

2007 discharge: European Union Fundamental Rights Agency FRA

2008/2257(DEC) - 23/01/2009 - Document attached to the procedure

Based on the observations contained in the revenue and expenditure account and the balance sheet of the European Union Fundamental Rights Agency (formerly the European Monitoring Centre on Racism and Xenophobia) for the financial year 2007, as well as on the Court of Auditor's report and the Agency's replies to the Court's observations, the Council recommends that the Parliament grant the Director of the Agency discharge in respect of the implementation of the budget for the financial year 2007.

In doing so, the Council confirms that 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 were used, that EUR 7.5 million in appropriations was carried forward from the financial year 2007 to the financial year 2008 and EUR 0.2 million was cancelled.

Recalling that the Court of Auditors was able to obtain reasonable assurance that the Agency's annual accounts were, in all material respects, reliable and that the underlying transactions, taken as a whole, were legal and regular, the Council believes that a certain number of observations must be taken into account when granting discharge in respect of the implementation of the 2007 budget, particularly regarding the following points:

- **Implementation of the budget:** 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;
- **Procurement:** the Council 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.