



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 4 February 2004

5543/04

**FIN 26
ECO 8
PE-L 12**

"I/A" ITEM NOTE

from: Budget Committee

to Permanent Representatives Committee/Council

No. prev. doc.: 15603/03 FIN 580 ECO 259

Subject: Council Recommendation on the discharge to be given to the Director of the European Agency for the Evaluation of Medicinal Products in respect of the implementation of the budget for the financial year 2002

1. In accordance with Council Regulation (EEC) No 2309/93 of 22 July 1993 laying down Community procedures for the authorisation and supervision of medicinal products for human and veterinary use and establishing a European Agency for the Evaluation of Medicinal Products¹, as last amended by Council Regulation (EC) No 1647/2003 of 18 June 2003², the Council is required to examine the Court of Auditors annual report on the financial statements of the Agency, in order to draw up a Recommendation to the European Parliament on giving a discharge to the Director of the Agency.
2. The Budget Committee examined the Court of Auditors report and reached agreement on the attached draft text.
3. Following this examination the Budget Committee advises the Permanent Representatives Committee to suggest that the Council adopt the attached draft Recommendation and arrange for it to be forwarded to the European Parliament.

¹ OJ L 214, 24.8.1993, p. 1.

² OJ L 245, 29.9.2003, p. 19.

Draft

COUNCIL RECOMMENDATION

of

**on the discharge to be given to the Director
of the European Agency for the Evaluation of Medicinal Products
in respect of the implementation of the budget
of the European Agency for the Evaluation of Medicinal Products
for the financial year 2002**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 2309/93 of 22 July 1993 laying down Community procedures for the authorisation and supervision of medicinal products for human and veterinary use and establishing a European Agency for the Evaluation of Medicinal Products¹, as amended by Council Regulation (EC) No 1647/2003 of 18 June 2003², and in particular Article 57a(10) thereof,

Having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the financial regulation applicable to the general budget of the European Communities³, and in particular Article 185(2) thereof,

¹ OJ L 214, 24.8.1993, p. 1.

² OJ L 245, 29.9.2003, p. 19.

³ OJ L 248, 16.9.2002, p. 1, with Corrigendum in OJ L 25, 30.1.2003, p. 43.

Having examined the revenue and expenditure account for the financial year 2002, the balance sheet of revenue and expenditure at 31 December 2002 of the European Agency for the Evaluation of Medicinal Products, hereinafter referred to as the "Agency", and the Court of Auditors' report on the financial statements of the Agency, accompanied by the Agency's replies to the Court's observations¹,

Whereas EUR 12,2 million (90 %) of the EUR 13,5 million in appropriations carried forward from the financial year 2001 to the financial year 2002 have been used,

Whereas EUR 6,8 million in appropriations have been carried forward from the financial year 2002 to the financial year 2003 and EUR 4,2 million have been cancelled,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2002 call for certain comments by the Council, which are annexed to this Recommendation; whereas the Council stresses the importance it attaches to those comments being followed up,

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

HEREBY RECOMMENDS the European Parliament to give a discharge to the Director of the Agency in respect of the implementation of the budget for the financial year 2002.

Done at Brussels,

For the Council
The President

¹ OJ C 319, 30.12.2003, p. 22.

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

The Council welcomes the fact that the Court of Auditors has been able to obtain reasonable assurance that the Agency's annual accounts for the financial year ended 31 December 2002 are reliable and that the underlying transactions, taken as a whole, are legal and regular. However, some observations need to be made.

The Council notes with satisfaction the efforts being made by the Agency to put in place a revised procedure to bring the processing of inspection fees in line with the principle of annuality.

About the global sum advances received by the Agency, the Council stresses the importance of finding a procedure in order to make the link between the customer deposits and their uses clearer.

Finally, the Council asks that the implementation of internal control procedures necessary in order to carry out efficient verification of invoices be improved as quickly as possible.