Council of the
European Union

Brussels, 31 January 2019
(OR. en)

5826/19
ADD 1

FIN 74
PE-L 5

'I/A' ITEM NOTE

From:	Budget Committee
To:	Permanent Representatives Committee/Council
Subject:	Council recommendations on the discharge to be given to the executive agencies in respect of the implementation of the budget for the financial year 2017 – *Adoption*

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ANNEX 1

COUNCIL RECOMMENDATION

of

on the discharge to be given to the Director

of the Education, Audiovisual and Culture Executive Agency

in respect of the implementation of the budget

of the Education, Audiovisual and Culture Executive Agency

for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Commission Implementing Decision 2013/776/EU of 18 December 2013 establishing the "Education, Audiovisual and Culture Executive Agency" and repealing Decision 2009/336/EC[1],

Having regard to Council Regulation (EC) No 58/2003 of 19 December 2002 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes[2], and in particular Article 14(3) thereof,

Having regard to Commission Regulation (EC) No 1653/2004 of 21 September 2004 on a standard financial regulation for the executive agencies pursuant to Council Regulation (EC) No 58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes[3], and in particular Article 66, first paragraph, thereof,

1 OJ L 343, 19.12.2013, p. 46.
2 OJ L 11, 16.1.2003, p. 1.
3 OJ L 297, 22.9.2004, p. 6.

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the Education, Audiovisual and Culture Executive Agency, hereinafter referred to as the "Executive Agency", as well as the Court of Auditors' report on the annual accounts of the Executive Agency for the financial year 2017, accompanied by the Executive Agency's replies to the Court's observations[1],

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 Executive 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 Executive 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. 209.

COMMENTS ACCOMPANYING
THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO THE EDUCATION, AUDIOVISUAL AND CULTURE EXECUTIVE AGENCY

The Council welcomes the Court's opinion that, in all material respects, the Executive Agency's annual accounts present fairly its financial position as at 31 December 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 Executive 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.

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

Furthermore, the Council encourages the Executive Agency to ensure the full implementation without unjustified delay of electronic public procurement, whilst acknowledging the actions already taken by the Executive Agency as referred to in its reply.

ANNEX 2

COUNCIL RECOMMENDATION

of

on the discharge to be given to the Director

of the Executive Agency for Small and Medium-sized Enterprises

in respect of the implementation of the budget

of the Executive Agency for Small and Medium-sized Enterprises

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 Commission Implementing Decision 2013/771/EU of 17 December 2013 establishing the "Executive Agency for Small and Medium-sized Enterprises" and repealing Decisions 2004/20/EC and 2007/372/EC[1],

Having regard to Council Regulation (EC) No 58/2003 of 19 December 2002 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes[2], and in particular Article 14(3) thereof,

Having regard to Commission Regulation (EC) No 1653/2004 of 21 September 2004 on a standard financial regulation for the executive agencies pursuant to Council Regulation (EC) No 58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes[3], and in particular Article 66, first paragraph, thereof,

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1 OJ L 341, 18.12.2013, p. 73.
2 OJ L 11, 16.1.2003, p. 1.
3 OJ L 297, 22.9.2004, p. 6.

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the Executive Agency for Small and Medium-sized Enterprises, hereinafter referred to as the "Executive Agency", as well as the Court of Auditors' report on the annual accounts of the Executive Agency for the financial year 2017, accompanied by the Executive Agency's replies to the Court's observations[1],

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 Executive 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 Executive Agency in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council
The President

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1 OJ C 434, 30.11.2018, p. 213.

COMMENTS ACCOMPANYING
THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO THE EXECUTIVE AGENCY FOR SMALL AND MEDIUM-SIZED ENTERPRISES

The Council welcomes the Court's opinion that, in all material respects, the Executive Agency's annual accounts present fairly its financial position as at 31 December 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 Executive 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.

Whilst taking note of the Executive Agency's reply, the Council regrets the deficiencies found by the Court in the Executive Agency's accounting environment. It calls on the Executive 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 calls on the Executive Agency to ensure the full implementation without unjustified delay of electronic public procurement, whilst acknowledging the actions already taken by the Executive Agency as referred to in its reply.

ANNEX 3

COUNCIL RECOMMENDATION

of

on the discharge to be given to the Director

of the Consumers, Health, Agriculture and Food Executive Agency

in respect of the implementation of the budget

of the Consumers, Health, Agriculture and Food Executive 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 Commission Implementing Decision 2013/770/EU of 17 December 2013 establishing the Consumers, Health and Food Executive Agency and repealing Decision 2004/858/EC[1],

Having regard to Council Regulation (EC) No 58/2003 of 19 December 2002 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes[2], and in particular Article 14(3) thereof,

Having regard to Commission Regulation (EC) No 1653/2004 of 21 September 2004 on a standard financial regulation for the executive agencies pursuant to Council Regulation (EC) No 58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes[3], and in particular Article 66, first paragraph, thereof,

1 OJ L 341, 18.12.2013, p. 69.
2 OJ L 11, 16.1.2003, p. 1.
3 OJ L 297, 22.9.2004, p. 6.

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the Consumers, Health and Food Executive Agency, hereinafter referred to as the "Executive Agency", as well as the Court of Auditors' report on the annual accounts of the Executive Agency for the financial year 2017, accompanied by the Executive Agency's replies to the Court's observations[1],

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 Executive Agency is such as to a allow discharge to be given in respect of that implementation,

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

Done at Brussels,

For the Council
The President

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1 OJ C 434, 30.11.2018, p. 229.

COMMENTS ACCOMPANYING
THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO THE CONSUMERS, HEALTH AND FOOD EXECUTIVE AGENCY

The Council welcomes the Court's opinion that, in all material respects, the Executive Agency's annual accounts present fairly its financial position as at 31 December 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 Executive 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 Executive Agency's accounting environment. The Council calls on the Executive 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.

The Council, whilst taking note of the Executive Agency's reply, regrets the deficiencies found by the Court in the Executive Agency's procurement and staff recruitment procedures. It urges the Executive Agency to further improve its procurement and staff recruitment procedures in order to ensure the effectiveness and the regularity of the processes. It also calls on the Executive Agency to ensure the full implementation without unjustified delay of electronic public procurement.

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

The Council regrets that, again, a high level of commitment appropriations was carried over to 2018. While acknowledging the Court's changes in its reporting approach on carryovers, as well as the multiannual nature of operations, the Council urges the Executive 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.

ANNEX 4

COUNCIL RECOMMENDATION

of

on the discharge to be given to the Director
of the Innovation and Networks Executive Agency
in respect of the implementation of the budget
of the Innovation and Networks Executive 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 Commission Implementing Decision 2013/801/EU of 23 December 2013 establishing the Innovation and Networks Executive Agency and repealing Decision 2007/60/EC as amended by Decision 2008/593/EC[1],

Having regard to Council Regulation (EC) No 58/2003 of 19 December 2002 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes[2], and in particular Article 14(3) thereof,

Having regard to Commission Regulation (EC) No 1653/2004 of 21 September 2004 on a standard financial regulation for the executive agencies pursuant to Council Regulation (EC) No 58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes[3], and in particular Article 66, first paragraph, thereof,

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1 OJ L 352, 24.12.2013, p. 65.
2 OJ L 11, 16.1.2003, p. 1.
3 OJ L 297, 22.9.2004, p. 6.

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the Innovation and Networks Executive Agency, hereinafter referred to as the "Executive Agency", as well as the Court of Auditors' report on the annual accounts of the Executive Agency for the financial year 2017, accompanied by the Executive Agency's replies to the Court's observations[1],

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 the Executive Agency is such as to allow discharge to be given in respect of that implementation,

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

Done at Brussels,

For the Council
The President

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1 OJ C 434, 30.11.2018, p. 221.

COMMENT ACCOMPANYING
THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO THE INNOVATION AND NETWORKS EXECUTIVE AGENCY

The Council welcomes the Court's opinion that, in all material respects, the Executive Agency's annual accounts present fairly its financial position as at 31 December 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 Executive Agency'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.

Taking into account the Executive Agency's reply, the Council encourages the Executive Agency to continue the implementation of electronic public procurement as appropriate in consideration of the nature of its procurement activities.

ANNEX 5

COUNCIL RECOMMENDATION

of

on the discharge to be given to the Director

of the Research Executive Agency

in respect of the implementation of the budget

of the Research Executive Agency

for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Commission Implementing Decision 2013/778/EU of 13 December 2013 establishing the Research Executive Agency and repealing Decision 2008/46/EC[1],

Having regard to Council Regulation (EC) No 58/2003 of 19 December 2002 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes[2], and in particular Article 14(3) thereof,

Having regard to Commission Regulation (EC) No 1653/2004 of 21 September 2004 on a standard financial regulation for the executive agencies pursuant to Council Regulation (EC) No 58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes[3], and in particular Article 66, first paragraph, thereof,

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1 OJ L 346, 20.12.2013, p. 54.
2 OJ L 11, 16.1.2003, p. 1.
3 OJ L 297, 22.9.2004, p. 6.

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the Research Executive Agency, hereinafter referred to as the "Executive Agency", as well as the Court of Auditors' report on the annual accounts of the Executive Agency for the financial year 2017, accompanied by the Executive Agency's replies to the Court's observations[1],

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 Executive 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 Executive Agency in respect of the implementation of the budget for the financial year 2017.

Done at Brussels,

For the Council
The President

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1 OJ C 434, 30.11.2018, p. 225.

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

The Council welcomes the Court's opinion that, in all material respects, the Executive Agency's annual accounts present fairly its financial position as at 31 December 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 Executive 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 Executive Agency's reply and actions taken, regrets the weaknesses found by the Court in the Executive Agency's staff recruitment procedures and calls on the Executive Agency to take appropriate actions in order to ensure the legality and regularity of the recruitment process and equal treatment of candidates.

Taking into account the Executive Agency's reply, the Council encourages the Executive Agency to continue the implementation of electronic public procurement as appropriate in consideration of the nature of its procurement activities.

ANNEX 6

COUNCIL RECOMMENDATION

of

on the discharge to be given to the Director

of the European Research Council Executive Agency

in respect of the implementation of the budget

of the European Research Council Executive Agency

for the financial year 2017

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Commission Implementing Decision 2013/779/EU of 17 December 2013 establishing the European Research Council Executive Agency and repealing Decision 2008/37/EC[1],

Having regard to Council Regulation (EC) No 58/2003 of 19 December 2002 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes[2], and in particular Article 14(3) thereof,

Having regard to Commission Regulation (EC) No 1653/2004 of 21 September 2004 on a standard financial regulation for the executive agencies pursuant to Council Regulation (EC) No 58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes[3], and in particular Article 66, first paragraph, thereof,

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1 OJ L 346, 20.12.2013, p. 58.
2 OJ L 11, 16.1.2003, p. 1.
3 OJ L 297, 22.9.2004, p. 6.

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 of the European Research Council Executive Agency, hereinafter referred to as the "Executive Agency", as well as the Court of Auditors' report on the annual accounts of the Executive Agency for the financial year 2017, accompanied by the Executive Agency's replies to the Court's observations[1],

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 comments being followed up,

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

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

Done at Brussels,

For the Council
The President

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1 OJ C 434, 30.11.2018, p. 217.

COMMENT ACCOMPANYING
THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO THE EUROPEAN RESEARCH COUNCIL EXECUTIVE AGENCY

The Council welcomes the Court's opinion that, in all material respects, the Executive Agency's annual accounts present fairly its financial position as at 31 December 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 Executive Agency'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.

Taking into account the Executive Agency's reply, the Council encourages the Executive Agency to continue the implementation of electronic public procurement as appropriate in consideration of the nature of its procurement activities.