2006 discharge: European Agency for Reconstruction EAR

2007/2048(DEC) - 29/01/2008

Based on the observations contained in the revenue and expenditure account and the balance sheet of the European Agency for Reconstruction for the financial year 2006, as well as on the Court of Auditor's report and the Agency's replies to the Court's observations, the Council recommends that the Parliament grant the Director of the Agency discharge in respect of the implementation of the budget for the financial year 2006.

In doing so, the Council confirms that EUR 250.8 million (36%) of the appropriations carried over from 2005 to 2006 (EUR 702.7 million) was used, that appropriations carried over from 2006 to 2007 amount to EUR 240.7 million and that EUR 2.8 million was cancelled.

Recalling that the Court of Auditors was able to obtain reasonable assurance that the Agency's annual accounts were, in all material aspects, reliable, the Council believes that there is a certain number of observations that must be taken into consideration when providing the discharge on the implementation of the 2006 budget, particularly regarding the following points:

- **Management of the Agency:** the Council notes its satisfaction concerning the improvements made by the Agency in terms of management compared to previous financial years, and encourages it to continue on this track. Considering the high level of appropriations that remain to be committed, the Council shares the Council's approach by inviting the Agency to monitor its programmes with greater attention, given that its mandate is due to expire at the end of 2008;
- **Monitoring:** the Council also notes the improvements to the accounting system and the internal control system in comparison with the preceding years, in particular regarding the monitoring of the funds managed by external bodies and the implementation of procurement procedures.