

2009 discharge: EU general budget, Section III, Commission

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In accordance with Council Regulation (EC) No 58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes (see [CNS/2000/0337](#)) and with Commission regulation (EC) No 1653/2004 on a standard financial regulation for the executive agencies pursuant to Council Regulation (EC) No 58/2003 (as last amended by Commission Regulation (EC) No 651/2008 of 9 July 2008), the Council is required to draw up recommendations to the European Parliament on a discharge to be given to the executive agencies.

Having examined the revenue and expenditure account for the financial year 2009 and the balance sheet at 31 December 2009 and the report by the Court of Auditors on the annual accounts of the Executive Agencies, the Council recommends that, in light of its examination, the **European Parliament should give discharge to the Director of each Agency** in respect of the implementation of the budget for the financial year 2009. It states that for each Agency the annual accounts present fairly, in all material aspects, the financial position as at 31 December 2009 and the results of operations and cash-flows for the year then ended, in accordance with the provisions of the Executive Agencies' Financial Regulation, and that, on the other hand, the underlying transactions for the financial year ended on 31 December 2009 are, in all material respects, legal and regular for the six Agencies.

The Council considers that a certain number of observations should be taken into account when granting discharge:

1. as regards the **Education, Audiovisual and Culture Executive Agency**, the Council reiterates its request to the Executive Agency to ensure more transparent and non-discriminatory recruitment procedures, by determining a priori the thresholds to be met by candidates to be invited to an interview or to be put on the reserve list;
2. as regards the **Executive Agency for Competitiveness and Innovation**, the Council notes with concern that, similarly to previous years, the Executive Agency's initial budget for 2009 was reduced by almost 11% in the fourth quarter mainly due to overestimated staff needs. It invites both the Executive Agency and the Commission to adopt a more realistic and effective approach when planning activities and related resources. Furthermore, the Council is concerned about the shortcomings identified by the Court in the Executive Agency's recruitment procedures and recalls the need to ensure their full transparency;
3. as regards the **Executive Agency for Health and Consumers**, the Council notes with concern that the level of carry-overs and the cancellation rate were high and calls on the Executive Agency to intensify its efforts to improve budget planning and implementation, thus complying strictly with the budgetary principle of annuality;
4. as regards the **Trans-European Transport Network Executive Agency**, the Council invites the Executive Agency to improve its financial programming, in order to limit the appropriations carried over to the next financial year to the minimum necessary, in line with the budgetary principle of annuality;
5. as regards the **Research Executive Agency**, the Council calls on the Executive Agency to improve the various weaknesses identified by the Court in the planning of its activities and human resources, and to comply with the budgetary principle of annuality when implementing its budget. It calls on the Executive Agency to improve its procedures for the follow-up of the use of appropriations and to take all necessary steps in order to avoid irregular transactions and carry-overs. Lastly, it invites the Executive Agency to take duly into account the remarks made by the Court concerning the

weaknesses identified in its recruitment procedures and in particular with regard to the selection process;

6. as regards the **European Research Council Executive Agency**, the Council encourages the Executive Agency to continue to improve its budget forecasts management based on realistic assumptions. It notes the fact that the Executive Agency has in several situations not fully complied with the budgetary principle of annuality and welcomes the corrective measures suggested by the Executive Agency. Moreover it notes that the Executive Agency has put at risk the transparency of recruitment procedures by neither establishing the thresholds to be met, nor the maximum number of candidates to be put on the reserve lists, nor their period of validity. The Council stresses the need for justified and documented selection board decisions and for corrective measures to be put in place.