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Committee on Budgetary Control

2009/2113(DEC)

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DRAFT REPORT

on the discharge for implementation of the budget of the European Union
Agency for Fundamental Rights for the financial year 2008
(C7-0184/2009 – 2009/2113(DEC))

Committee on Budgetary Control

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1. PROPOSAL FOR A EUROPEAN PARLIAMENT DECISION

on the discharge for implementation of the budget of the European Union Agency for Fundamental Rights for the financial year 2008 (C7-0184/2009 – 2009/2113(DEC))

The European Parliament,

- having regard to the final annual accounts of the European Union Agency for Fundamental Rights for the financial year 2008,
 - having regard to the Court of Auditors' report on the annual accounts of the European Union Agency for Fundamental Rights for the financial year 2008, together with the Agency's replies¹,
 - having regard to the Council's recommendation of ... (0000/2010 – C7-0000/2010),
 - having regard to Article 276 of the EC Treaty and Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities², and in particular Article 185 thereof,
 - having regard to Council Regulation (EC) No 168/2007 of 15 February 2007 establishing a European Union Agency for Fundamental Rights³, and in particular Article 21 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Regulation (EC, Euratom) No 1605/2002⁴, and in particular Article 94 thereof,
 - having regard to Rule 77 of, and Annex VI to, its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A7-0000/2010),
1. Grants the Director of the European Union Agency for Fundamental Rights discharge for implementation of the Agency's budget for the financial year 2008;
 2. Sets out its observations in the resolution below;
 3. Instructs its President to forward this Decision and the resolution that forms an integral part of it to the Director of the European Union Agency for Fundamental Rights, the Council, the Commission and the Court of Auditors, and to arrange for their publication in

¹ OJ C 304, 15.12.2009, p. 10.

² OJ L 248, 16.9.2002, p. 1.

³ OJ L 53, 22.2.2007, p. 1.

⁴ OJ L 357, 31.12.2002, p. 72.

the Official Journal of the European Union (L series).

2. PROPOSAL FOR A EUROPEAN PARLIAMENT DECISION

on closing the accounts of the European Union Agency for Fundamental Rights for the financial year 2008 (C7-0184/2009 – 2009/2113(DEC))

The European Parliament,

- having regard to the final annual accounts of the European Union Agency for Fundamental Rights for the financial year 2008,
 - having regard to the Court of Auditors' report on the annual accounts of the European Union Agency for Fundamental Rights for the financial year 2008, together with the Agency's replies¹,
 - having regard to the Council's recommendation of ... (0000/2010 – C7-0000/2010),
 - having regard to Article 276 of the EC Treaty and Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities², and in particular Article 185 thereof,
 - having regard to Council Regulation (EC) No 168/2007 of 15 February 2007 establishing a European Union Agency for Fundamental Rights³, and in particular Article 21 thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Regulation (EC, Euratom) No 1605/2002⁴, and in particular Article 94 thereof,
 - having regard to Rule 77 of, and Annex VI to, its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A7-0000/2010),
1. Approves closing the accounts of the European Union Agency for Fundamental Rights for the financial year 2008;
 2. Instructs its President to forward this Decision to the Director of the European Union Agency for Fundamental Rights, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the Official Journal of the European Union (L series).

¹ OJ C 304, 15.12.2009, p. 10.

² OJ L 248, 16.9.2002, p. 1.

³ OJ L 53, 22.2.2007, p. 1.

⁴ OJ L 357, 31.12.2002, p. 72.

3. MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

with observations forming an integral part of the decision on the discharge for implementation of the budget of the European Union Agency for Fundamental Rights for the financial year 2008
(C7-0184/2009 – 2009/2113(DEC))

The European Parliament,

- having regard to the final annual accounts of the European Union Agency for Fundamental Rights for the financial year 2008,
- having regard to the Court of Auditors' report on the annual accounts of the European Union Agency for Fundamental Rights for the financial year 2008, together with the Agency's replies¹,
- having regard to the Council's recommendation of ... (0000/2010 – C7-0000/2010),
- having regard to Article 276 of the EC Treaty and Article 319 of the Treaty on the Functioning of the European Union,
- having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities², and in particular Article 185 thereof,
- having regard to Council Regulation (EC) No 168/2007 of 15 February 2007 establishing a European Union Agency for Fundamental Rights³, and in particular Article 21 thereof,
- having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Regulation (EC, Euratom) No 1605/2002⁴, and in particular Article 94 thereof,
- having regard to Rule 77 of, and Annex VI to, its Rules of Procedure,
- having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A7-0000/2010),

¹ OJ C 304, 15.12.2009, p. 10.

² OJ L 248, 16.9.2002, p. 1.

³ OJ L 53, 22.2.2007, p. 1.

⁴ OJ L 357, 31.12.2002, p. 72.

- A. whereas the Court of Auditors (ECA) states that it has obtained reasonable assurance that the annual accounts for the financial year 2008 are reliable and that the underlying transactions are legal and regular,
- B. whereas on 23 April 2009 Parliament granted the Director of the European Union Agency for Fundamental Rights discharge for implementation of the Agency's budget for the financial year 2007¹, and in its resolution accompanying the discharge decision noted *inter alia*
- that the Agency should strive for synergies and avoid overlaps with other institutions active in the field of human rights, in particular the Council of Europe,
 - that the European Anti-Fraud Office (OLAF) had opened an investigation concerning the Agency; requested consequently that OLAF, the Agency and the Commission inform the discharge authority of the results of the investigation and possible follow-up measures as soon as possible,
 - the ECA's finding with regard to one procurement procedure that the published evaluation method indirectly decreased the relative importance of the price criterion, which may have deterred some potential bidders and was not in line with the principle of sound financial management,

Performance

1. Encourages the Agency to set SMART objectives and RACER indicators in its programming so as to improve assessment of its achievements; notes, however, the statement by the Agency that it has taken these observations into consideration in its 2009 programme;
2. Congratulates the Agency on having started in mid-2009 to implement Activity Based Budget software that will provide clear indicators on the financial and human resources allocated;
3. Congratulates the Agency on having acted on the comments by the ECA and the budgetary authority at the time of the previous discharge;

OLAF investigation

4. Notes that in 2009 OLAF finished its investigation concerning the Agency which it had opened in 2008 and has now closed it with no further action.

Internal audit

5. Acknowledges that in February 2008 the Internal Audit Service (IAS) performed a follow-up audit of the implementation of the outstanding recommendations of its 2007 report and found that only one recommendation (on supervision of recruitment by the Board) remained outstanding; notes, however, that circumstances had changed and that, after the Agency started operations and the new Director was appointed, that recommendation lost its initial purpose and may thus be considered as having been fulfilled;

¹ OJ L 255, 26.9.2009, p. 198.

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6. Refers, for other observations accompanying its Decision on discharge, which are of a horizontal nature, to its resolution of xx April 2010 on the performance, financial management and control of the agencies.