2003 discharge: European Monitoring Centre on Racism and Xenophobia

2004/2059(DEC) - 08/03/2005 - Supplementary non-legislative basic document

Having examined the revenue and expenditure account for the financial year 2003 and the balance sheet of revenue and expenditure at 31 December 2003 of the European Monitoring Centre on Racism and Xenophobia and the Court of Auditors' report on the annual accounts of the Monitoring Centre, the Council recommends that the European Parliament give a discharge to the Director of the Monitoring Centre in respect of the implementation of the budget for the financial year 2003.

To recall, EUR 1.2 million (80%) of the EUR 1.5 million in appropriations carried over from the financial year 2002 to the financial year 2003, have been used. EUR 1.3 million in appropriations have been carried forward from the financial year 2003 to the financial year 2004 and EUR 0.9 million have been cancelled.

Observations in the Court of Auditors' report in relation to the financial year 2003 call for certain comments by the Council, which are annexed to this Recommendation.

The Council notes that the Court has been able to issue a statement of reasonable assurance on the reliability of the Monitoring Centre's annual accounts for the financial year 2003. However, it regrets that in respect of the reasonable assurance as to the legality and regularity of the underlying transactions, taken as a whole, the Court has excluded a specific situation concerning the criteria of choice of contractors.

The Council shares the Court's view on the need to improve the Monitoring Centre's procurement procedures and asks it to pursue the reinforcement of the implementing rules on the award of contracts in line with the provisions of the general Financial Regulation and its implementing rules.

As the Court and the Council have already pointed out for the financial year 2002, the Monitoring Centre must take appropriate measures to improve the implementation of the budget, in respect of the principle of annuality. Carry-overs of appropriations should be strictly limited to obligations duly contracted at the close of the financial year.

Moreover, the Monitoring Centre should establish an efficient system for managing and monitoring revenue to be collected. This would allow a more reliable system for recovering VAT.