative Board recommendations. It was agreed that further information would be provided at the June meeting by the Commission on the state of play regarding the EMSW and by EMSA regarding the participation of other Member States as observers during a visit, in line with the methodology for visits to Member States.***

## 7. Draft Administrative Arrangements

No draft Administrative Arrangements were tabled for consideration by the Administrative Board.

The Administrative Board took note of the information provided by the Agency on the draft grant agreement on the Setting up and enabling the transition phase to CISE operations with DG MARE that was under written procedure until 5 April 2019.

Mr Leendert Bal, Head of Department C "Operations", recalled the draft arrangement that was under written procedure until 5 April 2019. The "CISE transitional phase" project would provide EMSA with an excellent opportunity to promote and consolidate its role as an information broker. At the end of the transitional phase, further EMSA involvement and the modalities thereof including from the perspective of mandate would be reassessed by the Administrative Board.

In response to the Commission, who questioned the proposed five dedicated contract agents, the Agency recalled that they were planned from the start in the original project fiche adopted by the Administrative Board in November in the context of the SPD 2019-2021 – administration and communications (1), financial i.e. procurement and contract management (2) and technical (3) - and were perfectly in line with the view of the Administrative Board that project financed actions should be just that – and not consume and exhaust Agency resources.

Member States warmly welcomed the Agency's role and highlighted their own participation in this complex and high-profile project (Germany, Belgium), which would bring both added value to the Member States and visibility to the maritime sector in the information sharing domain (Italy).



*The Administrative Board took note of the information provided by the Agency on the draft arrangement with DG MARE on the “CISE transitional phase” under written procedure until 5 April 2019.*

#### **8. Any Other Business**

The Administrative Board took note of the information provided by the Agency on its Action Plan for Gender Balance adopted in June 2018. The Executive Director hoped Member States would promote SNE vacancies in their administrations and encourage more female applicants.

Poland acknowledged the short time available at this meeting for the usual updates on activities but hoped this would be back on the agenda at the next meeting, for instance on horizontal analyses.

In view of the uncertainties ahead, Ms Haroona Chughtai (UK) wished to thank fellow Board Members and the Agency for the cooperation over the years within this forum.

#### **Dates of next EMSA’s Administrative Board Meeting**

##### **June 2019, Genova, Italy**

Administrative and Finance Committee: **26 June 2019 (morning)**

Administrative Board: **26 June 2019 (afternoon) and 27 June 2019 (all day)**

##### **November 2019, Lisbon**

Administrative and Finance Committee: **6 November 2019 (afternoon)**

Administrative Board: **7 November 2019 (all day), 8 November 2018 (morning)**

Signed:

A handwritten signature in black ink, appearing to read "A. Nordseth".

Andreas Nordseth

Chairman of the Administrative Board

Genova, 27 June 2019

**LIST OF ATTENDANCE**

<b>MEMBER STATES</b>	
<b>BELGIUM</b>	
Els Claeys	Board Member
<b>BULGARIA</b>	
Zhivko Petrov	Board Member
<b>CROATIA</b>	
Siniša Orlić	Board Member
Lukša Čičovački	Alternate Member
<b>CYPRUS</b>	
Ioannis Efstratiou	Board Member
<b>DENMARK</b>	
Andreas Nordseth	Board Member - Chairman of the Board
Per Sonderstrup	Expert
<b>ESTONIA</b>	
Rene Arikas	Board Member
<b>FINLAND</b>	
Tuomas Routa	Board Member
<b>FRANCE</b>	
Vincent Denamur	Alternate Member
<b>GERMANY</b>	
Jan Reche	Alternate Member
Annika Nagel	Expert



<b>GREECE</b>	
Christos Kontorouchas	Alternate Member
<b>HUNGARY</b>	
Csaba Bellyei	Board Member
<b>IRELAND</b>	
Deirdre Mary O'Keeffe	Board Member
<b>ITALY</b>	
Nicola Carlone	Board Member - Deputy Chairman of the EMSA Administrative Board
<b>LATVIA</b>	
Jānis Krastiņš	Board Member
<b>LITHUANIA</b>	
Justas Rasomavicius	Board Member
<b>LUXEMBOURG</b>	
Robert Biver	Board Member
<b>MALTA</b>	
Dulcie Zammit	Expert
<b>THE NETHERLANDS</b>	
Jeroen Witter	Alternate Member
<b>POLAND</b>	
Wojciech Zdanowicz	Alternate Member
<b>PORTUGAL</b>	
José Simao	Board Member
Paolo Pamplona	Alternate Member
<b>ROMANIA</b>	
Razvan Gabriel Trandafir	Alternate Member

<b>SLOVAKIA</b>	
Josef Mrkva	Board Member
<b>SLOVENIA</b>	
Jadran Klinac	Board Member
<b>SPAIN</b>	
Benito Núñez Quintanilla	Board Member – Chairman of the Administrative and Finance Committee
<b>SWEDEN</b>	
Pernilla Wallin -	Board Member
Christina Bergström	Expert
<b>THE UNITED KINGDOM</b>	
Haroon Chughtai	Board Member
Andrew Angel	Alternate Member
<b>EUROPEAN COMMISSION</b>	
Magda Kopczynska	Board Member
Sian Prout	Alternate Member
Barbara Sellier	Alternate Member
Anne Montagnon	Alternate Member
Anne-Cécile Swinnen	Expert
<b>EFTA STATES</b>	
<b>NORWAY</b>	
Andreas Breivik	Alternate Member
<b>ICELAND</b>	
Thorolfur Arnason	Board Member



<b>PROFESSIONAL SECTOR</b>	
Dorotea Zec	Board Member
Henrik Ringbom	Board Member
Thomas Kazakos	Board Member
<b>EMSA STAFF</b>	
Maja Markovčić Kostelac	Executive Director
Andrea Tassoni	Head of Unit Executive Office, Board Secretariat
Isabel Torné	Head of Department A – Corporate Services
Manuela Tomassini	Head of Department B – Safety and Standards
Leendert Bal	Head of Department C – Operations
Davide Mola	Accounting Officer
Henning Stelter	Senior Budget and Finance Officer – Planning and Monitoring
Soraya Obura	Senior Assistant for Planning and Reporting – Planning and Monitoring
Selena Matic	Senior Administrative Assistant – Planning and Monitoring

