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# **'I/A' ITEM NOTE**

<b>From:</b>	<b>Budget Committee</b>
<b>To:</b>	<b>Permanent Representatives Committee/Council</b>
<b>Subject:</b>	<b>Council recommendations on the discharge to be given to the bodies set up under the TFEU and the Euratom Treaty in respect of the implementation of the budget for the financial year 2016</b>
	<b>– Adoption</b>

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**COUNCIL RECOMMENDATION**  
**of**  
**on the discharge to be given to the Director General**  
**of the Euratom Supply Agency**  
**in respect of the implementation of the budget**  
**of the Euratom Supply Agency**  
**for the financial year 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Council Decision 2008/114/EC, Euratom of 12 February 2008 establishing Statutes for the Euratom Supply Agency<sup>1</sup>, and in particular Article 8(9) of the Annex thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure account for the financial year 2016 and the balance sheet as at 31 December 2016 of the Euratom Supply Agency, hereinafter referred to as the "Agency", as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2016, accompanied by the Agency's replies to the Court's observations<sup>3</sup>,

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<sup>1</sup> OJ L 41, 15.2.2008, p. 15.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ C 417, 6.12.2017, p. 207.

Whereas the Council welcomes the fact that the observations in the Court of Auditors' report in relation to the financial year 2016 do not call for any comments,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Director General of the Agency in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*

*The President*

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**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 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Council Regulation (EEC) No 337/75 of 10 February 1975 establishing a European Centre for the Development of Vocational Training<sup>1</sup>, and in particular Article 12a(10) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 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 2016, accompanied by the Centre's replies to the Court's observations<sup>3</sup>,

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<sup>1</sup> OJ L 39, 13.2.1975, p. 1.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ C 417, 6.12.2017, p. 42.

Whereas the Council welcomes the fact that the observations in the Court of Auditors' report in relation to the financial year 2016 do not call for any comments,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Director of the Centre in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*

*The President*

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**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 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Council Regulation (EEC) No 1365/75 of 26 May 1975 on the creation of a European Foundation for the Improvement of Living and Working Conditions<sup>1</sup>, and in particular Article 16(11) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 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 2016, accompanied by the Foundation's replies to the Court's observations<sup>3</sup>,

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<sup>1</sup> OJ L 139, 30.5.1975, p. 1.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ C 417, 6.12.2017, p. 212.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2016 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Director of the Foundation in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*

*The President*

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

The Council welcomes the Court's opinion that, in all material respects, the Foundation's annual accounts present fairly its financial position as at 31 December 2016 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Foundation's Financial Regulation, and that the underlying transactions for 2016 are legal and regular in all material respects. Nevertheless, some observations need to be made.

While acknowledging the multiannual nature of many of the Foundation's projects, the Council regrets that, in spite of its recommendations for 2015, an even higher level of commitment appropriations was carried over to 2017. The Council calls on the Foundation to continue improving its financial programming and monitoring of the budget implementation, in order to reduce the level of commitments carried over to the following financial year to the minimum strictly necessary, in line with the budgetary principle of annuality.

The Council also notes the Court's observation that the Foundation has not complied with certain of the Staff Regulations' provisions on remuneration and, while welcoming the Foundation's corrective actions, invites the Foundation to improve its payroll function.

**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 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

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

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 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 2016, accompanied by the Agency's replies to the Court's observations<sup>3</sup>,

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<sup>1</sup> OJ L 126, 21.5.2009, p. 13.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ C 417, 6.12.2017, p. 104.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2016 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Agency in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*

*The President*

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

The Council welcomes the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2016 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Agency's Financial Regulation, and that the underlying transactions for 2016 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council takes note of the Agency's reply to the Court's observations and welcomes the intention of the Agency and the Commission's internal Audit Service to further improve the processes for preparing the State of the Environment Report. It encourages the Agency to update its internal control procedures where these are outdated.

The Council, having taken note of the Agency's reply to the Court's observations, regrets the application of a framework contract with an intermediary contractor for the purchase and renewal of software licences, despite the fact that the contractor did not have an exclusive right under the framework contract for such sales and that the licences were for products used either only exceptionally or that were offered by one exclusive reseller in Scandinavia. The Council calls on the Agency to ensure the use of the most economical solution for acquiring software licences.

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**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 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

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

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 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 2016, accompanied by the Foundation's replies to the Court's observations<sup>3</sup>,

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<sup>1</sup> OJ L 354, 31.12.2008, p. 82.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ C 417, 6.12.2017, p. 181.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2016 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Director of the Foundation in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*

*The President*

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

The Council welcomes the Court's opinion that, in all material respects, the Foundation's annual accounts present fairly its financial position as at 31 December 2016 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Foundation's Financial Regulation, and that the underlying transactions for 2016 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council welcomes the positive evaluation of the Foundation's governance. It encourages the Foundation to build on this positive outcome in relation to its monitoring capacity in order to give an even clearer picture of its activities and achievements.

The Council notes with concern the unsatisfactory situation of the Foundation's premises and calls on the Foundation to request the host country to remedy the shortcomings, in particular in light of the host agreement guaranteeing appropriate facilities until 2027.

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**COUNCIL RECOMMENDATION**  
**of**  
**on the discharge to be given to the Executive Director**  
**of the European Medicines Agency**  
**in respect of the implementation of the budget**  
**of the European Medicines Agency**  
**for the financial year 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EC) No 726/2004 of the European Parliament and of the Council of 31 March 2004 laying down Community procedures for the authorisation and supervision of medicinal products for human and veterinary use and establishing a European Medicines Agency<sup>1</sup>, and in particular Article 68(10) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 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 2016, accompanied by the Agency's replies to the Court's observations<sup>3</sup>,

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<sup>1</sup> OJ L 136, 30.4.2004, p. 1.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ C 417, 6.12.2017, p. 142.



Whereas the observations in the Court of Auditors' report in relation to the financial year 2016 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Agency in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*

*The President*

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

The Council welcomes the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2016 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Agency's Financial Regulation, and that the underlying transactions for 2016 are legal and regular in all material respects. Nevertheless, some observations need to be made.

While welcoming some efforts made by the Agency, the Council urges the Agency to continue implementing the Court's recommendations from previous years as regards the evaluation of the effectiveness of the measures taken to remedy the weaknesses found by the Court in the Agency's information, communication and technology management control.

The Council encourages the Agency to pursue efforts to address the weaknesses detected by the Court regarding its IT accounting system.

The Council regrets the deficiencies found by the Court in some of the Agency's procurement procedures and calls on the Agency to take appropriate actions in order to ensure the effectiveness of the process.

The Council, whilst acknowledging the Agency's own assessment of its control standards, regrets the Court's finding that the Agency is not yet fully complying with certain Internal Control Standards and invites the Agency to take the appropriate measures to bring its controls in compliance with these standards.

While recognising that the additional tasks given to the Agency have not been accompanied by an increase in the Agency's staff establishment plan, the Council regrets the Court's finding about the critical dependence of the Agency on the extensive use of external consultants, as well as about an inadequate control over project implementation. It encourages the Agency to continue improving the implementation of a structured and systematic approach for skills assessment and it urges the Agency to develop a documented policy governing the use of consultants.

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

**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 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

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

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 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 2016, accompanied by the Centre's replies to the Court's observations<sup>3</sup>,

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<sup>1</sup> OJ L 376, 27.12.2006, p. 1.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ C 417, 6.12.2017, p. 150.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2016 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Director of the Centre in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*

*The President*

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

The Council welcomes the Court's opinion that, in all material respects, the Centre's annual accounts present fairly its financial position as at 31 December 2016 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Centre's Financial Regulation, and that the underlying transactions for 2016 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council takes note of the Court's comment as regards the in compliance of the decision on the delegation of its authorising officer's powers with the actual contracts signed by the authorising officer by delegation and urges the Centre to rectify this situation as it agreed to in its reply to the Court's observation.

The Council calls on the Centre to improve the management and long-term outlook of its IT projects, since shortcomings in this area could affect the Centre's core operational processes. It welcomes the fact that a plan to remedy the situation has already been agreed upon and encourages it being put into practice.

The Council welcomes the fact that the Centre continues to follow-up last year's observation in relation to the improvement of the Centre's central planning and monitoring of its procurements.

**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 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Council Regulation (EC) No 2062/94 of 18 July 1994 establishing a European Agency for Safety and Health at Work<sup>1</sup>, and in particular Article 14(10) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 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 2016, accompanied by the Agency's replies to the Court's observations<sup>3</sup>,

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<sup>1</sup> OJ L 216, 20.8.1994, p. 1.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ C 417, 6.12.2017, p. 201.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2016 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Director of the Agency in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*

*The President*

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

The Council welcomes the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2016 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Agency's Financial Regulation, and that the underlying transactions for 2016 are legal and regular in all material respects. Nevertheless, some observations need to be made.

While acknowledging the multiannual nature of many of the Agency's projects, the Council regrets that, again, a high level of commitment appropriations was carried over to 2017. The Council calls on the Agency to continue improving its financial programming and monitoring of the budget implementation in order to reduce the level of commitments carried over to the following financial year to the minimum strictly necessary, in line with the budgetary principle of annuality.

The Council invites the Agency to improve its control means to monitor the efficient implementation of the contracts, especially in the field of IT consultancy in order to better assess the link between consultancy resources used and project deliverables.

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**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 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Council Regulation (EC) No 168/2007 of 15 February 2007 establishing a European Union Agency for Fundamental Rights<sup>1</sup>, and in particular Article 21(10) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 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 2016, accompanied by the Agency's replies to the Court's observations<sup>3</sup>,

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<sup>1</sup> OJ L 53, 22.2.2007, p. 1.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ C 417, 6.12.2017, p. 228.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2016 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Director of the Agency in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*

*The President*

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

The Council welcomes the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2016 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Agency's Financial Regulation, and that the underlying transactions for 2016 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council welcomes the fact that the Agency has aligned the authorisation rights in the ABAC workflow system with the actual formal sub-delegations granted by the authorising officer in order to address the comment made by the Court.

The Council acknowledges the multiannual nature of the Agency's procurement of studies spanning over several years and its reply to the Court's suggestion to use differentiated appropriations to address the high level of commitments carried over. It, nevertheless, calls on the Agency to continue monitoring its budget implementation in order to reduce the level of commitments carried over to the following financial year and the amount cancelled at the end of the following year to the minimum strictly necessary, in line with the budgetary principle of annuality.

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**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 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Council Regulation (EC) No 2965/94 of 28 November 1994 setting up a Translation Centre for bodies of the European Union<sup>1</sup>, and in particular Article 14(10) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 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 2016, accompanied by the Centre's replies to the Court's comments<sup>3</sup>,

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<sup>1</sup> OJ L 314, 7.12.1994, p. 1.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ C 417, 6.12.2017, p. 37.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2016 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Director of the Centre in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*

*The President*

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

The Council welcomes the Court's opinion that, in all material respects, the Centre's annual accounts present fairly its financial position as at 31 December 2016 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Centre's Financial Regulation, and that the underlying transactions for 2016 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council notes that the Centre's Business Continuity Plan was not yet in place in 2016 and encourages the Centre to fully implement the adopted Business Continuity Plan.

The Council also notes, as in previous years, the Court's observation that a budgetary surplus was recorded at the end of 2016, albeit lower than in 2015. It, therefore, invites the Centre to continue monitoring its pricing, to use the available scope to reduce prices and to implement the automatic reimbursement of any surplus, as foreseen. It notes the measures already taken by the Centre to address the surplus.

**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 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EC) No 1406/2002 of the European Parliament and of the Council of 27 June 2002 establishing a European Maritime Safety Agency<sup>1</sup>, and in particular Article 19(10) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 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 2016, accompanied by the Agency's replies to the Court's observations<sup>3</sup>,

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<sup>1</sup> OJ L 208, 5.8.2002, p. 1.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ C 417, 6.12.2017, p. 156.



Whereas the observations in the Court of Auditors' report in relation to the financial year 2016 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Agency in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*

*The President*

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

The Council welcomes the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2016 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Agency's Financial Regulation, and that the underlying transactions for 2016 are legal and regular in all material respects. Nevertheless, some observations needs to be made.

The Council regrets the deficiencies found by the Court in the Agency's procurement procedures. The Council is also concerned about the accuracy of the Agency's assessment of the needs prior to the procurement process for purchasing IT-related goods and services, whereby the severe underestimation of the coverage and the total value of the original framework contract has led to a new procurement procedure increasing the contract value from EUR 7 million to EUR 49 million.

The Council calls on the Agency to improve its procurement procedures, including the steps related to defining the tendering specifications in order to ensure the effectiveness of the process, as well as the full transparency and equal treatment of tenders.

**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 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

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/EC<sup>1</sup>, and in particular Article 60(10) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 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 2016, accompanied by the Agency's replies to the Court's observations<sup>3</sup>,

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<sup>1</sup> OJ L 79, 19.3.2008, p. 1.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ C 417, 6.12.2017, p. 68.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2016 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 Agency is such as to allow a discharge to be given in respect of that implementation,

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Agency in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*

*The President*

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

The Council welcomes the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2016 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Agency's Financial Regulation, and that the underlying transactions for 2016 are legal and regular in all material respects. Nevertheless, one observation needs to be made.

While acknowledging that the Agency's budgetary result fluctuates over the years, the Council draws the Agency's attention to the fact that according to the Agency's founding Regulation the Industry fees levied should be adequate to cover the Agency's cost and that the Regulation does not foresee an accumulated surplus.

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**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 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EC) No 178/2002 of the European Parliament and of the Council of 28 January 2002 laying down the general principles and requirements of food law, establishing the European Food Safety Authority and laying down procedures in matters of food safety<sup>1</sup>, and in particular Article 44(10) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 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 2016, accompanied by the Authority's replies to the Court's observations<sup>3</sup>,

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<sup>1</sup> OJ L 31, 1.2.2002, p. 1.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ C 417, 6.12.2017, p. 115.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2016 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Authority in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*

*The President*

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

The Council welcomes the Court's opinion that, in all material respects, the Authority's annual accounts present fairly its financial position as at 31 December 2016 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Authority's Financial Regulation, and that the underlying transactions for 2016 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council notes the Court's observation that the Authority's IT governance requires an overhaul and calls on the Authority to fully implement all planned actions as indicated in its reply to the Court's observation to appropriately address the shortcomings identified.

The Council welcomes the measures taken by the Authority thus far regarding its ex-post control strategy, as a follow-up to the Court's report on the annual accounts of the Authority for the financial year 2015, and calls on the Authority to complete them as soon as possible.

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**COUNCIL RECOMMENDATION**  
**of**  
**on the discharge to be given to the Administrative Director**  
**of the European Union's Judicial Cooperation Unit**  
**in respect of the implementation of the budget**  
**of the European Union's Judicial Cooperation Unit**  
**for the financial year 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Council Decision 2002/187/JHA of 28 February 2002 setting up Eurojust with a view to reinforcing the fight against serious crime<sup>1</sup>, and in particular Article 36(10) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet at 31 December 2016 of the European Union's Judicial Cooperation Unit, hereinafter referred to as "Eurojust", as well as the Court of Auditors' report on the annual accounts of Eurojust for the financial year 2016, accompanied by Eurojust's replies to the Court's observations<sup>3</sup>,

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<sup>1</sup> OJ L 63, 6.3.2002, p. 1.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ C 417, 6.12.2017, p. 218

Whereas the observations in the Court of Auditors' report in relation to the financial year 2016 call for a certain comment by the Council, which is annexed to this recommendation; whereas the Council stresses the importance it attaches to this comment being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Administrative Director of Eurojust in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*  
*The President*

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

The Council welcomes the Court's opinion that, in all material respects, Eurojust's annual accounts present fairly its financial position as at 31 December 2016 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of Eurojust's Financial Regulation, and that the underlying transactions for 2016 are legal and regular in all material respects. Nevertheless, one observation needs to be made.

While acknowledging the multiannual nature of building projects, the Council calls on Eurojust to continue improving its financial programming in order to reduce the level of commitments carried over to the next financial year in line with the budgetary principle of annuality.

**COUNCIL RECOMMENDATION**  
**of**  
**on the discharge to be given to the Executive Director**  
**of the European Union Agency for Network and Information Security**  
**in respect of the implementation of the budget**  
**of the European Union Agency for Network and Information Security**  
**for the financial year 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EU) No 526/2013 of the European Parliament and of the Council of 21 May 2013 concerning the European Union Agency for Network and Information Security (ENISA) and repealing Regulation (EC) No 460/2004<sup>1</sup>, and in particular Article 21(11) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 of the European Union Agency for Network and Information Security, hereinafter referred to as the "Agency", as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2016, accompanied by the Agency's replies to the Court's observations<sup>3</sup>,

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<sup>1</sup> OJ L 165, 18.6.2013, p. 41.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ C 417, 6.12.2017, p. 160.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2016 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Agency in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*

*The President*

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

The Council welcomes the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2016 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Agency's Financial Regulation, and that the underlying transactions for 2016 are legal and regular in all material respects. Nevertheless, some observations need to be made.

As in previous years, while acknowledging the multiannual nature of certain IT-related operations of the Agency, the Council regrets that an even higher level of commitment appropriations was carried over to 2017. The Council therefore calls on the Agency to continue improving its financial programming and monitoring of the budget implementation, in order to reduce the level of commitments carried over to the following financial year to the minimum strictly necessary, in line with the budgetary principle of annuality.

Furthermore, whereas it welcomes the positive findings of external evaluations of the Agency's performance, the Council invites the Agency to take appropriate actions to address cumbersome work processes, lack of communication and cooperation, and additional costs due to the division of the Agency's activities between its two sites.

**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 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EC) No 851/2004 of the European Parliament and of the Council of 21 April 2004 establishing a European Centre for Disease Prevention and Control<sup>1</sup>, and in particular Article 23(10) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 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 2016, accompanied by the Centre's replies to the Court's observations<sup>3</sup>,

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<sup>1</sup> OJ L 142, 30.4.2004, p. 1.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ C 417, 6.12.2017, p. 92.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2016 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Director of the Centre in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*

*The President*

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**COMMENTS ACCOMPANYING THE COUNCIL RECOMMENDATION ON THE  
DISCHARGE TO BE GIVEN TO THE EUROPEAN CENTRE FOR DISEASE  
PREVENTION AND CONTROL**

The Council welcomes the Court's opinion that, in all material respects, the Centre's annual accounts present fairly its financial position as at 31 December 2016 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Centre's Financial Regulation, and that the underlying transactions for 2016 are legal and regular in all material respects.

Nevertheless, some observations need to be made.

The Council notes with concern the in compliance of the duration of the posting of the Director *ad interim* with the Staff Regulations and calls on the Centre to employ all efforts to fully comply with the Staff Regulations.

The Council strongly regrets that the Court re-confirmed its findings for the financial year 2015 concerning the transparency of the Centre's procurement procedures, as well as the finding of weaknesses in the planning and monitoring of procurements, and the alignment of the Centre's procurements with the Annual Work Programme and financing decisions. It urges the Centre to implement the agreed measures to address these weaknesses and to examine further steps that may be required to adapt its internal procedures.

The Council acknowledges the multiannual nature of the Centre's projects and calls on the Centre to consider the Court's suggestion to use differentiated appropriations to address the high level of commitments carried over. It also calls on the Centre to continue monitoring its budget implementation in order to reduce the level of commitments carried over to the following financial year to the minimum strictly necessary, in line with the budgetary principle of annuality.

**COUNCIL RECOMMENDATION**  
**of**  
**on the discharge to be given to the Executive Director**  
**of the European Union Agency for Railways**  
**in respect of the implementation of the budget**  
**of the European Union Agency for Railways**  
**for the financial year 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EU) 2016/796 of the European Parliament and of the Council of 11 May 2016 on the European Union Agency for Railways and repealing Regulation (EC) No 881/2004<sup>1</sup>, and in particular Article 65(10) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2012<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 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 2016, accompanied by the Agency's replies to the Court's observations<sup>3</sup>,

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<sup>1</sup> OJ L 138, 26.5.2016, p. 1.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ C 417, 6.12.2017, p. 166.

Whereas the Council welcomes the fact that the observations in the Court of Auditors' report in relation to the financial year 2016 do not call for any comments,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Agency in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*

*The President*

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**COUNCIL RECOMMENDATION**  
**of**  
**on the discharge to be given to the Executive Director**  
**of the European Border and Coast Guard Agency**  
**in respect of the implementation of the budget**  
**of the European Border and Coast Guard Agency**  
**for the financial year 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EU) 2016/1624 of the European Parliament and of the Council of 14 September 2016 on the European Border and Coast Guard and amending Regulation (EU) 2016/399 of the European Parliament and of the Council and repealing Regulation (EC) No 863/2007 of the European Parliament and of the Council, Council Regulation (EC) No 2007/2004 and Council Decision 2005/267/EC<sup>1</sup>, and in particular Article 76(11) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet at 31 December 2016 of the European Agency for the Management of Operational Cooperation at the External Borders of the Member States, hereinafter referred to as the "Agency", as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2016, accompanied by the Agency's replies to the Court's observations<sup>3</sup>,

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<sup>1</sup> OJ L 251, 16.9.2016, p. 1.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ C 417, 6.12.2017, p. 233.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2016 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Agency in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*

*The President*

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

The Council welcomes the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2016 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Agency's Financial Regulation, and that the underlying transactions for 2016 are legal and regular in all material respects. Nevertheless, some observations need to be made.

While acknowledging the increased level of responsibility and involvement of the Agency in tackling the migration crisis in 2016, the Council calls on the Agency to avoid irregular payments, ensuring compliance with all EU Regulations.

The Council calls on the Agency to continue improving its financial programming in order to reduce the level of commitments carried over to the next financial year to the minimum strictly necessary, in line with the budgetary principle of annuality. The Council supports the Court's suggestion to introduce differentiated appropriations as a means to better reflect the delays between legal commitments and payments.

The Council calls on the Agency to avoid any unjustified delays in the launching of procurement procedures, as well as delays in the signature of cooperation agreements that could be detrimental to cooperation with the Agency's partners.

The Council takes note of the high vacancy rate in the Agency by the end of 2016. While acknowledging that the correction coefficient applied to salaries can have an influence in the attractiveness of the Agency as a workplace, the Council encourages the Agency to continue implementing staff retention measures in order to ensure that it will cope with the workforce needed for the extension of its mandate in the following years.

**COUNCIL RECOMMENDATION**  
**of**  
**on the discharge to be given to the Executive Director**  
**of the European Union Agency for Law Enforcement Training**  
**in respect of the implementation of the budget**  
**of the European Union Agency for Law Enforcement Training**  
**for the financial year 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EU) 2015/2219 of the European Parliament and of the Council of 25 November 2015 on the European Union Agency for Law Enforcement Training (CEPOL) and replacing and repealing Council Decision 2005/681/JHA<sup>1</sup>, and in particular Article 20(10) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 of the European Police College, hereinafter referred to as the "Agency", as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2016, accompanied by the Agency's replies to the Court's observations<sup>3</sup>,

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<sup>1</sup> OJ L 319, 4.12.2015, p. 1.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ C 417, 6.12.2017, p. 47.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2016 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Agency in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*

*The President*

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**COMMENTS ACCOMPANYING THE COUNCIL RECOMMENDATION ON THE  
DISCHARGE TO BE GIVEN TO THE EUROPEAN UNION AGENCY FOR LAW  
ENFORCEMENT TRAINING**

The Council welcomes the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2016 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Agency's Financial Regulation, and that the underlying transactions for 2016 are legal and regular in all material respects. Nevertheless, some observations needs to be made.

The Council takes note of the high staff turnover in the Agency, which may impact on its business continuity and which is changing the geographical balance of its workforce. While acknowledging that the relocation of the Agency from the United Kingdom to Hungary, and the subsequent correction coefficient applied to salaries, can have an influence in the attractiveness of the Agency as a workplace, the Council stresses the importance of recruiting staff on as wide a geographical basis as possible. It encourages the Agency to continue implementing staff retention measures.

The Council calls on the Agency to continue improving its financial programming in order to reduce the level of commitments carried over to the next financial year to the minimum strictly necessary, in line with the budgetary principle of annuality.

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**COUNCIL RECOMMENDATION**  
**of**  
**on the discharge to be given to the Executive Director**  
**of the European GNSS Agency**  
**in respect of the implementation of the budget**  
**of the European GNSS Agency**  
**for the financial year 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EU) No 912/2010 of the European Parliament and of the Council of 22 September 2010 setting up the European GNSS Agency, repealing Council Regulation (EC) No 1321/2004 on the establishment of structures for the management of the European satellite radio navigation programmes and amending Regulation (EC) No 683/2008 of the European Parliament and of the Council<sup>1</sup>, and in particular Article 14(10) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 of the European GNSS Agency, hereinafter referred to as the "Agency", as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2016, accompanied by the Agency's replies to the Court's observations<sup>3</sup>,

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<sup>1</sup> OJ L 276, 20.10.2010, p. 11.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ C 417, 6.12.2017, p. 241.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2016 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Agency in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*

*The President*

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

The Council welcomes the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2016 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Agency's Financial Regulation, and that the underlying transactions for 2016 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council welcomes the achievements made by the Agency with regard to the revision of its budgetary implementation report and the finalisation of the corporate risk management policy and procedure.

While acknowledging the multiannual operational nature of many of the Agency's contracts and activities, the Council regrets that, as in previous years, a high level of commitment appropriations was carried over to 2017. The Council calls on the Agency to improve its financial programming and monitoring of the budget implementation, in order to reduce the level of commitments carried over to the following financial year to the minimum strictly necessary, in line with the budgetary principle of annuality.

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**COUNCIL RECOMMENDATION**  
**of**  
**on the discharge to be given to the Executive Director**  
**of the European Fisheries Control Agency**  
**in respect of the implementation of the budget**  
**of the European Fisheries Control Agency**  
**for the financial year 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Council Regulation (EC) No 768/2005 of 26 April 2005 establishing a Community Fisheries Control Agency and amending Regulation (EEC) No 2847/93 establishing a control system applicable to the common fisheries policy<sup>1</sup>, and in particular Article 36(11) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 of the European Fisheries Control Agency, hereinafter referred to as the "Agency", as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2016, accompanied by the Agency's replies to the Court's observations<sup>3</sup>,

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<sup>1</sup> OJ L 128, 21.5.2005, p. 1.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ C 417, 6.12.2017, p. 110.

Whereas the Council welcomes the fact that the observations in the Court of Auditors' report in relation to the financial year 2016 do not call for any comments,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Agency in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*

*The President*

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**COUNCIL RECOMMENDATION**  
**of**  
**on the discharge to be given to the Executive Director**  
**of the European Chemicals Agency**  
**in respect of the implementation of the budget**  
**of the European Chemicals Agency**  
**for the financial year 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), establishing a European Chemicals Agency, amending Directive 1999/45/EC and repealing Council Regulation (EEC) No 793/93 and Commission Regulation (EC) No 1488/94 as well as Council Directive 76/769/EEC and Commission Directives 91/155/EEC, 93/67/EEC, 93/105/EC and 2000/21/EC<sup>1</sup>, and in particular Article 97(10) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 of the European Chemicals Agency, hereinafter referred to as the "Agency", as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2016, accompanied by the Agency's replies to the Court's observations<sup>3</sup>,

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<sup>1</sup> OJ L 396, 30.12.2006, p. 1.  
<sup>2</sup> OJ L 298, 26.10.2012, p. 1.  
<sup>3</sup> OJ C 417, 6.12.2017, p. 98.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2016 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Agency in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*

*The President*

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

The Council welcomes the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2016 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Agency's Financial Regulation, and that the underlying transactions for 2016 are legal and regular in all material respects. Nevertheless, some observations need to be made.

As last year, and while acknowledging the multiannual operational nature of the Agency's activities and projects, the Council regrets that a very high level of commitment appropriations was carried over to 2017. It calls on the Agency to continue improving its financial programming, monitoring of the budget implementation, and further increasing the use of differentiated budget appropriations, in order to reduce the level of commitments carried over to the following financial year to the minimum strictly necessary, in line with the budgetary principle of annuality.

In addition, the Council invites the Agency, in consideration of the nature of its revenues, to take due account of the possible future decrease of part of these revenues resulting from the United Kingdom's decision to leave the EU.

**COUNCIL RECOMMENDATION**  
**of**  
**on the discharge to be given to the Director**  
**of the European Institute for Gender Equality**  
**in respect of the implementation of the budget**  
**of the European Institute for Gender Equality**  
**for the financial year 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EC) No 1922/2006 of the European Parliament and of the Council of 20 December 2006 on establishing a European Institute for Gender Equality<sup>1</sup>, and in particular Article 15(10) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 of the European Institute for Gender Equality, hereinafter referred to as the "Institute", as well as the Court of Auditors' report on the annual accounts of the Institute for the financial year 2016, accompanied by the Institute's replies to the Court's observations<sup>3</sup>,

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<sup>1</sup> OJ L 403, 30.12.2006, p. 9.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ C 417, 6.12.2017, p. 120.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2016 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Director of the Institute in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*

*The President*

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

The Council welcomes the Court's opinion that, in all material respects, the Institute's annual accounts present fairly its financial position as at 31 December 2016 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Institute's Financial Regulation, and that the underlying transactions for 2016 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council acknowledges the multiannual nature of the Institute's expenditure in relation to studies and calls on the Institute to consider the Court's suggestion to use differentiated appropriations to address the high level of commitments carried over. It also calls on the Institute to continue monitoring its budget implementation in order to reduce the level of commitments carried over to the following financial year to the minimum strictly necessary, in line with the budgetary principle of annuality.

The Council, taking note of the Institute's reply to the Court's observation, regrets the deficiencies found by the Court in the Institute's procurement procedures, which could have had an impact on the choice of the economically most advantageous offer. It urges the Institute to take the appropriate actions to ensure the effectiveness of its procurement procedures, as well as full transparency and equal treatment of tenderers.

The Council welcomes the positive findings of the external evaluation in relation to the Institute's governance and efficiency. It encourages the Institute to examine and, as appropriate, to address the suggestions in that evaluation in order to improve its operations and to continue the actions it has started as described in its reply to the Court's observation.

**COUNCIL RECOMMENDATION**  
**of**  
**on the discharge to be given to the Executive Director**  
**of the European Union Agency for Law Enforcement Cooperation**  
**in respect of the implementation of the budget**  
**of the European Union Agency for Law Enforcement Cooperation**  
**for the financial year 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EU) 2016/794 of the European Parliament and of the Council of 11 May 2016 on the European Union Agency for Law Enforcement Cooperation (Europol) and replacing and repealing Council Decisions 2009/371/JHA, 2009/934/JHA, 2009/935/JHA, 2009/936/JHA and 2009/968/JHA<sup>1</sup>, and in particular Article 60(10) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 of the European Police Office, hereinafter referred to as "Europol", as well as the Court of Auditors' report on the annual accounts of Europol for the financial year 2016, accompanied by Europol's replies to the Court's observations<sup>3</sup>,

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<sup>1</sup> OJ L 135, 24.5.2016, p. 53.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ C 417, 6.12.2017, p. 223.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2016 call for a certain comment by the Council, which is annexed to this recommendation; whereas the Council stresses the importance it attaches to this comment being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of Europol in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*

*The President*

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

The Council welcomes the Court's opinion that, in all material respects, Europol's annual accounts present fairly its financial position as at 31 December 2016 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of Europol's Financial Regulation, and that the underlying transactions for 2016 are legal and regular in all material respects. Nevertheless, one observation needs to be made.

While acknowledging the multiannual nature of building projects, the Council calls on Europol to continue improving its financial programming in order to reduce the level of commitments carried over to the next financial year in line with the budgetary principle of annuality.

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**COUNCIL RECOMMENDATION**  
**of**  
**on the discharge to be given to the Director**  
**of the Agency for the Cooperation of Energy Regulators**  
**in respect of the implementation of the budget**  
**of the Agency for the Cooperation of Energy Regulators**  
**for the financial year 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EC) No 713/2009 of the European Parliament and of the Council of 13 July 2009 establishing an Agency for the Cooperation of Energy Regulators<sup>1</sup>, and in particular Article 24(10) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 of the Agency for the Cooperation of Energy Regulators, hereinafter referred to as the "Agency", as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2016, accompanied by the Agency's replies to the Court's observations<sup>3</sup>,

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<sup>1</sup> OJ L 211, 14.8.2009, p. 1.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ C 417, 6.12.2017, p. 25.



Whereas the observations in the Court of Auditors' report in relation to the financial year 2016 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 Agency is such as to allow a discharge to be given in respect of that implementation,

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Director of the Agency in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*

*The President*

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

The Council welcomes the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2016 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Agency's Financial Regulation, and that the underlying transactions for 2016 are legal and regular in all material respects. Nevertheless, one observation needs to be made.

While acknowledging the multiannual nature of the Agency's projects and activities, as well as unavoidable delays between the signature of contracts, deliveries and payments, the Council regrets that, again, a high level of commitment appropriations was carried over to 2017. It calls on the Agency to continue improving its financial programming and monitoring of the budget implementation, and introducing, where appropriate, the use of differentiated budget appropriations in order to reduce the level of commitments carried over to the following financial year to the minimum strictly necessary, in line with the budgetary principle of annuality.

**COUNCIL RECOMMENDATION**  
**of**  
**on the discharge to be given to the Management Committee**  
**of the Office of the Body of European Regulators for Electronic Communications**  
**in respect of the implementation of the budget**  
**of the Office of the Body of European Regulators for Electronic Communications**  
**for the financial year 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EC) No 1211/2009 of the European Parliament and of the Council of 25 November 2009 establishing the Body of European Regulators for Electronic Communications (BEREC) and the Office<sup>1</sup>, and in particular Article 13(11) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 of the Office of the Body of European Regulators for Electronic Communications, hereinafter referred to as the "Office", as well as the Court of Auditors' report on the annual accounts of the Office for the financial year 2016, accompanied by the Office's replies to the Court's observations<sup>3</sup>,

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<sup>1</sup> OJ L 337, 18.12.2009, p. 1.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ C 417, 6.12.2017, p. 31.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2016 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Management Committee of the Office in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*

*The President*

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

The Council welcomes the Court's opinion that, in all material respects, the Office's annual accounts present fairly its financial position as at 31 December 2016 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Office's Financial Regulation, and that the underlying transactions for 2016 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council welcomes the achievements made by the Office with regard to the revision of its budgetary implementation report. It also welcomes the efforts already made by the Office for the preparation of its evaluation report, and it encourages the Office to further enhance its cooperation with the Commission in this area.

Despite some progress made by the Office, the Council regrets the deficiencies still found by the Court in the Office's procurement procedures. It urges the Office to further improve its procurement procedures in order to ensure the effectiveness of the process, as well as competition in its procurement procedures.

While acknowledging that the main elements affecting the high staff turnover are outside the control of the Office, the Council calls on the Office to further improve the actions already taken or planned to mitigate the risk factor stemming from the high turnover.

**COUNCIL RECOMMENDATION**  
**of**  
**on the discharge to be given to the Executive Director**  
**of the European Banking Authority**  
**in respect of the implementation of the budget**  
**of the European Banking Authority**  
**for the financial year 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EU) No 1093/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Banking Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/78/EC<sup>1</sup>, and in particular Article 64(9) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2012<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 of the European Banking Authority, hereinafter referred to as the "Authority", as well as the Court of Auditors' report on the annual accounts of the Authority for the financial year 2016, accompanied by the Authority's replies to the Court's observations<sup>3</sup>,

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<sup>1</sup> OJ L 331, 15.12.2010, p. 12.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ C 417, 6.12.2017, p. 87.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2016 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 Authority is such as to allow a discharge to be given in respect of that implementation,

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Authority in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*

*The President*

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

The Council welcomes the Court's opinion that, in all material respects, the Authority's annual accounts present fairly its financial position as at 31 December 2016 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Authority's Financial Regulation, and that the underlying transactions for 2016 are legal and regular in all material respects. Nevertheless, one observation needs to be made.

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

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**COUNCIL RECOMMENDATION**  
**of**  
**on the discharge to be given to the Executive Director**  
**of the European Securities and Markets Authority**  
**in respect of the implementation of the budget**  
**of the European Securities and Markets Authority**  
**for the financial year 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EU) No 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/77/EC<sup>1</sup>, and in particular Article 64(9) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2012<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 of the European Securities and Markets Authority, hereinafter referred to as the "Authority", as well as the Court of Auditors' report on the annual accounts of the Authority for the financial year 2016, accompanied by the Authority's replies to the Court's observations<sup>3</sup>,

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<sup>1</sup> OJ L 331, 15.12.2010, p. 84.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ C 417, 6.12.2017, p. 176.

Whereas the Council welcomes the fact that the observations in the Court of Auditors' report in relation to the financial year 2016 do not call for any comments,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Authority in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*

*The President*

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**COUNCIL RECOMMENDATION**  
**of**  
**on the discharge to be given to the Executive Director**  
**of the European Insurance and Occupational Pensions Authority**  
**in respect of the implementation of the budget**  
**of the European Insurance and Occupational Pensions Authority**  
**for the financial year 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EU) No 1094/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Insurance and Occupational Pensions Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/79/EC<sup>1</sup>, and in particular Article 64(9) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2012<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 of the European Insurance and Occupational Pensions Authority, hereinafter referred to as the "Authority", as well as the Court of Auditors' report on the annual accounts of the Authority for the financial year 2016, accompanied by the Authority's replies to the Court's observations<sup>3</sup>,

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<sup>1</sup> OJ L 331, 15.12.2010, p. 48.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ C 417, 6.12.2017, p. 126.

Whereas the Council welcomes the fact that the observations in the Court of Auditors' report in relation to the financial year 2016 do not call for any comments,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Authority in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*

*The President*

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**COUNCIL RECOMMENDATION**  
**of**  
**on the discharge to be given to the Executive Director**  
**of the European Asylum Support Office**  
**in respect of the implementation of the budget**  
**of the European Asylum Support Office**  
**for the financial year 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EU) No 439/2010 of the European Parliament and of the Council of 19 May 2010 establishing a European Asylum Support Office<sup>1</sup>, and in particular Article 36(9) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 of the European Asylum Support Office, hereinafter referred to as the "Office", as well as the Court of Auditors' report on the annual accounts of the Office for the financial year 2016, accompanied by the Office's replies to the Court's observations<sup>3</sup>,

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<sup>1</sup> OJ L 132, 29.5.2010, p. 11.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ C 417, 6.12.2017, p. 79.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2016 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Office in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*

*The President*

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

The Council welcomes the Court's opinion that, in all material respects, the Office's annual accounts present fairly its financial position as at 31 December 2016 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Office's Financial Regulation, and that the revenue underlying the accounts for 2016 is legal and regular in all material respects. Nevertheless, some observations need to be made.

While acknowledging the challenges, the increased level of responsibility and the Office's involvement in tackling the migration crisis in 2016, the Council regrets the Court's qualified opinion on the legality and regularity of payments underlying the accounts due to the lack of rigour in the management of two procurement procedures.

The Council calls on the Office to:

- always follow and respect the procurement procedures rules laid down in the Financial Regulation, including the principle of equal treatment of tenders;
- request further explanations from tenderers that present abnormally low offers, in line with the rules of application of the Financial Regulation;
- introduce systematic checks for every supplier's quotes and invoices issued to the framework contractor.

The Council calls on the Office to improve the planning for procurement procedures for administrative expenditure and to improve the monitoring of procedures and contracts under framework contracts, as already agreed in an action plan between the Office and Commission's Internal Audit Service.

The Council calls on the Office to continue improving its financial programming in order to reduce the level of commitments carried over to the next financial year to the minimum strictly necessary, in line with the budgetary principle of annuality.

Finally, following the external evaluation of the Office's performance, the Council encourages the Office to implement the action plan to increase the efficiency of operations and to further ensure cooperation and coherence of activities with its EU and international partners working on migration related issues.



**COUNCIL RECOMMENDATION**  
**of**  
**on the discharge to be given to the Executive Director**  
**of the European Agency for the operational management of large-scale IT systems in the area**  
**of freedom, security and justice**  
**in respect of the implementation of the budget**  
**of the European Agency for the operational management of large-scale IT systems in the area**  
**of freedom, security and justice**  
**for the financial year 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EU) No 1077/2011 of the European Parliament and of the Council of 25 October 2011 establishing a European Agency for the operational management of large-scale IT systems in the area of freedom, security and justice<sup>1</sup>, and in particular Article 33(11) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 of the European Agency for the operational management of large-scale IT systems in the area of freedom, security and justice, hereinafter referred to as the "Agency", as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2016, accompanied by the Agency's replies to the Court's observations<sup>3</sup>,

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<sup>1</sup> OJ L 286, 1.11.2011, p. 1.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ C 417, 6.12.2017, p. 194.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2016 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Agency in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*

*The President*

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

The Council welcomes the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2016 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Agency's Financial Regulation, and that the underlying transactions for 2016 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council regrets the deficiencies found by the Court in the Agency's procurement procedures and urges the Agency to take appropriate actions in order to ensure the principles of economy, transparency and equal treatment of tenders.

The Council calls on the Agency to continue improving its financial programming in order to reduce the level of commitments carried over to the next financial year to the minimum strictly necessary, in line with the budgetary principle of annuality.

The Council underlines the need to respect the principles of annuality and of sound financial management, avoiding advance payments as a means of maximizing the budgetary execution at year-end.

Finally, the Council encourages the Agency to pursue its efforts to improve the efficiency of its internal IT processes as already agreed in an action plan between the Agency and the Commission's Internal Audit Service. Likewise, the Council encourages the Agency to implement the action plan to improve its operational management following the external evaluation of the Agency.

**COUNCIL RECOMMENDATION**  
**of**  
**on the discharge to be given to the Director**  
**of the European Institute of Innovation and Technology**  
**in respect of the implementation of the budget**  
**of the European Institute of Innovation and Technology**  
**for the financial year 2016**

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EC) No 294/2008 of the European Parliament and of the Council of 11 March 2008 establishing the European Institute of Innovation and Technology<sup>1</sup>, and in particular Article 21(4) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>2</sup>, and in particular Article 208(2) thereof,

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 of the European Institute of Innovation and Technology, hereinafter referred to as the "Institute", as well as the Court of Auditors' report on the annual accounts of the Institute for the financial year 2016, accompanied by the Institute's replies to the Court's observations<sup>3</sup>,

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<sup>1</sup> OJ L 97, 9.4.2008, p. 1.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ C 417, 6.12.2017, p. 131.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2016 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

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

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Director of the Institute in respect of the implementation of the budget for the financial year 2016.

Done at Brussels,

*For the Council*

*The President*

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

The Council welcomes the Court's opinion that the Institute's annual accounts present fairly, in all material respects, its financial position as at 31 December 2016 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Institute's Financial Regulation, and that the underlying transactions for 2016 are legal and regular with the exception of the matter described below. Some other observations are also being made by the Council.

The Council regrets the Court's finding of significant shortcomings in the Institute's KIC Legal Entities procurement procedures, such as direct award contracts, absence of essential elements in tenders, extensions of contract volume and time, and quality/price weighting, as well as ex-post verification.

Despite of some improvement compared to 2015, the Council is concerned about the delays related to the grant award decisions, which create uncertainty and reduce the partners' willingness to commit resources to start activities at the beginning of the year. In this respect, the Council invites the Institute to improve its processes in grant award decisions to eliminate the risk of such an adverse situation.

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

In the framework of the Horizon 2020 programme and the Common Support Centre created by the Commission to ensure a coherence in a wide range of aspects in implementing the programmes, the Council encourages the Institute to seek a more integrated and efficient link with its parent Commission Directorate-General in order to increase the efficiency of the Institute's operations.