



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 4 February 2009

**5588/09
ADD 1
REV 1 (en)**

**FIN 21
PE-L 4**

ADDENDUM 1 TO "I/A" ITEM NOTE

from: Budget Committee
to: Permanent Representatives Committee/Council

Subject: Discharge to be given to the bodies set up by the European Communities in respect
of the implementation of the budget for the financial year 2007
- Draft Council recommendations

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Draft

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 2007**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No. 337/75 of 10 February 1975 establishing a European Centre for the Development of Vocational Training¹, as last amended by Council Regulation (EC) No. 2051/2004 of 25 October 2004², and in particular Article 12a(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, as last amended by Council Regulation (EC) No. 1525/2007 of 17 December 2007⁴, and in particular Article 185(2) thereof,

¹ OJ L 39, 13.2.1975, p. 1.

² OJ L 355, 1.12.2004, p. 1.

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

⁴ OJ L 343, 27.12.2007, p. 9.

Having examined the revenue and expenditure account for the financial year 2007 and the balance sheet at 31 December 2007 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 2007, accompanied by the Centre's replies to the Court's observations¹,

Whereas EUR 0.99 million (54%) of the EUR 1.81 million in appropriations carried forward from the financial year 2006 to the financial year 2007 have been used,

Whereas EUR 2.03 million in appropriations have been carried forward from the financial year 2007 to the financial year 2008 and EUR 0.98 million have been cancelled,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2007 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 Centre 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 Centre in respect of the implementation of the budget for the financial year 2007.

Done at Brussels,

For the Council
The President

¹ OJ C 311, 5.12.2008, p. 130.

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

The Council welcomes the fact that the Court of Auditors has been able to obtain reasonable assurance that the Centre's annual accounts for the financial year ended 31 December 2007 are, in all material aspects, 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 improvements achieved by the Centre in its management and welcomes the fact that the Centre's work programme lists the planned activities for each specific objective with a detailed description of the outputs to be delivered.

However, the Council notes the fact that objectives and performance indicators are often still not measurable, thus making achievements difficult to assess. An activity-based budgeting is needed to establish a clear and consistent link between the objectives set and the implementation of the budgetary resource to achieve them. The Council takes note that the Centre introduced an Activity Based Budgeting in 2008 and expects it to have a positive impact on the future discharge procedure.

Draft

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 2007**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

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, as last amended by Council Regulation (EC) No. 1111/2005 of 24 June 2005², and in particular Article 16(11) 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, as last amended by Council Regulation (EC) No. 1525/2007 of 17 December 2007⁴, and in particular Article 185(2) thereof,

¹ OJ L 139, 30.5.1975, p. 1.

² OJ L 184, 15.7.2005, p. 1.

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

⁴ OJ L 343, 27.12.2007, p. 9.

Having examined the revenue and expenditure account for the financial year 2007 and the balance sheet at 31 December 2007 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 2007, accompanied by the Foundation's replies to the Court's observations¹,

Whereas EUR 4.1 million (94%) of the EUR 4.3 million in appropriations carried forward from the financial year 2006 to the financial year 2007 have been used,

Whereas EUR 5 million in appropriations have been carried forward from the financial year 2007 to the financial year 2008 and EUR 0.5 million has been cancelled,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2007 call for 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 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 2007.

Done at Brussels,

For the Council
The President

¹ OJ C 311, 5.12.2008, p. 156.

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

The Council welcomes the fact that the Court of Auditors has been able to obtain reasonable assurance that the Foundation's annual accounts for the financial year ended 31 December 2007 are reliable in all material respects and that the underlying transactions are, taken as a whole, legal and regular. However, some observations need to be made.

The Council reiterates the call on the Foundation to remedy in the short term the situation of recurrent exceptionally high carry-over rates for administrative expenditure and operating activities. In this context, the Council draws the attention of the Foundation on the crucial importance of a thorough expenditure planning, which should be fully consistent with its operational programming.

The Council notes the Court's finding that the contributions from the Commission to prepare the membership of Croatia and Turkey were not treated as assigned revenue in the Foundation's 2007 budget. Moreover, a considerable amount of recoverable VAT for the 2007 financial year was not claimed by the year end. Therefore, the Council calls on the Foundation to act in full conformity with the provisions of the Financial Regulation.

In respect of the recruitment procedures, the Council notes, once again, the Court's observation on deficiencies regarding the selection criteria which were neither defined at the right time nor in conformity with the vacancy notice. The Council urges the Foundation to act thereupon without further delay in order to ensure transparent and non-discriminatory procedures.

The Council notes with concern the weaknesses that undermine the quality of the procurement procedures and calls on the Foundation to remedy this situation.

Draft

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 2007

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No. 1210/90 of 7 May 1990 on the establishment of the European Environment Agency and the European Environment Information and Observation Network¹, as last amended by Regulation (EC) No. 1641/2003 of 22 July 2003², and in particular Article 13(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, as last amended by Council Regulation (EC) No. 1525/2007 of 17 December 2007⁴, and in particular Article 185(2) thereof,

¹ OJ L 120, 11.5.1990, p. 1.

² OJ L 245, 29.9.2003, p. 1.

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

⁴ OJ L 343, 27.12.2007, p. 9.

Having examined the revenue and expenditure account for the financial year 2007 and the balance sheet at 31 December 2007 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 2007, accompanied by the Agency's replies to the Court's observations¹,

Whereas EUR 7.2 million (66%) of the EUR 10.8 million in appropriations carried forward from the financial year 2006 to the financial year 2007 have been used,

Whereas EUR 5.9 million in appropriations have been carried forward from the financial year 2007 to the financial year 2008 and EUR 0.1 million has been cancelled,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2007 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 Executive Director of the Agency in respect of the implementation of the budget for the financial year 2007.

Done at Brussels,

For the Council
The President

¹ OJ C 311, 5.12.2008, p. 64.

**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 2007 are, in all material respects, reliable and that the underlying transactions, taken as a whole, are legal and regular. Nevertheless, some observations need to be made.

The Council stresses the importance of fully taking into account the implementing rules of the Financial Regulation when establishing grant agreements with third parties, in particular regarding the maximum rate of indirect costs allowed. It also calls on the Agency to establish adequate procedures for verifying the eligibility of direct costs declared by the third parties.

Moreover, the Council urges the Agency to respect strictly the requirements of the Financial Regulation in its procurement activities.

The Council notes the weaknesses in the recruitment procedures and asks the Agency to ensure transparency and equal treatment of candidates.

Draft

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 2007**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

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 Council Regulation (EC, Euratom) No. 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities², as last amended by Council Regulation (EC) No. 1525/2007 of 17 December 2007³, and in particular Article 185(2) thereof,

¹ OJ L 354, 31.12.2008, p. 82.

² OJ L 248, 16.9.2002, p. 1, with Corrigendum in OJ L 25, 30.1.2003, p. 43.

³ OJ L 343, 27.12.2007, p. 9.

Having examined the revenue and expenditure account for the financial year 2007 and the balance sheet at 31 December 2007 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 2007, accompanied by the Foundation's replies to the Court's observations¹,

Whereas EUR 2.53 million (46%) of the EUR 5.48 million in appropriations carried forward from the financial year 2006 to the financial year 2007 have been used,

Whereas EUR 1.95 million in appropriations have been carried forward from the financial year 2007 to the financial year 2008 and EUR 2.18 million have been cancelled,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2007 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 Foundation 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 Foundation in respect of the implementation of the budget for the financial year 2007.

Done at Brussels,

For the Council
The President

¹ OJ C 311, 5.12.2008, p. 149.

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

The Council welcomes the fact that the Court of Auditors has been able to obtain reasonable assurance that the Foundation's annual accounts for the financial year ended 31 December 2007 are, in all material aspects, 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 improvements achieved by the Foundation in its management, in comparison to the previous years, and asks it to continue in this way.

However, the Council notes that the amount of the assigned revenue entered in the sole Amending Budget issued for 2007 was incorrect, because it included assigned revenue carried over from the previous year. As assigned revenue is an issue of the utmost importance for the Council and an essential element for a transparent and accountable financial management, it calls on the Foundation to pay particular attention to their budgeting in the future.

Draft

**COUNCIL RECOMMENDATION
of**

**on the discharge to be given to the Director
of the European Medicines Agency
in respect of the implementation of the budget
of the European Medicines Agency
for the financial year 2007**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

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 Council Regulation (EC, Euratom) No. 1605/2002 of 25 June 2002 on the financial regulation applicable to the general budget of the European Communities², as last amended by Council Regulation (EC) No. 1525/2007 of 17 December 2007³, and in particular Article 185(2) thereof,

¹ OJ L 136, 30.04.2004, p. 1.

² OJ L 248, 16.9.2002, p. 1, with Corrigendum in OJ L 25, 30.1.2003, p. 43.

³ OJ L 343, 27.12.2007, p. 9.

Having examined the revenue and expenditure account for the financial year 2007 and the balance sheet at 31 December 2007 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 2007, accompanied by the Agency's replies to the Court's observations¹,

Whereas EUR 28.3 million (96.1%) of the EUR 29.4 million in appropriations carried forward from the financial year 2006 to the financial year 2007 have been used,

Whereas EUR 32 million in appropriations have been carried forward from the financial year 2007 to the financial year 2008 and EUR 4 million have been cancelled,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2007 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 2007.

Done at Brussels,

For the Council
The President

¹ OJ C 311, 5.12.2008, p. 27.

**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 2007 are, in all material respects, 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 concern the persistently high carry-over rates, in particular for administrative expenditure, and urges the Agency to follow the Court's recommendations and to make every effort to comply fully with the provisions of the Financial Regulation, in particular those regarding the annuality principle.

The Council notes the Court's findings on weaknesses in the tendering procedures and calls on the Agency to continue its efforts to improve the quality of its public procurement procedures.

Regarding the review of the fees payable to the Agency in compliance with Article 12 of the Fee Regulation¹, the Council notes with satisfaction the progress achieved and encourages the Agency to continue its efforts towards introduction of a new remuneration system for the Member States' (co)rapporteurs which is to be based on their real costs.

¹ Council Regulation (EC) No. 297/95 of 10 February 1995 on fees payable to the European Agency for the Evaluation of Medicinal Products (OJ L 35, 15. 2. 1995, p. 1) as last amended by Council Regulation (EC) No. 1905/2005 of 14 November 2005 (OJ L 304, 23. 11. 2005, p. 1).

Draft

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 2007**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to Regulation (EC) No. 1920/2006 of the European Parliament and 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 Council Regulation (EC, Euratom) No. 1605/2002 of 25 June 2002 on the financial regulation applicable to the general budget of the European Communities², as last amended by Council Regulation (EC) No. 1525/2007 of 17 December 2007³, and in particular Article 185(2) thereof,

¹ OJ L 376, 27.12.2006, p. 1.

² OJ L 248, 16.9.2002, p. 1, with Corrigendum in OJ L 25, 30.1.2003, p. 43.

³ OJ L 343, 27.12.2007, p. 9.

Having examined the revenue and expenditure account for the financial year 2007 and the balance sheet at 31 December 2007 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 2007, accompanied by the Centre's replies to the Court's observations¹,

Whereas EUR 0.8 million (64%) of the EUR 1.2 million in appropriations carried forward from the financial year 2006 to the financial year 2007 have been used,

Whereas EUR 0.9 million have been carried forward from the financial year 2007 to the financial year 2008 and EUR 0.8 million have been cancelled,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2007 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 Centre 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 Centre in respect of the implementation of the budget for the financial year 2007.

Done at Brussels,

For the Council
The President

¹ OJ C 311, 5.12.2008, p. 164.

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

The Council welcomes the fact that the Court of Auditors has been able to obtain reasonable assurance that the Centre's annual accounts for the financial year ended 31 December 2007 were, in all material respects, reliable and that the underlying transactions, taken as a whole, were legal and regular. However, one observation needs to be made.

The Council takes note of the Centre's disagreement with the Norwegian authorities concerning the calculation of Norway's financial contribution for its participation in the Centre's work from 2007 onwards, resulting from a difference between the signed original agreement and the version published in the Official Journal. It is confident that the Centre will resolve this disagreement without delay, in order to re-establish budgetary certainty.

Draft

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 2007**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No. 2062/94 of 18 July 1994 establishing a European Agency for Safety and Health at Work¹, as last amended by Council Regulation (EC) No. 1112/2005 of 24 June 2005², and in particular Article 14(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, as last amended by Council Regulation (EC) No. 1525/2007 of 17 December 2007⁴, and in particular Article 185(2) thereof,

¹ OJ L 216, 20.8.1994, p. 1.

² OJ L 184, 15.7.2005, p. 5.

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

⁴ OJ L 343, 27.12.2007, p. 9.

Having examined the revenue and expenditure account for the financial year 2007 and the balance sheet at 31 December 2007 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 2007, accompanied by the Agency's replies to the Court's observations¹,

Whereas EUR 2.3 million (87%) of the EUR 2.7 million in appropriations carried forward from the financial year 2006 to the financial year 2007 have been utilised,

Whereas EUR 3.7 million in appropriations have been carried forward from the financial year 2007 to the financial year 2008 and EUR 1 million has been cancelled,

Whereas the Court of Auditors' report in relation to the financial year 2007 does not include any specific observation; whereas the Council welcomes that the Agency has successfully followed up the comments made in the Council recommendation on the discharge for the financial year 2006,

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 2007.

Done at Brussels,

For the Council
The President

¹ OJ C 311, 5.12.2007, p. 50.

**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 2007 are reliable in all material respects and that the underlying transactions are, taken as a whole, legal and regular.

The Council welcomes that the Agency has successfully followed up the comments made in the Council recommendation on the discharge for the financial year 2006, improving the Agency's financial, budgetary and human resources management.

The Council encourages the Agency to continue ensuring a sound financial management.

Draft

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 2007**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

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 Council Regulation (EC, Euratom) No. 1605/2002 of 25 June 2002 on the financial regulation applicable to the general budget of the European Communities², as last amended by Council Regulation (EC) No. 1525/2007 of 17 December 2007³, and in particular Article 185(2) thereof,

¹ OJ L 53, 22.2.2007, p.1.

² OJ L 248, 16.9.2002, p. 1, with Corrigendum in OJ L 25, 30.1.2003, p. 43.

³ OJ L 343, 27.12.2007, p. 9.

Having examined the revenue and expenditure account for the financial year 2007 and the balance sheet at 31 December 2007 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 2007, accompanied by the Agency's replies to the Court's observations¹,

Whereas EUR 1.5 million (95%) of the EUR 1.6 million in appropriations carried forward from the financial year 2006 to the financial year 2007 have been used,

Whereas EUR 7.5 million in appropriations have been carried forward from the financial year 2007 to the financial year 2008 and EUR 0.2 million has been cancelled,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2007 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 2007.

Done at Brussels,

For the Council
The President

¹ OJ C 311, 5.12.2008, p. 7.

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

The Council welcomes the fact that the Court has been able to obtain reasonable assurance that the Agency's annual accounts for the financial year ended 31 December 2007 were, in all material respects, reliable and that the underlying transactions, taken as a whole, were legal and regular. However, some observations need to be made.

While acknowledging the extension of the Agency's mandate in the course of 2007, the Council notes with concern the difficulties in the Agency's budget implementation resulting, in particular in the very high carry-over rate. It asks the Agency to improve the execution of its budget and to bring down its high carry-over rate in line with the budgetary principle of annuality.

The Council also calls on the Agency to fully respect the principle of sound financial management in its procurement procedures and to take the price criterion properly into account in its financial evaluation methods.

Draft

COUNCIL RECOMMENDATION

of

**on the discharge to be given to the Director
of the European Agency for Reconstruction
in respect of the implementation of the budget
of the European Agency for Reconstruction
for the financial year 2007**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No. 2667/2000 of 5 December 2000 on the European Agency for Reconstruction¹, as last amended by Regulation (EC) No. 1756/2006 of 28 November 2006², and in particular Article 8(4) 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, as last amended by Council Regulation (EC) No. 1525/2007 of 17 December 2007⁴, and in particular Article 185(2) thereof,

¹ OJ L 306, 7.12.2000, p. 7.

² OJ L 332, 30.11.2006, p. 18.

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

⁴ OJ L 343, 27.12.2007, p. 9.

Having examined the revenue and expenditure account for the financial year 2007 and the balance sheet at 31 December 2007 of the European Agency for Reconstruction, 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 2007, accompanied by the Agency's replies to the Court's observations¹,

Whereas EUR 276.1 million (41%) of the EUR 679.5 million in appropriations carried forward from the financial year 2006 to the financial year 2007 have been used,

Whereas EUR 14.41 million in appropriations have been carried forward from the financial year 2007 to the financial year 2008 and EUR 1.92 million have been cancelled,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2007 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 2007.

Done at Brussels,

For the Council
The President

¹ OJ C 311, 5.12.2008, p. 42.

**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 2007 are, in all material aspects, 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 improvements achieved by the Agency in its management, in comparison to the previous years, and asks it to continue in this way until the forthcoming end of its mandate.

The Council acknowledges the satisfactory rate of implementation of the budget at the year end; however, given the fact that the mandate of the Agency expires at the end of 2008, it expresses some concern regarding the unused budgetary appropriations for operating activities still remaining, which will have to be implemented in the years beyond 2008.

Furthermore, the Council supports the Court's recommendation concerning the handover of programmes from the Agency to the Commission, and calls on both entities to sign a Memorandum of Understanding, in order to formalise and facilitate the transfer of all programmes and items and to ensure that all items are reflected correctly on the Agency's accounts.

In this context, the Council draws the attention to the fact that the accumulated surplus shown on the balance sheet at 31 December 2007 have also to be taken over and managed by the Commission at the end of the Agency's mandate.

Draft

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 2007**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No. 2965/94 of 28 November 1994 setting up a Translation Centre for bodies of the European Union¹, as last amended by Council Regulation (EC) No. 1645/2003 of 18 June 2003², and in particular Article 14(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, as last amended by Council Regulation (EC) No. 1525/2007 of 17 December 2007⁴, and in particular Article 185(2) thereof,

¹ OJ L 314, 7.12.1994, p.1.

² OJ L 245, 29.9.2003, p. 13.

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

⁴ OJ L 343, 27.12.2007, p. 9.

Having examined the revenue and expenditure account for the financial year 2007 and the balance sheet at 31 December 2007 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 2007, accompanied by the Centre's replies to the Court's observations¹,

Whereas EUR 2.8 million (95.8%) of the EUR 2.9 million in appropriations carried forward from the financial year 2006 to the financial year 2007 have been used,

Whereas EUR 3.9 million in appropriations have been carried forward from the financial year 2007 to the financial year 2008 and EUR 12.9 million have been cancelled,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2007 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 Centre 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 Centre in respect of the implementation of the budget for the financial year 2007.

Done at Brussels,

For the Council
The President

¹ OJ C 311, 5.12.2008, p. 116.

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

The Council welcomes the fact that the Court of Auditors has been able to obtain reasonable assurance that the Centre's annual accounts for the financial year ended 31 December 2007 are, in all material respects, 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 concern the persistently high carry-over rates and, in particular, cancellation rates and urges the Centre to make necessary improvements in the Centre's financial and budgetary management and to remedy this situation as soon as possible.

It takes note of the Court's observation in respect of procurement procedures and encourages the Centre to strengthen its ex-ante control by ensuring that cost/benefit analysis becomes an integral part of such procedures.

Regarding recruitment procedures, the Council calls on the Centre to ensure, in line with the Court's observations, the full transparency of all such procedures.

Draft

**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 2007**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to Regulation (EC) No. 1406/2002 of the European Parliament and of the Council of 27 June 2002 setting up a European Maritime Safety Agency¹, as last amended by Regulation (EC) No. 2038/2006 of 18 December 2006², and in particular Article 19(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, as last amended by Council Regulation (EC) No. 1525/2007 of 17 December 2007⁴, and in particular Article 185(2) thereof,

¹ OJ L 208, 5. 8. 2002, p. 1.

² OJ L 394, 30.12.2006, p. 1, with Corrigendum in OJ L 30, 3.2.2007, p. 12.

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

⁴ OJ L 343, 27.12.2007, p. 9.

Having examined the revenue and expenditure account for the financial year 2007 and the balance sheet at 31 December 2007 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 2007, accompanied by the Agency's replies to the Court's observations¹,

Whereas EUR 0.8 million (60%) of the EUR 1.3 million in appropriations carried forward from the financial year 2006 to the financial year 2007 have been used,

Whereas EUR 1.6 million in appropriations have been carried forward from the financial year 2007 to the financial year 2008 and EUR 13.8 million has been cancelled,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2007 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 Executive Director of the Agency in respect of the implementation of the budget for the financial year 2007.

Done at Brussels,

For the Council
The President

¹ OJ C 311, 5.12.2008, p. 55.

**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 obtained a reasonable basis to assure that the Agency's annual accounts for the financial year ended 31 December 2007 are reliable in all material respects and that the underlying transactions are, taken as a whole, legal and regular. However, some observations need to be made.

The Council emphasises that certain practices, namely a high cancellation rate for payment appropriations, in particular for the operating activities, a high number of transfers, an incorrect budget presentation and an irregular modification of the funding source for anti-pollution appropriations, require further improvements in the Agency's financial, budgetary and human resources planning and management. The Council calls on the Agency to remedy this situation as soon as possible.

The Council notes with concern the Court's observations regarding some cases of legal commitments being entered into before the corresponding budgetary commitments and urges the Agency to avoid such practice in the future thus complying fully with the provisions of the Financial regulation. The Council asks the Agency to further strengthen the measures aimed at improving its financial management, especially by providing guidelines and training to financial actors.

With respect to recruitment, while noting that measures have been taken to ensure that selection criteria and threshold scores are defined at an earlier stage in the selection procedures, the Council stresses the importance of thoroughly respecting the applicable rules in order to ensure transparent and non-discriminatory procedures.

Draft

**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 2007**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to Regulation (EC) No. 216/2008 of the European Parliament and of the Council of 20 February 2008 on common rules in the field of civil aviation and establishing a European Aviation Safety Agency, and repealing Council Directive 91/670/EEC, Regulation (EC) No. 1592/2002 and Directive 2004/36/EC¹, and in particular Article 60(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 Communities², as last amended by Council Regulation (EC) No. 1525/2007 of 17 December 2007³, and in particular Article 185(2) thereof,

¹ OJ L 79, 19.3.2008, p. 1.

² OJ L 248, 16.9.2002, p. 1, with Corrigendum in OJ L 25, 30.1.2003, p. 43.

³ OJ L 343, 27.12.2007, p. 9.

Having examined the revenue and expenditure account for the financial year 2007 and the balance sheet at 31 December 2007 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 2007, accompanied by the Agency's replies to the Court's observations¹,

Whereas EUR 17 million (88%) of the EUR 19.2 million in appropriations carried forward from the financial year 2006 to the financial year 2007 have been used,

Whereas EUR 35 million in appropriations have been carried forward from the financial year 2007 to the financial year 2008 and EUR 1.4 million have been cancelled,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2007 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 Executive Director of the Agency in respect of the implementation of the budget for the financial year 2007.

Done at Brussels,

For the Council
The President

¹ OJ C 311, 5.12.2008, p. 20.

**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 obtained a reasonable basis to assure that the Agency's annual accounts for the financial year ended 31 December 2007 are reliable in all material respects and that the underlying transactions are, taken as a whole, legal and regular. However, some observations need to be made.

The Council reiterates that certain practices, namely increasingly high carry-over rates for operating expenditure and a high number of vacant posts, require further improvements in the Agency's financial, budgetary and human resources management and calls on the Agency to remedy this situation without delay.

The Council takes note of the Court's finding that the decision of the Agency, in agreement with the Commission, to slow down recruitment was taken without amending the establishment plan accordingly. In this context, the Council calls on the Agency to comply with the provisions of the Financial Regulation.

The Council notes with concern that in application of the new fees and charges regulation the Agency has overestimated the amounts of assigned revenue which should cover future certification costs. Therefore, the Council calls on the Agency to carefully check the consistency of its forecasts and work more on its financial and operational planning.

Finally, the Council regrets the serious deficiencies in the procurement procedures carried out by the Agency, as identified again by the Court, particularly as regards the choice of the appropriate type of procedure, the financial evaluation method as well as the information on the award criteria. The Council reiterates its call on the Agency to comply strictly with the applicable rules thus ensuring correct and transparent procurement practices.

Draft

**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 2007**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

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, as amended by Regulation (EC) No. 1642/2003 of 22 July 2003², and in particular Article 44(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, as last amended by Council Regulation (EC) No. 1525/2007 of 17 December 2007⁴, and in particular Article 185(2) thereof,

¹ OJ L 31, 1.2.2002, p. 1.

² OJ L 245, 29.9.2003, p. 4.

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

⁴ OJ L 343, 27.12.2007, p. 9.

Having examined the revenue and expenditure account for the financial year 2007 and the balance sheet at 31 December 2007 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 2007, accompanied by the Authority's replies to the Court's observations¹,

Whereas EUR 6.4 million (81.1%) of the EUR 7.9 million in appropriations carried forward from the financial year 2006 to the financial year 2007 have been used,

Whereas EUR 8.6 million in appropriations have been carried forward from the financial year 2007 to the financial year 2008 and EUR 4.8 million have been cancelled,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2007 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 Authority 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 Executive Director of the Authority in respect of the implementation of the budget for the financial year 2007.

Done at Brussels,

For the Council
The President

¹ OJ C 311, 5.12.2008, p. 100.

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

The Council welcomes the fact that the Court of Auditors has been able to obtain reasonable assurance that the Authority's annual accounts for the financial year ended 31 December 2007 are, in all material respects, 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 concern that the carry-over and cancellation rates remain high which is an indication of weaknesses in the programming, budgeting and implementation of the Authority's activities and urges the Authority to intensify its efforts in addressing these issues.

As far as recruitment procedures are concerned, the Council notes with satisfaction that the Authority was able to achieve its recruitment objectives for 2007. However, it calls on the Authority to remedy the remaining deficiencies in its recruitment procedures as detected by the Court.

The Council notes with concern the large number of accepted exception requests for missions of national experts in 2007 and calls on the Authority to improve its mission management by exercising utmost prudence in approving such requests.

The Council regrets the number of irregularities in the Authority's procurement procedures, as identified again by the Court. While noting the measures taken by the Authority to address this issue, the Council emphasises that every effort must be made by the Authority to strengthen its public procurement system in order to prevent, to the largest extent possible, the occurrence of any irregularity.

Draft

**COUNCIL RECOMMENDATION
of**

**on the discharge to be given to the Administrative Director
of Eurojust
in respect of the implementation of the budget
of Eurojust
for the financial year 2007**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

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, as last amended by Council Decision 2003/659/JHA of 18 June 2003², and in particular Article 36(2) 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, as last amended by Council Regulation (EC) No. 1525/2007 of 17 December 2007⁴, and in particular Article 185(2) thereof,

¹ OJ L 63, 6.3.2002, p. 1.

² OJ L 245, 29.9.2003, p. 44.

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

⁴ OJ L 343, 27.12.2007, p. 9.

Having examined the revenue and expenditure account for the financial year 2007 and the balance sheet at 31 December 2007 of Eurojust, as well as the Court of Auditors' report on the annual accounts of Eurojust for the financial year 2007, accompanied by Eurojust's replies to the Court's observations¹,

Whereas EUR 2.0 million (79%) of the EUR 2.6 million in appropriations carried forward from the financial year 2006 to the financial year 2007 have been used,

Whereas EUR 5.2 million in appropriations have been carried forward from the financial year 2007 to the financial year 2008 and EUR 0.3 million has been cancelled,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2007 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 Eurojust 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 Administrative Director of Eurojust in respect of the implementation of the budget for the financial year 2007.

Done at Brussels,

For the Council
The President

¹ OJ C 311, 5.12.2008, p. 142.

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

The Council welcomes the Court's assessment that Eurojust's accounts for the financial year ended 31 December 2007 were, in all material respects, reliable and that the underlying transactions, taken as a whole, were legal and regular. However, some observations need to be made.

The Council notes with concern the persisting high carry-over rates for administrative and operational expenditure. It calls on Eurojust to improve the programming and monitoring of its activities, in order to comply with the budgetary principle of annuality.

While taking note of Eurojust's efforts to centralise its procurement management and to improve the quality of the procedures, the Council calls on Eurojust to remedy the remaining weaknesses in its procurement implementation regarding the planning and the management.

In addition, the Council asks Eurojust to improve its recruitment planning and execution by accelerating the recruitment of temporary staff for vacant posts in accordance with the available budget appropriations.

Draft

**COUNCIL RECOMMENDATION
of**

**on the discharge to be given to the Executive Director
of the European Network and Information Security Agency
in respect of the implementation of the budget
of the European Network and Information Security Agency
for the financial year 2007**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to Regulation (EC) No. 460/2004 of the European Parliament and of the Council of 10 March 2004 establishing the European Network and Information Security Agency¹, as amended by Regulation (EC) No. 1007/2008 of the European Parliament and of the Council of 24 September 2008², and in particular Article 17(11) 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, as last amended by Council Regulation (EC) No. 1525/2007 of 17 December 2007⁴, and in particular Article 185(2) thereof,

¹ OJ L 77, 13.3.2004, p. 1.

² OJ L 293, 31.10.2008, p. 1.

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

⁴ OJ L 343, 27.12.2007, p. 9.

Having examined the revenue and expenditure account for the financial year 2007 and the balance sheet at 31 December 2007 of the European Network and Information Security 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 2007, accompanied by the Agency's replies to the Court's observations¹,

Whereas EUR 0.86 million (93.8%) of the EUR 0.92 million in appropriations carried forward from the financial year 2006 to the financial year 2007 have been used,

Whereas EUR 2 million in appropriations have been carried forward from the financial year 2007 to the financial year 2008 and EUR 0.2 million has been cancelled,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2007 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 Executive Director of the Agency in respect of the implementation of the budget for the financial year 2007.

Done at Brussels,

For the Council
The President

¹ OJ C 311, 5.12.2008, p. 13.

**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 2007 are, in all material respects, 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 concern the Court's observation on several cases of the appropriations carried over not corresponding to the legal commitments and calls on the agency to make every effort to ensure the accuracy of financial information. The Council also draws the attention of the Agency on the concentration of transactions in the last quarter of the year which jeopardises the implementation of operational activities and asks it to remedy this situation as soon as possible.

Regarding the Court's observations on the deficiencies in the Agency's accounting, the Council encourages the Agency to act thereupon as early as possible and to apply the Commission's accounting software where appropriate.

The Council is concerned by the Court's findings on the recurrent weaknesses in the procurement procedures and urges the Agency to take all the appropriate measures to eliminate these weaknesses already in the short term.

Draft

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 2007**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to Regulation (EC) No. 851/2004 of the European Parliament and of the Council of 21 April 2004 establishing the European Centre for Disease Prevention and Control¹, and in particular Article 23(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 Communities², as last amended by Council Regulation (EC) No. 1525/2007 of 17 December 2007³, and in particular Article 185(2) thereof,

¹ OJ L 142, 30.4.2004, p. 1.

² OJ L 248, 16.9.2002, p. 1, with Corrigendum in OJ L 25, 30.1.2003, p. 43.

³ OJ L 343, 27.12.2007, p. 9.

Having examined the revenue and expenditure account for the financial year 2007 and the balance sheet at 31 December 2007 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 2007, accompanied by the Centre's replies to the Court's observations¹,

Whereas EUR 5.8 million (81.6%) of the EUR 7.1 million in appropriations carried forward from the financial year 2006 to the financial year 2007, have been used,

Whereas EUR 12.1 million in appropriations have been carried forward from the financial year 2007 to the financial year 2008 and EUR 0.6 million have been cancelled,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2007 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 Centre 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 Centre in respect of the implementation of the budget for the financial year 2007.

Done at Brussels,

For the Council
The President

¹ OJ C 311, 5.12.2008, p. 122.

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

The Council welcomes the fact that the Court of Auditors has been able to obtain reasonable assurance that the Centre's annual accounts for the financial year ended 31 December 2007 are, in all material respects, reliable and that the underlying transactions, taken as a whole, are legal and regular. However, some observations need to be made.

While acknowledging that the Centre is still in a growth phase, the Council notes with concern that the carry-over rate and the number of transfers remain high. Therefore, it calls on the Centre to intensify its efforts to improve the planning and implementation of the budget thus complying strictly with the budgetary principles of annuality and specification.

Regarding the Court's observations on the deficiencies in registering the Centre's asset inventories, the Council encourages the Agency to act thereupon as early as possible.

The Council notes with concern the Court's findings on lack of specifications regarding the nature and conditions of various renovation works on the building rented for Centre's premises and calls on the Centre to remedy these deficiencies at an earliest possible date.

Draft

COUNCIL RECOMMENDATION
of

on the discharge to be given to the Executive Director
of the European Railway Agency
in respect of the implementation of the budget
of the European Railway Agency
for the financial year 2007

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to Regulation (EC) No. 881/2004 of the European Parliament and of the Council of 29 April 2004 establishing the European Railway Agency¹, as amended by Regulation (EC) No. 1335/2008 of the European Parliament and of the Council of 16 December 2008², and in particular Article 39(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, as last amended by Council Regulation (EC) No. 1525/2007 of 17 December 2007⁴, and in particular Article 185(2) thereof,

¹ OJ L 147, 30.4.2004, p. 1, with Corrigendum in OJ L 220, 21.6.2004, p. 3.

² OJ L 354, 31.12.2008, p. 51.

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

⁴ OJ L 343, 27.12.2007, p. 9.

Having examined the revenue and expenditure account for the financial year 2007 and the balance sheet at 31 December 2007 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 2007, accompanied by the Agency's replies to the Court's observations¹,

Whereas EUR 2 million (73%) of the EUR 2.7 million in appropriations carried forward from the financial year 2006 to the financial year 2007 have been used,

Whereas EUR 2.7 million in appropriations have been carried forward from the financial year 2007 to the financial year 2008 and EUR 3.4 million have been cancelled,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2007 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 Executive Director of the Agency in respect of the implementation of the budget for the financial year 2007.

Done at Brussels,

For the Council
The President

¹ OJ C 311, 5.12.2008, p. 92.

**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 obtained a reasonable basis to assure that the Agency's annual accounts for the financial year ended 31 December 2007 are reliable in all material respects and that the underlying transactions are, taken as a whole, legal and regular. However, some observations need to be made.

While noting the efforts made by the Agency in order to improve its financial management, the Council would like to draw the attention to some persistent issues.

The Council takes note with great concern of the Court's finding that, despite a considerable level of unused appropriations in 2007, the Agency requested extra cash equivalent to the sum of its whole budget. Therefore, the Council strongly reiterates its call on the Agency to work more effectively on the programming of its annual objectives, in order to better assess its needs, in terms of human, financial and material resources. This programming effort should lead to a higher budget implementation rate, to a lower rate of carry-overs, as well as to more rigorous cash forecasts, in compliance with the provisions of the Financial Regulation and namely the principle of annuality.

In addition, the Council regrets that the Agency did not comply with the procurement rules, particularly by adopting unwarranted negotiated procedures, by using expired contracts and irregularly extending existing contracts. The Council notes the additional measures taken by the Agency in 2008 to remedy the shortcomings identified by the Court and it reiterates its request to the Agency to continue its efforts to ensure that the contract award procedures are fully compliant with the applicable rules.

The Council notes that the Court has identified once again weaknesses in the recruitment procedures and insists that the Agency take adequate measures to improve its human resource planning and selection activities.

Finally, the Council notes with satisfaction the fact that a physical inventory has been carried out in 2008 to label and record the fixed assets.

Draft

COUNCIL RECOMMENDATION

of

**on the discharge to be given to the Executive Director
of the European Agency for the Management of Operational Cooperation
at the External Borders of the Member States of the European Union
in respect of the implementation of the budget
of the European Agency for the Management of Operational Cooperation
at the External Borders of the Member States of the European Union
for the financial year 2007**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No. 2007/2004 of 26 October 2004 establishing the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union¹, as last amended by Regulation (EC) No. 863/2007 of the European Parliament and of the Council of 11 July 2007², and in particular Article 30(9) 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, as last amended by Council Regulation (EC) No. 1525/2007 of 17 December 2007⁴, and in particular Article 185(2) thereof,

¹ OJ L 349, 25.11.2004, p. 1.

² OJ L 199, 31.7.2007, p.30.

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

⁴ OJ L 343, 27.12.2007, p. 9.

Having examined the revenue and expenditure account for the financial year 2007 and the balance sheet at 31 December 2007 of the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union, 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 2007, accompanied by the Agency's replies to the Court's observations¹,

Whereas EUR 7.1 million (60%) of the EUR 11.8 million in appropriations carried forward from the financial year 2006 to the financial year 2007 have been used,

Whereas EUR 22.4 million in appropriations have been carried forward from the financial year 2007 to the financial year 2008 and EUR 6.4 million have been cancelled,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2007 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 Executive Director of the Agency in respect of the implementation of the budget for the financial year 2007.

Done at Brussels,

For the Council
The President

¹ OJ C 311, 5.12.2008, p. 34.

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

The Council notes with satisfaction the Court's assessment that the Agency's accounts for the financial year ended 31 December 2007 were, in all material respects, reliable and that the underlying transactions, taken as a whole, were legal and regular. However, some observations need to be made.

While taking note of the difficulties resulting from the fact that a large share of the Agency's 2007 budget was made available very late only, the Council notes with concern the persisting high carry-over rate which results to a major extent from excessive cost estimates. It calls on the Agency to improve the programming and monitoring of its activities and to apply more realistic cost calculation methods in order to avoid an overestimation of the costs of its operations.

The Council also encourages the Agency to take appropriate measures to ensure timely reimbursements to the partner countries and to improve its management of temporarily unused appropriations.

Furthermore, as in the previous year, the Council asks the Agency to respect strictly the provisions of the Financial Regulation, by establishing budgetary commitments prior to entering into legal commitments.

In addition, the Council calls once more on the Agency to strictly respect the recruitment criteria and procedures foreseen in the Staff Regulations, in particular regarding the minimum experience required for a given grade.

Draft

**COUNCIL RECOMMENDATION
of**

**on the discharge to be given to the Director
of the European Police College
in respect of the implementation of the budget
of the European Police College
for the financial year 2007**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to Council Decision 2005/681/JHA of 20 September 2005 establishing the European Police College¹, and repealing Council Decision 2000/820/JHA of 22 December 2000², and in particular Article 16(9) 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, as last amended by Council Regulation (EC) No. 1525/2007 of 17 December 2007⁴, and in particular Article 185(2) thereof,

¹ OJ L 256, 1.10.2005, p. 63.

² OJ L 336, 30.12.2000, p.1.

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

⁴ OJ L 343, 27.12.2007, p. 9.

Having examined the revenue and expenditure account for the financial year 2007 and the balance sheet at 31 December 2007 of the European Police College, hereinafter referred to as the "College", as well as the Court of Auditors' report on the annual accounts of the College for the financial year 2007, accompanied by the College's replies to the Court's observations¹,

Whereas more than 20% (EUR 0.5 million) of the appropriations carried forward from the financial year 2006 to the financial year 2007 have not been used,

Whereas EUR 1.7 million in appropriations have been carried forward from the financial year 2007 to the financial year 2008 and EUR 0.9 million have been cancelled,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2007 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 College 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 College in respect of the implementation of the budget for the financial year 2007.

Done at Brussels,

For the Council
The President

¹ OJ C 311, 5.12.2008, p. 136.

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

The Council takes note of the fact that the Court has been able to issue a statement of assurance on the reliability of the College's annual accounts for the financial year ended 31 December 2007, but regrets that the Court had to make reservations concerning both the reliability of the accounts and the legality and regularity of the underlying transactions. It is particularly concerned about the absence of a commitment accounting system and of internal control standards and about the failure of the College to comply with the provisions of the Financial Regulation as regards the system of procurement.

The Council regrets the lack of internal control and the ineffective budget monitoring observed by the Court which, in conjunction with the absence of a proper commitment accounting system, led to irregularities in the execution of the College's budget. It takes note that a commitment accounting system was put into place at the end of 2007, and calls on the College to further improve its internal procedures for establishing budgetary and legal commitments, including the exhaustive documentation of contractual conditions.

The Council notes with great concern the high level of carry-overs and cancellations of appropriations. Moreover, it is particularly concerned about the contribution from the Commission to the MEDA programme implemented outside the budget of the College. The Council calls on the College to remedy this situation in due respect of the principle of sound financial management.

The Council deeply regrets that the system of procurement adopted by the College did not comply with the provisions of the Financial Regulation and that this situation repeats for the second year in the row. It urges the College to pursue its efforts to remedy such a situation without delay. Moreover, the Council invites the College to establish detailed implementing rules as well as annual provisional accounts and reports on budgetary and financial management in time, as foreseen in its Financial Regulation.

Furthermore, the Council is particularly concerned about the cases identified by the Court where public funds were used to finance private expenditure of some of the College's staff. It strongly urges the College to continue its efforts to remedy this situation as soon as possible and to recover completely and urgently the amount that was irregularly spent for private purposes. The Council notes the ongoing internal investigation opened by the European Anti-Fraud Office (OLAF) and calls on the College to fully cooperate with OLAF to ensure that the investigation can be concluded rapidly.

The Council also encourages the College to reclaim timely at regular intervals any recoverable VAT in line with a sound financial management.

Draft

**COUNCIL RECOMMENDATION
of**

**on the discharge to be given to the Executive Director
of the European Global Navigation Satellite System (GNSS) Supervisory Authority
in respect of the implementation of the budget
of the European Global Navigation Satellite System (GNSS) Supervisory Authority
for the financial year 2007**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No. 1321/2004 of 12 July 2004 establishing the European GNSS Supervisory Authority¹, as amended by Council Regulation (EC) No. 1942/2006 of 12 December 2006², and in particular Article 12(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, as last amended by Council Regulation (EC) No. 1525/2007 of 17 December 2007⁴, and in particular Article 185(2) thereof,

¹ OJ L 246, 20.7.2004, p. 1.

² OJ L 367, 22.12.2006, p. 18.

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

⁴ OJ L 343, 27.12.2007, p. 9.

Having examined the revenue and expenditure account for the financial year 2007 and the balance sheet at 31 December 2007 of the European Global Navigation Satellite System (GNSS) Supervisory 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 2007, accompanied by the Authority's replies to the Court's observations¹,

Whereas EUR 0.81 million (64%) of the EUR 1.28 million in appropriations carried forward from the financial year 2006 to the financial year 2007 have been used,

Whereas EUR 87.32 million in appropriations have been carried forward from the financial year 2007 to the financial year 2008 and EUR 1.18 million have been cancelled,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2007 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 Authority 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 Executive Director of the Authority in respect of the implementation of the budget for the financial year 2007.

Done at Brussels,

For the Council
The President

¹ OJ C 311, 5.12.2008, p. 107.

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

The Council welcomes the fact that the Court has been able to issue a statement of reasonable assurance on the legality and regularity of the underlying transactions, taken as a whole. However, the Council regrets that in respect of the reliability of the accounts the Court has not been able to form an opinion.

The Council is fully aware that in 2007 the Authority operated in a very fragile legal environment, without a clear role and framework, due to the fact that the approach of a Galileo private-public partnership was abandoned and that the European Parliament and the Council decided to fund the project from the EU budget, thus changing completely the architecture of the project.

However, the Council notes with concern the Court's findings that at the end of 2007 the process of ownership transfer of the Galileo project's assets from ESA and EGNOS to the Authority was far from being complete and that no inventory of the project assets had been drawn, thus making it impossible to have a thorough overview of them and a precise indication of their value.

The Council takes note that the solution to the problem lies in the change in the governance of the project, so that the European Community will become the owner of all the assets of the Galileo project and the EU Commission will be the programming manager acting as an owner on behalf of the Community. Therefore, in future transfers, the assets will be directly transferred from ESA and EGNOS to the Commission.

In this context, the Council invites the Authority and the Commission to do their utmost to ensure the transfer of all assets of the Galileo project to the Commission as soon as possible, with due respect of all the financial provisions and procedures in force, and it expects substantial improvements of the Authority's accounts for 2009.

In addition, the Council invites the Authority to adopt clear rules for recording revenue under an accruals accounting system, in particular regarding the funds coming from the Galileo Joint Undertaking, and to adapt its budgetary techniques in order to improve the quality of its financial management.

Furthermore, the Council expresses deep concern regarding the low level of consumption of commitment and payment appropriations for operational activities and the weaknesses in the management of the budget such as an absence of a clear link between the Authority's work programme and the budget, transfers of appropriations neither adequately justified nor documented, late booking of recovery orders and inconsistent presentation of the budget's implementation.

The Council calls on the Authority to do its utmost to remedy such weaknesses without further delay, to fully comply with the regulatory provisions in force, in particular regarding transfers, and to improve its performance in respect of its budget reporting.

Draft

COUNCIL RECOMMENDATION

of

**on the discharge to be given to the Executive Director
of the Community Fisheries Control Agency
in respect of the implementation of the budget
of the Community Fisheries Control Agency
for the financial year 2007**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

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 Council Regulation (EC, Euratom) No. 1605/2002 of 25 June 2002 on the financial regulation applicable to the general budget of the European Communities², as last amended by Council Regulation (EC) No. 1525/2007 of 17 December 2007³, and in particular Article 185(2) thereof,

¹ OJ L 128, 21.5.2005, p. 1.

² OJ L 248, 16.9.2002, p. 1, with Corrigendum in OJ L 25, 30.1.2003, p. 43.

³ OJ L 343, 27.12.2007, p. 9.

Having examined the revenue and expenditure account for the financial year 2007 and the balance sheet at 31 December 2007 of the Community 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 2007, accompanied by the Agency's replies to the Court's observations¹,

Whereas EUR 0.92 million in appropriations have been carried forward from the financial year 2007 to the financial year 2008 and EUR 1.1 million have been cancelled,

Whereas the observations in the Court of Auditors' report in relation to the financial year 2007 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 Executive Director of the Agency in respect of the implementation of the budget for the financial year 2007.

Done at Brussels,

For the Council
The President

¹ OJ C 311, 5.12.2008, p. 1.

**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 2007 are, in all material aspects, reliable and that the underlying transactions, taken as a whole, are legal and regular. However, some observations need to be made.

While taking into account that the Agency is recently established and that it acquired its financial independence on 11 November 2007, the Council calls on the Agency to comply with the financial provisions in force.

In this context, the Council notes with concern that the Agency carried over some amounts without legal commitment, due to the fact that it had not established efficient year end procedures for determining the appropriations to be carried over; therefore, it calls on the Agency to take the necessary steps to remedy this situation.

Furthermore, the Council regrets the fact that the Agency did not formally adopt any internal control standards. The Council is confident that the Agency will do its utmost to take the appropriate measures as soon as possible.

Finally, the Council calls on the Agency to ensure that the accounting officer validates the description of the accounting system without delay.