

**RESOLUTION OF THE EUROPEAN PARLIAMENT****of 10 May 2011****with observations forming an integral part of its Decision on discharge in respect of the implementation of the budget of the European Union Agency for Fundamental Rights for the financial year 2009**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Union Agency for Fundamental Rights for the financial year 2009,
  - having regard to the Court of Auditors' report on the annual accounts of the European Fundamental Rights Agency for the financial year 2009, together with the Agency's replies <sup>(1)</sup>,
  - having regard to the Council's recommendation of 15 February 2011 (05892/2011 — C7-0052/2011),
  - 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 Communities <sup>(2)</sup>, 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 Rights <sup>(3)</sup>, 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 Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities <sup>(4)</sup>, 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 (A7-0130/2011),
- A. whereas the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts for the financial year 2009 are reliable and that the underlying transactions are legal and regular,
- B. whereas on 5 May 2010 Parliament granted the Director of the European Union Agency for Fundamental Rights discharge for implementation of the Agency's budget for the financial year 2008 <sup>(5)</sup>, and in its resolution accompanying the discharge decision, inter alia:
- encouraged the Agency to set SMART objectives and RACER indicators in its programming so as to improve assessment of its achievements,
  - congratulated 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,

<sup>(1)</sup> OJ C 338, 14.12.2010, p. 10.

<sup>(2)</sup> OJ L 248, 16.9.2002, p. 1.

<sup>(3)</sup> OJ L 53, 22.2.2007, p. 1.

<sup>(4)</sup> OJ L 357, 31.12.2002, p. 72.

<sup>(5)</sup> OJ L 252, 25.9.2010, p. 207.

- noted that, having opened its investigation concerning the Agency in 2008, the European Anti-Fraud Office (OLAF) closed it in 2009 with no further action,
- C. whereas the budget of the Agency for 2009 was EUR 17 000 000, which is an increase of 13,3 % on the financial year 2008,
1. Notes that the discharge for the implementation of the budget for the Agency should be further based on its performance throughout the year;

#### **Budgetary and financial management**

2. Urges the Agency to improve its budgetary and recruitment planning in order to redress the lack of consistency between its budgetary and staff forecasting; acknowledges, in fact, the Court of Auditors' observation that the Agency increased its operating budget by 38 %, transferring EUR 1 900 000 from Title I (Staff) to Title III (Operational activities) as a result of delays in recruitment and in order to finance operational activities not envisaged in the initial budget; takes note, nevertheless, of the external factors (such as appointment of a new Director and finalisation of an important framework contract launched by the Commission);
3. Calls on the Agency to make progress in ensuring, as far as possible, a realistic evaluation of tenders; notes, in fact, that the Court of Auditors reported on this issue in respect of the award of three framework contracts of a total amount of EUR 2 575 000; stresses, in particular, that in these three cases the financial offers differed considerably in both unit prices and the tenderers' estimates of the number of man-days necessary for the implementation of the same scenario;
4. Welcomes the Agency's resolution to improve the programming and monitoring of its contracts in order to avoid, in the future, the deficiencies reported by the Court of Auditors; calls, accordingly, on the Agency to inform the discharge authority of the action taken in this respect;

#### **Internal audit**

5. Acknowledges that out of the nine recommendations of the Internal Audit Service (IAS), following an audit on financial management, four are still to be implemented by the Agency; notes, in particular, that these concern financing decisions, information needs for reporting and monitoring purposes, work programmes showing all available resources of the budget, and financial procedures and checklists; urges the Agency to take measures to implement these recommendations;
6. Refers, in respect of the other observations accompanying its Decision on discharge, which are of a horizontal nature, to its resolution of 10 May 2011 <sup>(1)</sup> on the performance, financial management and control of the agencies.

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<sup>(1)</sup> Texts adopted, P7\_TA(2011)0163 (see page 269 of this Official Journal).