



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 1 February 2013

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ADDENDUM TO "I/A" ITEM NOTE

from: Budget Committee
to: Permanent Representatives Committee/Council

Subject: Discharge to be given to the executive agencies in respect of the implementation of
the budget for the financial year 2011
- Draft Council recommendations

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Draft COUNCIL RECOMMENDATION
of
on the discharge to be given to the Director
of the Education, Audiovisual and Culture Executive Agency
in respect of the implementation of the budget
of the Education, Audiovisual and Culture Executive Agency
for the financial year 2011

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Commission Decision 2009/336/EC of 20 April 2009 setting up the Education, Audiovisual and Culture Executive Agency for the management of Community action in the fields of education, audiovisual and culture¹, and repealing Commission Decision 2005/56/EC of 14 January 2005²,

Having regard to Council Regulation (EC) No 58/2003 of 19 December 2002 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes³, and in particular Article 14(3) thereof,

¹ OJ L 101, 21.4.2009, p. 26.

² OJ L 24, 27.1.2005, p. 35.

³ OJ L 11, 16.1.2003, p. 1.

Having regard to Commission Regulation (EC) No 1653/2004 of 21 September 2004 on a standard financial regulation for the executive agencies pursuant to Council Regulation (EC) No 58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes¹, as last amended by Commission Regulation (EC) No 651/2008 of 9 July 2008², and in particular Article 66, first paragraph, thereof,

Having examined the revenue and expenditure accounts for the financial year 2011 and the balance sheet at 31 December 2011 of the Education, Audiovisual and Culture Executive Agency, hereinafter referred to as the "Executive Agency", and the report by the Court of Auditors on the annual accounts of the Executive Agency for the financial year 2011, accompanied by the Executive Agency's replies to the Court's observations³,

Welcoming that the observations in the Court of Auditors' report in relation to the financial year 2011 do not call for any comment by the Council,

Whereas, following the above examination, the implementation of the budget of the Executive Agency is such as to allow a discharge to be given in respect of that implementation,

HEREBY RECOMMENDS the European Parliament to give a discharge to the Director of the Executive Agency in respect of the implementation of the budget for the financial year 2011.

Done at Brussels,

For the Council

The President

¹ OJ L 297, 22.9.2004, p. 6.

² OJ L 181, 10.7.2008, p. 15.

³ OJ C 388, 15.12.2012, p. 34.

Draft COUNCIL RECOMMENDATION
of
on the discharge to be given to the Director
of the Executive Agency for Competitiveness and Innovation
in respect of the implementation of the budget
of the Executive Agency for Competitiveness and Innovation
for the financial year 2011

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Commission Decision 2004/20/EC of 23 December 2003 setting up an executive agency, the "Intelligent Energy Executive Agency", to manage Community action in the field of energy¹, as amended by Commission Decision 2007/372/EC of 31 May 2007 in order to transform the "Intelligent Energy Executive Agency" into the Executive Agency for Competitiveness and Innovation²,

Having regard to Council Regulation (EC) No 58/2003 of 19 December 2002 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes³, and in particular Article 14(3) thereof,

¹ OJ L 5, 9.1.2004, p. 85.

² OJ L 140, 1.6.2007, p. 52.

³ OJ L 11, 16.1.2003, p. 1.

Having regard to Commission Regulation (EC) No 1653/2004 of 21 September 2004 on a standard financial regulation for the executive agencies pursuant to Council Regulation (EC) No 58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes¹, as last amended by Commission Regulation (EC) No 651/2008 of 9 July 2008², and in particular Article 66, first paragraph, thereof,

Having examined the revenue and expenditure accounts for the financial year 2011 and the balance sheet at 31 December 2011 of the Executive Agency for Competitiveness and Innovation, hereinafter referred to as the "Executive Agency", and the report by the Court of Auditors on the annual accounts of the Executive Agency for the financial year 2011, accompanied by the Executive Agency's replies to the Court's observations³,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2011 call for some comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to those comments being followed up,

Whereas, following the above examination, the implementation of the budget of the Executive Agency is such as to allow a discharge to be given in respect of that implementation,

HEREBY RECOMMENDS the European Parliament to give a discharge to the Director of the Executive Agency in respect of the implementation of the budget for the financial year 2011.

Done at Brussels,

For the Council

The President

¹ OJ L 297, 22.9.2004, p. 6.

² OJ L 181, 10.7.2008, p. 15.

³ OJ C 388, 15.12.2012, p. 40.

**COMMENTS ACCOMPANYING THE COUNCIL RECOMMENDATION
ON THE DISCHARGE TO BE GIVEN TO THE EXECUTIVE AGENCY**

The Council welcomes the Court's opinion that, in all material respects, the Executive Agency's annual accounts present fairly its financial position as at 31 December 2011 and the results of its operations and its cash flows for 2011, in accordance with the provisions of the Executive Agency's Financial Regulation and the accounting rules adopted by the Commission's Accounting Officer, and that the underlying transactions for 2011 are legal and regular. However, some observations need to be made.

Even if some progress has been made over the years, the Council is concerned about the overestimation of staff expenditure and it urges the Executive Agency and the Commission to adopt a more realistic approach when planning the budget.

The Council calls on the Executive Agency to continue to reinforce its internal controls to avoid any possible overpayment.

Draft COUNCIL RECOMMENDATION
of
on the discharge to be given to the Director
of the Executive Agency for Health and Consumers
in respect of the implementation of the budget
of the Executive Agency for Health and Consumers
for the financial year 2011

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Commission Decision 2004/858/EC of 15 December 2004 setting up an executive agency, the "Executive Agency for the Public Health Programme", for the management of Community action in the field of public health¹, as amended by Commission Decision 2008/554/EC of 20 June 2008 in order to transform the "Executive Agency for the Public Health Programme" into the "Executive Agency for Health and Consumers"²,

Having regard to Council Regulation (EC) No 58/2003 of 19 December 2002 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes³, and in particular Article 14(3) thereof,

¹ OJ L 369, 16.12.2004, p. 73.

² OJ L 173, 3.7.2008, p. 27.

³ OJ L 11, 16.1.2003, p. 1.

Having regard to Commission Regulation (EC) No 1653/2004 of 21 September 2004 on a standard financial regulation for the executive agencies pursuant to Council Regulation (EC) No 58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes¹, as last amended by Commission Regulation (EC) No 651/2008 of 9 July 2008², and in particular Article 66, first paragraph, thereof,

Having examined the revenue and expenditure accounts for the financial year 2011 and the balance sheet at 31 December 2011 of the Executive Agency for Health and Consumers, hereinafter referred to as the "Executive Agency", and the report by the Court of Auditors on the annual accounts of the Executive Agency for the financial year 2011, accompanied by the Executive Agency's replies to the Court's observations³,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2011 call for a comment by the Council, which is annexed to this recommendation; whereas the Council stresses the importance it attaches to this comment being followed up,

Whereas, following the above examination, the implementation of the budget of the Executive Agency is such as to allow a discharge to be given in respect of that implementation,

HEREBY RECOMMENDS the European Parliament to give a discharge to the Director of the Executive Agency in respect of the implementation of the budget for the financial year 2011.

Done at Brussels,

For the Council

The President

¹ OJ L 297, 22.9.2004, p. 6.

² OJ L 181, 10.7.2008, p. 15.

³ OJ C 388, 15.12.2012, p. 46.

**COMMENTS ACCOMPANYING THE COUNCIL RECOMMENDATION
ON THE DISCHARGE TO BE GIVEN TO THE EXECUTIVE AGENCY**

The Council welcomes the Court's opinion that, in all material respects, the Executive Agency's annual accounts present fairly its financial position as at 31 December 2011 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Executive Agency's Financial Regulation and the accounting rules adopted by the Commission's accounting officer, and that the underlying transactions for that financial year are legal and regular. Nevertheless, one observation needs to be made.

Even if some progress has been made over the years, the Council calls on the Executive Agency to continue paying due attention to the respect of the principle of annuality, the Court having noticed that nearly half of the commitments made in relation with operational expenditure were carried over to 2012.

Draft COUNCIL RECOMMENDATION
of
on the discharge to be given to the Director
of the Trans-European Transport Network Executive Agency
in respect of the implementation of the budget
of the Trans-European Transport Network Executive Agency
for the financial year 2011

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Commission Decision 2007/60/EC of 26 October 2006 establishing the Trans-European Transport Network Executive Agency¹, as amended by Commission Decision 2008/593/EC of 11 July 2008²,

Having regard to Council Regulation (EC) No 58/2003 of 19 December 2002 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes³, and in particular Article 14(3) thereof,

¹ OJ L 32, 6.2.2007, p. 88.

² OJ L 190, 18.7.2008, p. 35.

³ OJ L 11, 16.1.2003, p. 1.

Having regard to Commission Regulation (EC) No 1653/2004 of 21 September 2004 on a standard financial regulation for the executive agencies pursuant to Council Regulation (EC) No 58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes¹, as last amended by Commission Regulation (EC) No 651/2008 of 9 July 2008², and in particular Article 66, first paragraph, thereof,

Having examined the revenue and expenditure accounts for the financial year 2011 and the balance sheet at 31 December 2011 of the Trans-European Transport Network Executive Agency, hereinafter referred to as the "Executive Agency", and the report by the Court of Auditors on the annual accounts of the Executive Agency for the financial year 2011, accompanied by the Executive Agency's replies to the Court's observations³,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2011 call for a comment by the Council, which is annexed to this recommendation; whereas the Council stresses the importance it attaches to this comment being followed up,

Whereas, following the above examination, the implementation of the budget of the Executive Agency is such as to allow a discharge to be given in respect of that implementation,

HEREBY RECOMMENDS the European Parliament to give a discharge to the Director of the Executive Agency in respect of the implementation of the budget for the financial year 2011.

Done at Brussels,

For the Council

The President

¹ OJ L 297, 22.9.2004, p. 6.

² OJ L 181, 10.7.2008, p. 15.

³ OJ C 388, 15.12.2012, p. 232.

**COMMENTS ACCOMPANYING THE COUNCIL RECOMMENDATION
ON THE DISCHARGE TO BE GIVEN TO THE EXECUTIVE AGENCY**

The Council welcomes the Court's opinion that, in all material respects, the Executive Agency's annual accounts present fairly its financial position as at 31 December 2011 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Executive Agency's Financial Regulation and the accounting rules adopted by the Commission's Accounting Officer, and that the underlying transactions for that financial year are legal and regular. Nevertheless, one observation needs to be made.

The Council urges the Executive Agency to pay due attention to the respect of the Executive Agency's approved annual work programme.

Draft COUNCIL RECOMMENDATION
of
on the discharge to be given to the Director
of the Research Executive Agency
in respect of the implementation of the budget
of the Research Executive Agency
for the financial year 2011

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Commission Decision 2008/46/EC of 14 December 2007 setting up the "Research Executive Agency" for the management of certain areas of the specific Community programmes People, Capacities and Cooperation in the field of research¹,

Having regard to Council Regulation (EC) No 58/2003 of 19 December 2002 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes², and in particular Article 14(3) thereof,

¹ OJ L 11, 15.1.2008, p. 9.

² OJ L 11, 16.1.2003, p. 1.

Having regard to Commission Regulation (EC) No 1653/2004 of 21 September 2004 on a standard financial regulation for the executive agencies pursuant to Council Regulation (EC) No 58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes¹, as last amended by Commission Regulation (EC) No 651/2008 of 9 July 2008², and in particular Article 66, first paragraph, thereof,

Having examined the revenue and expenditure accounts for the financial year 2011 and the balance sheet at 31 December 2011 of the Research Executive Agency, hereinafter referred to as the "Executive Agency", and the report by the Court of Auditors on the annual accounts of the Executive Agency for the financial year 2011, accompanied by the Executive Agency's replies to the Court's observations³,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2011 call for some comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to those comments being followed up,

Whereas, following the above examination, the implementation of the budget of the Executive Agency is such as to allow a discharge to be given in respect of that implementation,

HEREBY RECOMMENDS the European Parliament to give a discharge to the Director of the Executive Agency in respect of the implementation of the budget for the financial year 2011.

Done at Brussels,

For the Council
The President

¹ OJ L 297, 22.9.2004, p. 6.

² OJ L 181, 10.7.2008, p. 15.

³ OJ C 388, 15.12.2012, p. 226.

**COMMENTS ACCOMPANYING THE COUNCIL RECOMMENDATION
ON THE DISCHARGE TO BE GIVEN TO THE EXECUTIVE AGENCY**

The Council welcomes the Court's opinion that, in all material respects, the Executive Agency's annual accounts present fairly its financial position as at 31 December 2011 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Executive Agency's Financial Regulation and the accounting rules adopted by the Commission's accounting officer, and that the underlying transactions for that financial year are legal and regular. Nevertheless, some observations need to be made.

Even if some progress has been made over the years, the Council calls on the Executive Agency to respect the principle of annuality, the Court having noticed that a large part of the appropriations carried over to 2011 were cancelled in 2011.

The Council also calls on the Executive Agency to respect the principle of specification as the Court has pointed out that many budget transfers were made at the end of the year in order to significantly increase the appropriations for IT and operational expenditure.

Finally, the Council encourages the Executive Agency to pursue its efforts to address the shortcomings detected by the Court in its staff recruitment procedures.

Draft COUNCIL RECOMMENDATION
of
on the discharge to be given to the Director
of the European Research Council Executive Agency
in respect of the implementation of the budget
of the European Research Council Executive Agency
for the financial year 2011

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Commission Decision 2008/37/EC of 14 December 2007 setting up the "European Research Council Executive Agency" for the management of the specific Community programme "Ideas" in the field of frontier research¹,

Having regard to Council Regulation (EC) No 58/2003 of 19 December 2002 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes², and in particular Article 14(3) thereof,

¹ OJ L 9, 12.1.2008, p. 15.

² OJ L 11, 16.1.2003, p. 1.

Having regard to Commission Regulation (EC) No 1653/2004 of 21 September 2004 on a standard financial regulation for the executive agencies pursuant to Council Regulation (EC) No 58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes¹, as last amended by Commission Regulation (EC) No 651/2008 of 9 July 2008², and in particular Article 66, first paragraph, thereof,

Having examined the revenue and expenditure accounts for the financial year 2011 and the balance sheet at 31 December 2011 of the European Research Council Executive Agency, hereinafter referred to as the "Executive Agency", and the report by the Court of Auditors on the annual accounts of the Executive Agency for the financial year 2011, accompanied by the Executive Agency's replies to the Court's observations³,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2011 call for a comment by the Council, which is annexed to this recommendation; whereas the Council stresses the importance it attaches to this comment being followed up,

Whereas, following the above examination, the implementation of the budget of the Executive Agency is such as to allow a discharge to be given in respect of that implementation,

HEREBY RECOMMENDS the European Parliament to give a discharge to the Director of the Executive Agency in respect of the implementation of the budget for the financial year 2011.

Done at Brussels,

For the Council
The President

¹ OJ L 297, 22.9.2004, p. 6.

² OJ L 181, 10.7.2008, p. 15.

³ OJ C 388, 15.12.2012, p. 151.

**COMMENTS ACCOMPANYING THE COUNCIL RECOMMENDATION
ON THE DISCHARGE TO BE GIVEN TO THE EXECUTIVE AGENCY**

The Council welcomes the Court's opinion that, in all material respects, the Executive Agency's annual accounts present fairly its financial position as at 31 December 2011 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Executive Agency's Financial Regulation and the accounting rules adopted by the Commission's accounting officer, and that the underlying transactions for that financial year are legal and regular. Nevertheless, one observation needs to be made.

The Council urges the Executive Agency to continue to address the weaknesses identified by the Court in the management of IT projects.