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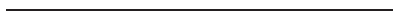
To: Permanent Representatives Committee/Council

Subject: Council recommendations on the discharge to be given to the bodies set up under the TFEU and the Euratom Treaty in respect of the implementation of the budget for the financial year 2017

– *Adoption*

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COUNCIL RECOMMENDATION
of
on the discharge to be given to the Director General
of the Euratom Supply Agency
in respect of the implementation of the budget
of the Euratom Supply Agency
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Council Decision 2008/114/EC, Euratom of 12 February 2008 establishing Statutes for the Euratom Supply Agency¹, and in particular Article 8(9) of the Annex thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

Having examined the revenue and expenditure account for the financial year 2017 and the balance sheet as at 31 December 2017 of the Euratom Supply Agency, hereinafter referred to as the "Agency", as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2017, accompanied by the Agency's replies to the Court's observations³,

¹ OJ L 41, 15.2.2008, p. 15.

² OJ L 193, 30.7.2018, p. 1.

³ OJ C 434, 30.11.2018, p. 188.

Whereas the Council welcomes the fact that the observations in the Court of Auditors' report in relation to the financial year 2017 do not call for any comments,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Director General of the Agency in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council

The President

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Director
of the European Centre for the Development of Vocational Training
in respect of the implementation of the budget
of the European Centre for the Development of Vocational Training
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Council Regulation (EEC) No 337/75 of 10 February 1975 establishing a European Centre for the Development of Vocational Training¹, and in particular Article 12a(10) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the European Centre for the Development of Vocational Training, hereinafter referred to as the "Centre", as well as the Court of Auditors' report on the annual accounts of the Centre for the financial year 2017, accompanied by the Centre's replies to the Court's observations³,

¹ OJ L 39, 13.2.1975, p. 1.

² OJ L 193, 30.7.2018, p. 1.

³ OJ C 434, 30.11.2018, p. 43.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2017 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Director of the Centre in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council
The President

COMMENTS ACCOMPANYING

**THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE EUROPEAN CENTRE FOR THE DEVELOPMENT OF VOCATIONAL TRAINING**

The Council welcomes the Court's opinion that, in all material respects, the Centre's annual accounts present fairly its financial position as at 31 December 2017 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Centre's Financial Regulation, and that the underlying transactions for 2017 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council regrets the weaknesses found by the Court in two recruitment procedures for management positions and calls on the Centre to take appropriate actions in order to ensure the legality and regularity of the recruitment process and equal treatment of candidates. Furthermore, the Council encourages the Centre to ensure proper transparency and publicity of its vacancy notices, while avoiding unjustified costs.

The Council calls on the Centre to ensure the full implementation without unjustified delay of electronic public procurement.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Director
of the European Foundation for the Improvement of Living and Working Conditions
in respect of the implementation of the budget
of the European Foundation for the Improvement of Living and Working Conditions
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Council Regulation (EEC) No 1365/75 of 26 May 1975 on the creation of a European Foundation for the Improvement of Living and Working Conditions¹, and in particular Article 16(11) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the European Foundation for the Improvement of Living and Working Conditions, hereinafter referred to as the "Foundation", as well as the Court of Auditors' report on the annual accounts of the Foundation for the financial year 2017, accompanied by the Foundation's replies to the Court's observations³,

¹ OJ L 139, 30.5.1975, p. 1.

² OJ L 193, 30.7.2018, p. 1.

³ OJ C 434, 30.11.2018, p. 94.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2017 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Director of the Foundation in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council
The President

**COMMENTS ACCOMPANYING
THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE EUROPEAN FOUNDATION FOR THE IMPROVEMENT OF LIVING AND
WORKING CONDITIONS**

The Council welcomes the Court's opinion that, in all material respects, the Foundation's annual accounts present fairly its financial position as at 31 December 2017 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Foundation's Financial Regulation, and that the underlying transactions for 2017 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council regrets the deficiencies found by the Court in the Foundation's accounting environment. It calls on the Foundation to take appropriate actions mainly to ensure the accounting officer's independence.

The Council, whilst taking note of the Foundation's reply and actions taken, calls on the Foundation to ensure the full implementation without unjustified delay of electronic public procurement.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Executive Director
of the European Environment Agency
in respect of the implementation of the budget
of the European Environment Agency
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EC) No 401/2009 of the European Parliament and of the Council of 23 April 2009 on the European Environment Agency and the European Environment Information and Observation Network (codified version)¹, and in particular Article 13(10) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the European Environment Agency, hereinafter referred to as the "Agency", as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2017, accompanied by the Agency's replies to the Court's observations³,

¹ OJ L 126, 21.5.2009, p. 13.

² OJ L 193, 30.7.2018, p. 1.

³ OJ C 434, 30.11.2018, p. 103.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2017 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Agency in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council
The President

**COMMENTS ACCOMPANYING
THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE EUROPEAN ENVIRONMENT AGENCY**

The Council welcomes the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2017 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Agency's Financial Regulation, and that the underlying transactions for 2017 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council regrets the deficiencies found by the Court in the Agency's accounting environment. It calls on the Agency to take appropriate actions mainly to ensure the accounting officer's independence.

The Council welcomes the improvements in the financial and performance checks for grants carried out by the Agency, which led to a reduction in the final grant amount paid to one of the European Topic Centres (ETC) for the implementation of its 2016 action plan.

The Council, whilst taking note of the Agency's reply and actions taken, regrets the weaknesses found by the Court in the Agency's procurement procedures and calls on the Agency to take appropriate actions in order to ensure the effectiveness of the process, an appropriate assessment of bidders, as well as the full implementation without unjustified delay of electronic public procurement.

The Council encourages the Agency to ensure proper transparency and publicity of its vacancy notices, while avoiding unjustified costs.

The Council agrees with the Court's observation, that timely pre-financing payments by the Commission are a requirement to allow the implementation of delegation agreements. Therefore, the Council calls on the Agency to observe this requirement in the future and it invites the Commission to enable necessary changes to delegation agreements in a timely manner.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Director
of the European Training Foundation
in respect of the implementation of the budget
of the European Training Foundation
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EC) No 1339/2008 of the European Parliament and of the Council of 16 December 2008 establishing a European Training Foundation (recast)¹, and in particular Article 17(10) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the European Training Foundation, hereinafter referred to as the "Foundation", as well as the Court of Auditors' report on the annual accounts of the Foundation for the financial year 2017, accompanied by the Foundation's replies to the Court's observations³,

¹ OJ L 354, 31.12.2008, p. 82.

² OJ L 193, 30.7.2018, p. 1.

³ OJ C 434, 30.11.2018, p. 184.

Whereas the Council welcomes the fact that the observations in the Court of Auditors' report in relation to the financial year 2017 do not call for any comments,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Director of the Foundation in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council

The President

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Executive Director
of the European Medicines Agency
in respect of the implementation of the budget
of the European Medicines Agency
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EC) No 726/2004 of the European Parliament and of the Council of 31 March 2004 laying down Community procedures for the authorisation and supervision of medicinal products for human and veterinary use and establishing a European Medicines Agency¹, and in particular Article 68(10) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the European Medicines Agency, hereinafter referred to as the "Agency", as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2017, accompanied by the Agency's replies to the Court's observations³,

¹ OJ L 136, 30.4.2004, p. 1.

² OJ L 193, 30.7.2018, p. 1.

³ OJ C 434, 30.11.2018, p. 141.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2017 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Agency in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council
The President

**COMMENTS ACCOMPANYING
THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE EUROPEAN MEDICINES AGENCY**

The Council welcomes the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2017 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Agency's Financial Regulation, and that the underlying transactions for 2017 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council encourages the Agency to continue improving its financial programming and monitoring of the budget implementation, taking into account the decision on the future location of the Agency.

The Council regrets the deficiencies found by the Court in the Agency's accounting environment. It calls on the Agency to take appropriate actions mainly to ensure the accounting officer's independence, as well as to remedy any unjustified delays in the re-validation of its accounting system.

The Council welcomes the efforts made by the Agency to implement an Action Plan established with a view to address the Court's recommendations from previous years to remedy the weaknesses found by the Court in the Agency's information, communication and technology management control. The Council encourages the Agency to promptly assess the measures taken.

The Council regrets the Court's finding about the critical dependence of the Agency on the extensive use of external consultants, as well as about an inadequate control over project development and implementation. While welcoming the implementation of some measures, it encourages the Agency to continue improving the development of a structured and systematic policy governing the use of consultants.

While welcoming some progress, the Council calls on the Agency to ensure the full implementation without unjustified delay of electronic public procurement.

Furthermore, the Council encourages the Agency to ensure proper transparency and publicity of its vacancy notices, while avoiding unjustified costs.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Director
of the European Monitoring Centre for Drugs and Drug Addiction
in respect of the implementation of the budget
of the European Monitoring Centre for Drugs and Drug Addiction
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EC) No 1920/2006 of the European Parliament and of the Council of 12 December 2006 on the European Monitoring Centre for Drugs and Drug Addiction (recast)¹, and in particular Article 15(9) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the European Monitoring Centre for Drugs and Drug Addiction, hereinafter referred to as the "Centre", as well as the Court of Auditors' report on the annual accounts of the Centre for the financial year 2017, accompanied by the Centre's replies to the Court's observations³,

¹ OJ L 376, 27.12.2006, p. 1.

² OJ L 193, 30.7.2018, p. 1.

³ OJ C 434, 30.11.2018, p. 149.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2017 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Director of the Centre in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council

The President

**COMMENTS ACCOMPANYING
THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE EUROPEAN MONITORING CENTRE FOR DRUGS AND DRUG ADDICTION**

The Council welcomes the Court's opinion that, in all material respects, the Centre's annual accounts present fairly its financial position as at 31 December 2017 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Centre's Financial Regulation, and that the underlying transactions for 2017 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council, whilst taking note of the Centre's reply, regrets the deficiencies found by the Court in the Centre's accounting environment. It calls on the Centre to take appropriate actions mainly to ensure the accounting officer's independence.

The Council calls on the Centre to ensure the full implementation without unjustified delay of electronic public procurement, whilst acknowledging the actions already taken by the Centre as referred to in its reply.

The Council encourages the Centre to ensure proper transparency and publicity of its vacancy notices, while avoiding unjustified costs.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Director
of the European Agency for Safety and Health at Work
in respect of the implementation of the budget
of the European Agency for Safety and Health at Work
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Council Regulation (EC) No 2062/94 of 18 July 1994 establishing a European Agency for Safety and Health at Work¹, and in particular Article 14(10) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the European Agency for Safety and Health at Work, hereinafter referred to as the "Agency", as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2017, accompanied by the Agency's replies to the Court's observations³,

¹ OJ L 216, 20.8.1994, p. 1.

² OJ L 193, 30.7.2018, p. 1.

³ OJ C 434, 30.11.2018, p. 90.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2017 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Director of the Agency in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council
The President

**COMMENTS ACCOMPANYING
THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE EUROPEAN AGENCY FOR SAFETY AND HEALTH AT WORK**

The Council welcomes the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2017 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Agency's Financial Regulation, and that the underlying transactions for 2017 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council regrets the weaknesses found by the Court in the Agency's accounting environment. It calls on the Agency to take appropriate actions mainly to ensure the accounting officer's independence.

While acknowledging the Court's changes in its reporting approach on carryovers, as well as the multiannual nature of many of the Agency's projects, the Council regrets that, again, high level of commitment appropriations was carried over to 2018. The Council urges the Agency to continue improving its financial programming and monitoring of budget implementation in order to reduce the unjustified level of commitments carried over and the amounts cancelled at the end of the following year to the strict minimum, in line with the budgetary principle of annuality.

The Council calls on the Agency to ensure the full implementation without unjustified delay of electronic public procurement.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Director
of the European Union Agency for Fundamental Rights
in respect of the implementation of the budget
of the European Union Agency for Fundamental Rights
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Council Regulation (EC) No 168/2007 of 15 February 2007 establishing a European Union Agency for Fundamental Rights¹, and in particular Article 21(10) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the European Union Agency for Fundamental Rights, hereinafter referred to as the "Agency", as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2017, accompanied by the Agency's replies to the Court's observations³,

¹ OJ L 53, 22.2.2007, p. 1.

² OJ L 193, 30.7.2018, p. 1.

³ OJ C 434, 30.11.2018, p. 169.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2017 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Director of the Agency in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council
The President

**COMMENTS ACCOMPANYING
THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE EUROPEAN UNION AGENCY FOR FUNDAMENTAL RIGHTS**

The Council welcomes the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2017 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Agency's Financial Regulation, and that the underlying transactions for 2017 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council, whilst taking note of the Agency's reply, regrets the deficiencies found by the Court in the Agency's accounting environment. It calls on the Agency to take appropriate actions mainly to ensure the accounting officer's independence.

The Council regrets the weaknesses found by the Court in the Agency's procurement procedures and calls on the Agency to take appropriate actions in order to ensure the effectiveness of the process, and an appropriate and timely establishment of tender specifications, even where prior market research might be necessary as pointed out by the Agency in its reply. The Council also calls on the Agency to ensure the full implementation without unjustified delay of electronic public procurement.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Director
of the Translation Centre for the Bodies of the European Union
in respect of the implementation of the budget
of the Translation Centre for the Bodies of the European Union
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Council Regulation (EC) No 2965/94 of 28 November 1994 setting up a Translation Centre for bodies of the European Union¹, and in particular Article 14(10) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the Translation Centre for the Bodies of the European Union, hereinafter referred to as the "Centre", as well as the Court of Auditors' report on the annual accounts of the Centre for the financial year 2017, accompanied by the Centre's replies to the Court's comments³,

¹ OJ L 314, 7.12.1994, p. 1.

² OJ L 193, 30.7.2018, p. 1.

³ OJ C 434, 30.11.2018, p. 205.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2017 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Director of the Centre in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council
The President

**COMMENTS ACCOMPANYING
THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE TRANSLATION CENTRE FOR THE BODIES OF THE EUROPEAN UNION**

The Council welcomes the Court's opinion that, in all material respects, the Centre's annual accounts present fairly its financial position as at 31 December 2017 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Centre's Financial Regulation, and that the underlying transactions for 2017 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council is concerned that due to an increasing use of in-house and other alternative solutions for translation by several EU agencies and bodies, the Centre's capacity is not used to the greatest possible extent and that there is a duplication of systems development and running costs at European level. In addition, the Council takes note with concern that the Centre's business model could be at risk. The Council urges the Centre to take appropriate measures to address these issues and it calls on the Centre to inform the Council regularly of all progress made.

The Council regrets the deficiencies found by the Court in the Centre's accounting environment. It calls on the Centre to take appropriate actions mainly to ensure the accounting officer's independence.

Whilst acknowledging the Centre's reply and actions taken, the Council calls on the Centre to ensure the full implementation without unjustified delay of electronic public procurement.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Executive Director
of the European Maritime Safety Agency
in respect of the implementation of the budget
of the European Maritime Safety Agency
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EC) No 1406/2002 of the European Parliament and of the Council of 27 June 2002 establishing a European Maritime Safety Agency¹, and in particular Article 19(10) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the European Maritime Safety Agency, hereinafter referred to as the "Agency", as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2017, accompanied by the Agency's replies to the Court's observations³,

¹ OJ L 208, 5.8.2002, p. 1.

² OJ L 193, 30.7.2018, p. 1.

³ OJ C 434, 30.11.2018, p. 75.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2017 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Agency in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council

The President

**COMMENTS ACCOMPANYING
THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE EUROPEAN MARITIME SAFETY AGENCY**

The Council welcomes the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2017 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Agency's Financial Regulation, and that the underlying transactions for 2017 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council regrets the Court's observation that the Agency has not systematically checked prices and uplifts charged with the suppliers' quotes and invoices issued to the framework contractor, and calls on the Agency to improve its internal control procedures and mechanisms, and introduce systematic and sufficient checks for these financial transactions.

The Council encourages the Agency to ensure proper transparency and publicity of its vacancy notices, while avoiding unjustified costs.

The Council, whilst taking note of the Agency's reply and actions taken, calls on the Agency to ensure the full implementation without unjustified delay of electronic public procurement.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Executive Director
of the European Aviation Safety Agency
in respect of the implementation of the budget
of the European Aviation Safety Agency
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EU) 2018/1139 of the European Parliament and of the Council of 4 July 2018 on common rules in the field of civil aviation and establishing a European Union Aviation Safety Agency, and amending Regulations (EC) No 2111/2005, (EC) No 1008/2008, (EU) No 996/2010, (EU) No 376/2014 and Directives 2014/30/EU and 2014/53/EU of the European Parliament and of the Council, and repealing Regulations (EC) No 552/2004 and (EC) No 216/2008 of the European Parliament and of the Council and Council Regulation (EEC) No 3922/91¹, and in particular Article 121(10) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

¹ OJ L 212, 22.8.2018, p. 1

² OJ L 193, 30.7.2018, p. 1.

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the European Aviation Safety Agency, hereinafter referred to as the "Agency", as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2017, accompanied by the Agency's replies to the Court's observations¹,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2017 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Agency in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council
The President

¹ OJ C 434, 30.11.2018, p. 46.

**COMMENTS ACCOMPANYING
THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE EUROPEAN AVIATION SAFETY AGENCY**

The Council welcomes the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2017 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Agency's Financial Regulation, and that the underlying transactions for 2017 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council regrets the weaknesses found by the Court in the Agency's accounting environment. It calls on the Agency to take appropriate actions mainly to ensure the accounting officer's independence.

Whilst acknowledging the Agency's replies, the Council regrets the deficiencies found by the Court in three specific procedures for the procurement of IT services where in one case the Agency has not followed the rules of application of the Financial Regulation relating to a requirement of having a competitive selection procedure, where in another case it has significantly exceeded the financing decision for a framework contract and in a further case where the Agency has made a purchase without a required competitive procedure. The Council calls on the Agency to ensure competitive procurement and purchase procedures, fully aligned with the Agency's Financial Regulation.

The Council encourages the Agency to ensure proper transparency and publicity of its vacancy notices, while avoiding unjustified costs.

The Council, whilst taking note of the Agency's reply and actions taken, calls on the Agency to ensure the full implementation without unjustified delay of electronic public procurement.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Executive Director
of the European Food Safety Authority
in respect of the implementation of the budget
of the European Food Safety Authority
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EC) No 178/2002 of the European Parliament and of the Council of 28 January 2002 laying down the general principles and requirements of food law, establishing the European Food Safety Authority and laying down procedures in matters of food safety¹, and in particular Article 44(10) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the European Food Safety Authority, hereinafter referred to as the "Authority", as well as the Court of Auditors' report on the annual accounts of the Authority for the financial year 2017, accompanied by the Authority's replies to the Court's observations³,

¹ OJ L 31, 1.2.2002, p. 1.

² OJ L 193, 30.7.2018, p. 1.

³ OJ C 434, 30.11.2018, p. 132.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2017 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Authority in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council
The President

**COMMENTS ACCOMPANYING
THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE EUROPEAN FOOD SAFETY AUTHORITY**

The Council welcomes the Court's opinion that, in all material respects, the Authority's annual accounts present fairly its financial position as at 31 December 2017 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Authority's Financial Regulation, and that the underlying transactions for 2017 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council, whilst taking note of the Authority's reply, regrets the deficiencies found by the Court in the Authority's accounting environment. It calls on the Authority to take appropriate actions mainly to ensure the accounting officer's independence.

The Council calls on the Authority to carefully reflect and use the appropriate procurement procedures and to take appropriate actions in order to ensure the effectiveness and cost-efficiency of the process.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Administrative Director
of the European Union's Judicial Cooperation Unit
in respect of the implementation of the budget
of the European Union's Judicial Cooperation Unit
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Council Decision 2002/187/JHA of 28 February 2002 setting up Eurojust with a view to reinforcing the fight against serious crime¹, and in particular Article 36(10) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet at 31 December 2017 of the European Union's Judicial Cooperation Unit, hereinafter referred to as "Eurojust", as well as the Court of Auditors' report on the annual accounts of Eurojust for the financial year 2017, accompanied by Eurojust's replies to the Court's observations³,

¹ OJ L 63, 6.3.2002, p. 1.

² OJ L 193, 30.7.2018, p. 1.

³ OJ C 434, 30.11.2018, p. 161.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2017 call for a certain 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 Eurojust is such as to allow a discharge to be given in respect of that implementation,

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Administrative Director of Eurojust in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council
The President

**COMMENT ACCOMPANYING
THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE EUROPEAN UNION'S JUDICIAL COOPERATION UNIT (EUROJUST)**

The Council welcomes the Court's opinion that, in all material respects, Eurojust's annual accounts present fairly its financial position as at 31 December 2017 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of Eurojust's Financial Regulation, and that the underlying transactions for 2017 are legal and regular in all material respects. Nevertheless, one observation needs to be made.

The Council encourages Eurojust to ensure proper transparency and publicity of its vacancy notices, while avoiding unjustified costs.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Executive Director
of the European Union Agency for Network and Information Security
in respect of the implementation of the budget
of the European Union Agency for Network and Information Security
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EU) No 526/2013 of the European Parliament and of the Council of 21 May 2013 concerning the European Union Agency for Network and Information Security (ENISA) and repealing Regulation (EC) No 460/2004¹, and in particular Article 21(11) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the European Union Agency for Network and Information Security, hereinafter referred to as the "Agency", as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2017, accompanied by the Agency's replies to the Court's observations³,

¹ OJ L 165, 18.6.2013, p. 41.

² OJ L 193, 30.7.2018, p. 1.

³ OJ C 434, 30.11.2018, p. 79.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2017 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Agency in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council
The President

COMMENTS ACCOMPANYING

THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO THE EUROPEAN UNION AGENCY FOR NETWORK AND INFORMATION SECURITY

The Council welcomes the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2017 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Agency's Financial Regulation, and that the underlying transactions for 2017 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council, whilst taking into account the Agency's reply, regrets the deficiencies found by the Court in the Agency's accounting environment. It calls on the Agency to take appropriate actions mainly to ensure adequate hand-over between staff members.

Furthermore, the Council encourages the Agency to ensure proper transparency and publicity of its vacancy notices, while avoiding unjustified costs.

The Council encourages the Agency to take into account any possible financial impact of the withdrawal of the United Kingdom from the EU on its organisation, operations and accounts.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Director
of the European Centre for Disease Prevention and Control
in respect of the implementation of the budget
of the European Centre for Disease Prevention and Control
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EC) No 851/2004 of the European Parliament and of the Council of 21 April 2004 establishing a European Centre for Disease Prevention and Control¹, and in particular Article 23(10) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the European Centre for Disease Prevention and Control, hereinafter referred to as the "Centre", as well as the Court of Auditors' report on the annual accounts of the Centre for the financial year 2017, accompanied by the Centre's replies to the Court's observations³,

¹ OJ L 142, 30.4.2004, p. 1.

² OJ L 193, 30.7.2018, p. 1.

³ OJ C 434, 30.11.2018, p. 128.

Whereas the Council welcomes the fact that the observations in the Court of Auditors' report in relation to the financial year 2017 do not call for any comments,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Director of the Centre in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council

The President

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Executive Director
of the European Union Agency for Railways
in respect of the implementation of the budget
of the European Union Agency for Railways
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EU) 2016/796 of the European Parliament and of the Council of 11 May 2016 on the European Union Agency for Railways and repealing Regulation (EC) No 881/2004¹, and in particular Article 65(10) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the European Railway Agency, hereinafter referred to as the "Agency", as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2017, accompanied by the Agency's replies to the Court's observations³,

¹ OJ L 138, 26.5.2016, p. 1.

² OJ L 193, 30.7.2018, p. 1.

³ OJ C 434, 30.11.2018, p. 83.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2017 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Agency in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council

The President

**COMMENTS ACCOMPANYING
THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE EUROPEAN UNION AGENCY FOR RAILWAYS**

The Council welcomes the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2017 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Agency's Financial Regulation, and that the underlying transactions for 2017 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council regrets the deficiencies found by the Court in the Agency's accounting environment. The Council calls on the Agency to take all necessary actions mainly to ensure the accounting officer's independence and the segregation of duties between the accounting officer and the authorising officer.

Whilst acknowledging the Agency's replies, the Council regrets the deficiencies found by the Court in purchasing of IT services where in one case the Agency has made a purchase without any required competitive procedure or prior market research. The Council calls on the Agency to ensure competitive procurement and purchase procedures, fully aligned with the Agency's Financial Regulation.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Executive Director
of the European Border and Coast Guard Agency
in respect of the implementation of the budget
of the European Border and Coast Guard Agency
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EU) 2016/1624 of the European Parliament and of the Council of 14 September 2016 on the European Border and Coast Guard and amending Regulation (EU) 2016/399 of the European Parliament and of the Council and repealing Regulation (EC) No 863/2007 of the European Parliament and of the Council, Council Regulation (EC) No 2007/2004 and Council Decision 2005/267/EC¹, and in particular Article 76(11) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

¹ OJ L 251, 16.9.2016, p. 1.

² OJ L 193, 30.7.2018, p. 1.

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet at 31 December 2017 of the European Agency for the Management of Operational Cooperation at the External Borders of the Member States, hereinafter referred to as the "Agency", as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2017, accompanied by the Agency's replies to the Court's observations¹,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2017 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Agency in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council

The President

¹ OJ C 434, 30.11.2018, p. 173.

**COMMENTS ACCOMPANYING
THE COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO THE
EUROPEAN BORDER AND COAST GUARD AGENCY**

The Council welcomes the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2017 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Agency's Financial Regulation, and that the underlying transactions for 2017 are legal and regular in all material respects. Nevertheless, some observations need to be made.

While acknowledging the substantially extended mandate, and the increase of the budget and staff since 2016 in the context of the migration crisis, the Council urges the Agency to take immediate actions to ensure an adequate level of control and monitoring in order to remedy the weaknesses found by the Court in the Agency's internal controls system, as well as to prevent weaknesses in future operations, and to undertake measures to solve address the recurrent issue of insufficient proof of expenditure claimed provided by cooperating countries. The Council repeats its supports for the Court's recommendation from 2016 and urges the Agency to implement introduce a simplified cost reimbursement model for operational activities.

While acknowledging the Court' changes in its reporting approach on carryovers, as well as the multiannual nature of the Agency's operations, the Council regrets that, again, a high level of commitment appropriations was carried over to 2018. The Council encourages urges the Agency to continue improving its financial programming and monitoring of the budget implementation in order to reduce the unjustified level of commitments carried over and the amounts cancelled at the end of the following year to the strict minimum, in line with the budgetary principle of annuality.

The Council regrets the deficiencies found by the Court in the Agency's procurement and staff recruitment procedures. It urges the Agency to further improve its procurement and staff recruitment procedures in order to ensure the effectiveness and the regularity of the processes.

Furthermore, the Council invites encourages the Agency to pursue its efforts in order to ensure a proper transparency and publicity of its vacancy notices, while avoiding unjustified costs.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Executive Director
of the European Union Agency for Law Enforcement Training
in respect of the implementation of the budget
of the European Union Agency for Law Enforcement Training
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EU) 2015/2219 of the European Parliament and of the Council of 25 November 2015 on the European Union Agency for Law Enforcement Training (CEPOL) and replacing and repealing Council Decision 2005/681/JHA¹, and in particular Article 20(10) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the European Police College, hereinafter referred to as the "Agency", as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2017, accompanied by the Agency's replies to the Court's observations³,

¹ OJ L 319, 4.12.2015, p. 1.

² OJ L 193, 30.7.2018, p. 1.

³ OJ C 434, 30.11.2018, p. 112.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2017 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Agency in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council
The President

**COMMENT[S] ACCOMPANYING THE COUNCIL RECOMMENDATION ON THE
DISCHARGE TO BE GIVEN TO THE EUROPEAN UNION AGENCY FOR LAW
ENFORCEMENT TRAINING**

The Council welcomes the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2017 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Agency's Financial Regulation, and that the underlying transactions for 2017 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council encourages the Agency to address and remedy any unjustified delays in the re-validation of its accounting system.

The Council calls on the Agency to further improve its procurement procedures in order to ensure the effectiveness of the process, as well as to ensure the full implementation, without any unjustified delays, of electronic public procurement.

The Council encourages the Agency to take into account any possible financial impact of the withdrawal of the United Kingdom from the EU on its organisation, operations and accounts.

Furthermore, the Council encourages the Agency to ensure proper transparency and publicity of its vacancy notices, while avoiding unjustified costs.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Executive Director
of the European GNSS Agency
in respect of the implementation of the budget
of the European GNSS Agency
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EU) No 912/2010 of the European Parliament and of the Council of 22 September 2010 setting up the European GNSS Agency, repealing Council Regulation (EC) No 1321/2004 on the establishment of structures for the management of the European satellite radio navigation programmes and amending Regulation (EC) No 683/2008 of the European Parliament and of the Council¹, and in particular Article 14(10) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

¹ OJ L 276, 20.10.2010, p. 11.

² OJ L 193, 30.7.2018, p. 1.

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the European GNSS Agency, hereinafter referred to as the "Agency", as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2017, accompanied by the Agency's replies to the Court's observations¹,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2017 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Agency in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council
The President

¹ OJ C 434, 30.11.2018, p. 98.

**COMMENTS ACCOMPANYING
THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE EUROPEAN GNSS AGENCY**

The Council welcomes the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2017 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Agency's Financial Regulation, and that the underlying transactions for 2017 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council notes the potential budgetary risk resulting from the ongoing Court proceedings related to procurement procedures conducted by the Agency and calls on the Agency to carefully monitor the situation.

The Council encourages the Agency to take into account any possible financial impact of the withdrawal of the United Kingdom from the EU on its organisation, operations and accounts.

The Council calls on the Agency to address and remedy any unjustified delays in the re-validation of its accounting system.

The Council urges the Agency to ensure the full implementation without unjustified delay of electronic public procurement.

Furthermore, the Council encourages the Agency to ensure proper transparency and publicity of its vacancy notices, while avoiding unjustified costs.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Executive Director
of the European Fisheries Control Agency
in respect of the implementation of the budget
of the European Fisheries Control Agency
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Council Regulation (EC) No 768/2005 of 26 April 2005 establishing a Community Fisheries Control Agency and amending Regulation (EEC) No 2847/93 establishing a control system applicable to the common fisheries policy¹, and in particular Article 36(11) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the European Fisheries Control Agency, hereinafter referred to as the "Agency", as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2017, accompanied by the Agency's replies to the Court's observations³,

¹ OJ L 128, 21.5.2005, p. 1.

² OJ L 193, 30.7.2018, p. 1.

³ OJ C 434, 30.11.2018, p. 109.

Whereas the Council welcomes the fact that the observations in the Court of Auditors' report in relation to the financial year 2017 do not call for any comments,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Agency in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council

The President

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Executive Director
of the European Chemicals Agency
in respect of the implementation of the budget
of the European Chemicals Agency
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), establishing a European Chemicals Agency, amending Directive 1999/45/EC and repealing Council Regulation (EEC) No 793/93 and Commission Regulation (EC) No 1488/94 as well as Council Directive 76/769/EEC and Commission Directives 91/155/EEC, 93/67/EEC, 93/105/EC and 2000/21/EC¹, and in particular Article 97(10) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

¹ OJ L 396, 30.12.2006, p. 1.

² OJ L 193, 30.7.2018, p. 1.

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the European Chemicals Agency, hereinafter referred to as the "Agency", as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2017, accompanied by the Agency's replies to the Court's observations¹,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2017 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Agency in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council
The President

¹ OJ C 434, 30.11.2018, p. 56.

**COMMENTS ACCOMPANYING
THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE EUROPEAN CHEMICALS AGENCY**

The Council welcomes the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2017 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Agency's Financial Regulation, and that the underlying transactions for 2017 are legal and regular in all material respects. Nevertheless, some observations need to be made.

While welcoming the progress made by the Agency through ex-post verifications to check the claimed size of smaller companies, the Council urges the Agency to rapidly address the considerable verification backlog and to improve the process to recover the administrative charges invoiced to companies who have declared the wrong size.

While acknowledging that the accuracy of the fee calculation is based on the verification of the declared volumes of chemicals, which is under the solely responsibility of Member States' national enforcement authorities, the Council encourages the Agency to continue its efforts to ensure the collection of the appropriate level of fee income.

The Council is concerned about the mismatch between the Agency's expenditures and revenues, as well as the expected drop in revenues from 2019 onwards. It calls on the Agency to take corrective measures to reduce administrative expenditure. In addition, the Council invites the Agency to continue measuring the possible future decrease of part of its revenues resulting from the withdrawal of the United Kingdom from the EU.

Furthermore, the Council encourages the Agency to ensure proper transparency and publicity of its vacancy notices, while avoiding unjustified costs.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Director
of the European Institute for Gender Equality
in respect of the implementation of the budget
of the European Institute for Gender Equality
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EC) No 1922/2006 of the European Parliament and of the Council of 20 December 2006 on establishing a European Institute for Gender Equality¹, and in particular Article 15(10) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the European Institute for Gender Equality, hereinafter referred to as the "Institute", as well as the Court of Auditors' report on the annual accounts of the Institute for the financial year 2017, accompanied by the Institute's replies to the Court's observations³,

¹ OJ L 403, 30.12.2006, p. 9.

² OJ L 193, 30.7.2018, p. 1.

³ OJ C 434, 30.11.2018, p. 136.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2017 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Director of the Institute in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council
The President

**COMMENTS ACCOMPANYING
THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE EUROPEAN INSTITUTE FOR GENDER EQUALITY**

The Council welcomes the Court's opinion that, in all material respects, the Institute's annual accounts present fairly its financial position as at 31 December 2017 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Institute's Financial Regulation, and that the underlying transactions for 2017 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council notes the potential budgetary risk resulting from the ongoing Court proceedings related to procurement procedures conducted by the Institute. It calls on the Institute to carefully monitor the situation, in particular as regards the sufficiency of provisions, and acknowledges in this context the Institute's reply.

The Council regrets that the Court found, as last year, weaknesses in the Institute's procurement procedures and calls on the Institute to take appropriate actions in order to ensure the effectiveness of the process, appropriate tender specifications, as well as the full implementation without unjustified delay of electronic public procurement.

The Council encourages the Institute to ensure proper transparency and publicity of its vacancy notices, while avoiding unjustified costs.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Executive Director
of the European Union Agency for Law Enforcement Cooperation
in respect of the implementation of the budget
of the European Union Agency for Law Enforcement Cooperation
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EU) 2016/794 of the European Parliament and of the Council of 11 May 2016 on the European Union Agency for Law Enforcement Cooperation (Europol) and replacing and repealing Council Decisions 2009/371/JHA, 2009/934/JHA, 2009/935/JHA, 2009/936/JHA and 2009/968/JHA¹, and in particular Article 60(10) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the European Police Office, hereinafter referred to as "Europol", as well as the Court of Auditors' report on the annual accounts of Europol for the financial year 2017, accompanied by Europol's replies to the Court's observations³,

¹ OJ L 135, 24.5.2016, p. 53.

² OJ L 193, 30.7.2018, p. 1.

³ OJ C 434, 30.11.2018, p. 165.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2017 call for a certain 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 Europol is such as to allow a discharge to be given in respect of that implementation,

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of Europol in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council

The President

COMMENT ACCOMPANYING
THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE EUROPEAN UNION AGENCY FOR LAW ENFORCEMENT COOPERATION
(EUROPOL)

The Council welcomes the Court's opinion that, in all material respects, Europol's annual accounts present fairly its financial position as at 31 December 2017 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of Europol's Financial Regulation, and that the underlying transactions for 2017 are legal and regular in all material respects. Nevertheless, one observation needs to be made.

The Council encourages Europol to ensure proper transparency and publicity of its vacancy notices, while avoiding unjustified costs.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Director
of the Agency for the Cooperation of Energy Regulators
in respect of the implementation of the budget
of the Agency for the Cooperation of Energy Regulators
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EC) No 713/2009 of the European Parliament and of the Council of 13 July 2009 establishing an Agency for the Cooperation of Energy Regulators¹, and in particular Article 24(10) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the Agency for the Cooperation of Energy Regulators, hereinafter referred to as the "Agency", as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2017, accompanied by the Agency's replies to the Court's observations³,

¹ OJ L 211, 14.8.2009, p. 1.

² OJ L 193, 30.7.2018, p. 1.

³ OJ C 434, 30.11.2018, p. 33.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2017 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Director of the Agency in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council
The President

**COMMENTS ACCOMPANYING
THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE AGENCY FOR THE COOPERATION OF ENERGY REGULATORS**

The Council welcomes the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2017 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Agency's Financial Regulation, and that the underlying transactions for 2017 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council is concerned that due to the integration of a disaster data recover site inside the original data storage site the Agency's business continuity may not be ensured and it calls on the Agency to find appropriate and cost-efficient solutions to address this issue.

The Council calls on the Agency to address and remedy any unjustified delays in the re-validation of its accounting system.

The Council urges the Agency to ensure the full implementation without unjustified delay of electronic public procurement.

Furthermore, the Council encourages the Agency to ensure proper transparency and publicity of its vacancy notices, while avoiding unjustified costs.

The Council encourages the Agency to take into account any possible financial impact of the withdrawal of the United Kingdom from the EU on its organisation, operations and accounts.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Management Committee
of the Office of the Body of European Regulators for Electronic Communications
in respect of the implementation of the budget
of the Office of the Body of European Regulators for Electronic Communications
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EU) 2018/1971¹ of the European Parliament and of the Council of 11 December 2018 establishing the Body of European Regulators for Electronic Communications (BEREC) and the Agency for Support for BEREC (BEREC Office), amending Regulation (EU) 2015/2120 and repealing Regulation (EC) No 1211/2009, and in particular Article 28(9) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

¹ OJ L 321, 17.12.2018, p. 1.

² OJ L 193, 30.7.2018, p. 1.

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the Office of the Body of European Regulators for Electronic Communications, hereinafter referred to as the "Office", as well as the Court of Auditors' report on the annual accounts of the Office for the financial year 2017, accompanied by the Office's replies to the Court's observations¹,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2017 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Management Committee of the Office in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council

The President

¹ OJ C 434, 30.11.2018, p. 38.

**COMMENTS ACCOMPANYING
THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE OFFICE OF THE BODY OF EUROPEAN REGULATORS FOR ELECTRONIC
COMMUNICATIONS**

The Council welcomes the Court's opinion that, in all material respects, the Office's annual accounts present fairly its financial position as at 31 December 2017 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Office's Financial Regulation, and that the underlying transactions for 2017 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council encourages the Office to address and remedy any unjustified delays in the re-validation of its accounting system.

The Council, whilst taking note of the Office's reply and actions taken, regrets the weaknesses found by the Court in the Office's procurement procedures and calls on the Office to take appropriate actions in order to ensure the effectiveness of the process, competition in its procurement procedures, as well as the full implementation without unjustified delay of electronic public procurement.

Furthermore, the Council encourages the Office to ensure proper transparency and publicity of its vacancy notices, while avoiding unjustified costs.

While acknowledging the Office's reply, the Court's changes in its reporting approach on carryovers, as well as the multiannual nature of the Office's operations, the Council urges the Office to continue improving its financial programming and monitoring of the budget implementation in order to reduce the unjustified level of commitments carried over to the strict minimum, in line with the budgetary principle of annuality.

The Council encourages the Office to take into account any possible financial impact of the withdrawal of the United Kingdom from the EU on its organisation, operations and accounts.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Executive Director
of the European Banking Authority
in respect of the implementation of the budget
of the European Banking Authority
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EU) No 1093/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Banking Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/78/EC¹, and in particular Article 64(9) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the European Banking Authority, hereinafter referred to as the "Authority", as well as the Court of Auditors' report on the annual accounts of the Authority for the financial year 2017, accompanied by the Authority's replies to the Court's observations³,

¹ OJ L 331, 15.12.2010, p. 12.

² OJ L 193, 30.7.2018, p. 1.

³ OJ C 434, 30.11.2018, p. 51.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2017 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Authority in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council
The President

**COMMENTS ACCOMPANYING
THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE EUROPEAN BANKING AUTHORITY**

The Council welcomes the Court's opinion that, in all material respects, the Authority's annual accounts present fairly its financial position as at 31 December 2017 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Authority's Financial Regulation, and that the underlying transactions for 2017 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council encourages the Authority to continue improving its financial programming and monitoring of the budget implementation, taking into account the decision on the future location of the Authority.

The Council, whilst taking note of the Authority's reply and actions taken, regrets the weaknesses found by the Court in the Authority's procurement procedures and calls on the Authority to take appropriate actions in order to ensure the effectiveness of the process, competition in its procurement procedures, as well as the full implementation without unjustified delay of electronic public procurement.

Furthermore, the Council encourages the Authority to ensure proper transparency and publicity of its vacancy notices, while avoiding unjustified costs.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Executive Director
of the European Securities and Markets Authority
in respect of the implementation of the budget
of the European Securities and Markets Authority
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EU) No 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/77/EC¹, and in particular Article 64(9) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the European Securities and Markets Authority, hereinafter referred to as the "Authority", as well as the Court of Auditors' report on the annual accounts of the Authority for the financial year 2017, accompanied by the Authority's replies to the Court's observations³,

¹ OJ L 331, 15.12.2010, p. 84.

² OJ L 193, 30.7.2018, p. 1.

³ OJ C 434, 30.11.2018, p. 87.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2017 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Authority in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council
The President

**COMMENTS ACCOMPANYING
DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE EUROPEAN SECURITIES AND MARKETS AUTHORITY**

The Council welcomes the Court's opinion that, in all material respects, the Authority's annual accounts present fairly its financial position as at 31 December 2017 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Authority's Financial Regulation, and that the underlying transactions for 2017 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council encourages the Authority to take into account any possible financial impact of the withdrawal of the United Kingdom from the EU on its organisation, operations and accounts.

The Council encourages the Authority to ensure proper transparency and publicity of its vacancy notices, while avoiding unjustified costs.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Executive Director
of the European Insurance and Occupational Pensions Authority
in respect of the implementation of the budget
of the European Insurance and Occupational Pensions Authority
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EU) No 1094/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Insurance and Occupational Pensions Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/79/EC¹, and in particular Article 64(9) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

¹ OJ L 331, 15.12.2010, p. 48.

² OJ L 193, 30.7.2018, p. 1.

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the European Insurance and Occupational Pensions Authority, hereinafter referred to as the "Authority", as well as the Court of Auditors' report on the annual accounts of the Authority for the financial year 2017, accompanied by the Authority's replies to the Court's observations¹,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2017 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Authority in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council

The President

¹ OJ C 434, 30.11.2018, p. 61.

COMMENTS ACCOMPANYING
DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE EUROPEAN INSURANCE AND OCCUPATIONAL PENSIONS AUTHORITY

The Council welcomes the Court's opinion that, in all material respects, the Authority's annual accounts present fairly its financial position as at 31 December 2017 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Authority's Financial Regulation, and that the underlying transactions for 2017 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council encourages the Authority to take into account any possible financial impact of the withdrawal of the United Kingdom from the EU on its organisation, operations and accounts.

The Council, whilst taking note of the Authority's reply and actions taken, calls on the Authority to take appropriate actions mainly to ensure the accounting officer's independence.

The Council encourages the Authority to ensure proper transparency and publicity of its vacancy notices, while avoiding unjustified costs.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Executive Director
of the European Asylum Support Office
in respect of the implementation of the budget
of the European Asylum Support Office
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EU) No 439/2010 of the European Parliament and of the Council of 19 May 2010 establishing a European Asylum Support Office¹, and in particular Article 36(9) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the European Asylum Support Office, hereinafter referred to as the "Office", as well as the Court of Auditors' report on the annual accounts of the Office for the financial year 2017, accompanied by the Office's replies to the Court's observations³,

¹ OJ L 132, 29.5.2010, p. 11.

² OJ L 193, 30.7.2018, p. 1.

³ OJ C 434, 30.11.2018, p. 116.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2017 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Office in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council
The President

**COMMENTS ACCOMPANYING
THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE EUROPEAN ASYLUM SUPPORT OFFICE**

The Council notes with great concern the Court's adverse opinion on the legality and regularity of the payments underlying the accounts for the year ended 31 December 2017. In this regard, some observations need to be made.

However, the Council welcomes the Court's opinion that, in all material respects, the Office's annual accounts present fairly its financial position as at 31 December 2017 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Office's Financial Regulation, and that the revenue underlying the accounts for 2017 is legal and regular in all material respects.

While acknowledging the unprecedented expansion of tasks and activities of the Office since 2016, mirrored by a budget increase and a substantial rise in the number of procurement procedures and payments in the context of the migration crisis, the Council is deeply concerned that the payments underlying the accounts are materially affected by error due to systematic instances of non-compliance, mainly related to public procurement and recruitment procedures.

The Council regrets the numerous weaknesses found by the Court in different areas of the Office's activities. The Council, therefore, urges the Office to implement the Court's recommendations in a timely manner, and in particular to:

- take comprehensive measures to rebuild the internal capacity and remedy the challenging human resources situation of the Office, which presents significant risks to the continuation of the Office's operations at the current scale;
- reinforce considerably the internal controls framework by establishing an internal audit capability within the Office, covering also support operations in other countries, as well as an internal legal service and systematic internal review of legal documents;

- strictly follow and respect the procurement procedures rules laid down in the Financial Regulation in order to ensure full compliance with the principles of competition, transparency, equal treatment and non-discrimination between tenderers;- deploy continuous efforts to address the serious deficiencies identified by the Court regarding the Office's payments for staff expenditure, for rent and related works, for travel expenditure and other payments.

Taking note of the Office's reply and the additional information provided, the Council welcomes the first positive steps undertaken by the Office, aimed at overcoming the irregularities found by the Court, especially the Office's Governance Action Plan, endorsed by the Management Board in September 2018. The Council calls on the Office to pursue rigorously the implementation of its corrective actions in line with the Court's recommendations, in order to achieve swift improvement in the areas of recruitment, internal controls and procurement.

The Council underlines the great importance it attaches to the follow-up of these corrective actions and calls on the Office, in the coming months, to inform the Council regularly and consistently of all progress made.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Executive Director
of the European Agency for the operational management of large-scale IT systems in the area
of freedom, security and justice
in respect of the implementation of the budget
of the European Agency for the operational management of large-scale IT systems in the area
of freedom, security and justice
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EU) No 1077/2011 of the European Parliament and of the Council of 25 October 2011 establishing a European Agency for the operational management of large-scale IT systems in the area of freedom, security and justice¹, and in particular Article 33(11) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

¹ OJ L 286, 1.11.2011, p. 1.

² OJ L 193, 30.7.2018, p. 1.

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the European Agency for the operational management of large-scale IT systems in the area of freedom, security and justice, hereinafter referred to as the "Agency", as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2017, accompanied by the Agency's replies to the Court's observations¹,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2017 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Agency in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council

The President

¹ OJ C 434, 30.11.2018, p. 153.

**COMMENTS ACCOMPANYING
THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE EUROPEAN AGENCY FOR THE OPERATIONAL MANAGEMENT OF
LARGE-SCALE IT SYSTEMS IN THE AREA OF FREEDOM, SECURITY AND JUSTICE**

The Council welcomes the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2017 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Agency's Financial Regulation, and that the underlying transactions for 2017 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council regrets the weaknesses found by the Court in the Agency's procurement procedures and calls on the Agency to take appropriate actions in order to ensure the effectiveness of the process, as well as the full implementation without unjustified delay of electronic public procurement.

The Council calls on the Agency to continue improving its financial programming and monitoring of budget implementation with a view to limit the use of corrective measures to the strict minimum, in line with the budgetary principle of sound financial management.

The Council encourages the Agency to pursue its efforts to improve the efficiency of its internal IT processes and to address the issue of the over-reliance and dependency on external contractors. The Council supports the Court's recommendation to use IFPUG¹-sponsored methodology for determining the price for development activities in order to avoid a risk of overpayment.

Finally, the Council encourages the Agency to ensure proper transparency and publicity of its vacancy notices, while avoiding unjustified costs.

¹ International Function Point Users' Group.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Director
of the European Institute of Innovation and Technology
in respect of the implementation of the budget
of the European Institute of Innovation and Technology
for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EC) No 294/2008 of the European Parliament and of the Council of 11 March 2008 establishing the European Institute of Innovation and Technology¹, and in particular Article 21(4) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013 (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 70(4) thereof,

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the European Institute of Innovation and Technology, hereinafter referred to as the "Institute", as well as the Court of Auditors' report on the annual accounts of the Institute for the financial year 2017, accompanied by the Institute's replies to the Court's observations³,

¹ OJ L 97, 9.4.2008, p. 1.

² OJ L 193, 30.7.2018, p. 1.

³ OJ C 434, 30.11.2018, p. 64.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2017 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Director of the Institute in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council
The President

**COMMENTS ACCOMPANYING
THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE EUROPEAN INSTITUTE OF INNOVATION AND TECHNOLOGY (EIT)**

The Council welcomes the Court's opinion that the Institute's annual accounts present fairly, in all material respects, its financial position as at 31 December 2017 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Institute's Financial Regulation, and that the underlying transactions for 2017 are legal and regular with the exception of the matter described below. Nevertheless, some observations need to be made.

The Council regrets the Court's finding related to amendments to the specific grant agreements with the Institute's Knowledge and Innovation Communities (KICs), which goes against the purpose of encouraging KICs to find own resources of financing and become gradually financially independent from the Institute. The Council calls on the Institute to reduce the use of amendments to the specific grant agreements.

The Council welcomes the Institute's reinforcement of its internal control systems for grants to KICs by carrying out external checks on KICs' partners and providing certified financial statements (CFS) for KIC partners.

The Council takes note of the Court's observation that KICs did not fully use the grant amounts partly due to late approval of grant agreements, and partly due to a higher than planned self-financing of management costs by some KICs. While considering the higher amount of self-financing as a positive aspect, the Council calls on the Institute to strengthen its planning and procedures for approving the grant agreements.

Furthermore, the Council encourages the Institute to ensure proper transparency and publicity of its vacancy notices, while avoiding unjustified costs.

The Council, whilst taking note of the Institute's reply and actions taken, regrets the weaknesses found by the Court in the Institute's procurement procedures and calls on the Institute to take appropriate actions in order to ensure the effectiveness of the process, competition in its procurement procedures, as well as the full implementation without unjustified delay of electronic public procurement.

As to filling some managerial positions on ad interim basis, the Council asks the Institute to fully comply with the Staff Regulations.
