# 2014 discharge: EU general budget, European Commission and executive agencies

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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, and in particular Article 14 (3) thereof, and Commission Regulation (EC) No 1653/2004 on a standard financial regulation for the executive agencies, the Council is required to draw up recommendations to the European Parliament on a discharge to be given to the executive agencies.

At its meetings on 7 and 27 January 2016, the Budget Committee examined the six specific annual reports of the European Court of Auditors related to executive agencies.

Having examined the revenue and expenditure accounts for the financial year 2014 and the balance sheet as at 31 December 2014 of the Executive Agencies Education, as well as the Court of Auditors' report on the annual accounts of the Agencies for the financial year 2014, accompanied by their respective replies to the Court's observations, the Council recommended the European Parliament to give discharge to the directors of the Agencies in respect of the implementation of the 2014 budget.

It considered however that the observations in the Court of Auditors' report in relation to the financial year 2014 call for comments by the Council which do not call into question the granting of the discharge.

The recommendations of the Council may be summarised as follows:

- as regards the **Education, Audiovisual and Culture Executive Agency**, the Council called on the Executive Agency to continue improving its financial programming and monitoring of the budget implementation in order to reduce the level of commitments carried over to the next financial year to the strict minimum, in line with the budgetary principle of annuality;
- as regards the **Executive Agency for SMEs**, the Council noted with concern that at the end of 2013 the budgetary needs of the Executive Agency were overestimated and that a large part of the appropriations carried over from 2013 were cancelled in 2014. It urged the Executive Agency to improve its financial programming and to improve its monitoring of the budget implementation, in order to reduce the level of commitments carried over to the next financial year to the strict minimum;
- as regards the **Executive Agency for Health and Consumers**, the Council noted that a high level of commitment appropriations was carried over to 2015 and it encouraged the Executive Agency to continue improving its financial programming and monitoring of the budget implementation, in order to reduce the level of commitment appropriations carried over to the following financial year to the strict minimum;
- as regards the **Innovation and Networks Executive Agency**, the Council called on the Executive Agency to further improve its financial programming and budget implementation in order to reduce the level of carry-overs of appropriations to the following budgetary year to the strict minimum, in line with the budgetary principle of annuality;
- as regards the **European Research Council Executive Agency**, the Council regretted that the Court found weaknesses in the Executive Agency's asset management and urged the Executive Agency to take appropriate action with a view to keeping the Assets Register up to date, formalising the inventory procedures and providing sufficiently detailed information in the Executive Agency's guidelines on the capitalisation of internally developed intangible assets to ensure that a consistent approach is used.

Lastly, as regards the Research Executive Agency, no comment was made by the Council.