2006 discharge: European Centre for Disease Prevention and Control ECDC

2007/2060(DEC) - 29/01/2008

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

In doing so, the Council confirms that EUR 1.1 million (78%) of the appropriations carried over from 2005 to 2006 (EUR 1.4 million) was used, that the appropriations carried over from 2006 to 2007 amount to EUR 7.1 million and that a total of EUR 0.3 million was cancelled.

Recalling that the Court of Auditors was able to obtain reasonable assurance that the Centre'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:

- **Carry-overs and transfers of appropriations:** although aware of the difficulties due to the fact that 2006 was the first full year of operation of the Centre, the Council notes with concern the high carryover rate as well as the high number of transfers made without first informing the Centre's Management Board. It calls on the Centre to take appropriate measures to improve the planning and implementation of the budget, in order to comply in full with the budgetary principles of annuality and specification;
- **Budgetary commitments:** the Council requests that the Centre respect in full the provisions of the Financial Regulation, by establishing budgetary commitments before making legal commitments;
- **Monitoring:** the Council also regrets the shortcomings noted by the Court in the recording of pre-financing in the Centre's accounts, resulting in the need to manually search for existing pre-financing during the closure-of-accounts procedure at the end of the financial year, and ultimately leading to a greater risk of error. It calls on the Centre to rectify these shortcomings and to improve its procedures and internal control systems;
- **Internal management of the Centre:** the Council also notes the Court's observations concerning the inconsistencies between authorisations granted and rights of access established in the budgetary management system as well as the lack of validation by the accounting officer of the main commitment and payment procedures;
- **Procurement:** the Council also notes anomalies highlighted in procurement procedures, in particular the lack of clear selection criteria, incorrect choice of the procedure, non respect of the procedure described in the tender notice and insufficient documentation of the procedure. The Council calls on the Centre to reinforce its internal procedures in order to comply in full with the existing rules for financial management and procurement, and to rectify all the anomalies highlighted by the Court, as soon as possible.