COUNCIL REGULATION (EEC) No 1948/93

of 30 June 1993

amending Regulation (EEC) No 1416/76 on the financial provisions applying to the European Centre for the Development of Vocational Training

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 209 thereof,

Having regard to Council Regulation (EEC) No 337/75 of 10 February 1975 establishing a European Centre for the Development of Vocational Training [1] and in particular Article 11 thereof,

Having regard to the proposal from the Commission [2],

Having regard to the opinion of the European Parliament [3],

Having regard to the opinion of the Court of Auditors [4],

Whereas, pursuant to Article 130 of the Financial Regulation applicable to the general budget of the European Communities of 21 December 1977 [5], the financial provisions governing the Centre should approximate as closely as possible to the provisions of the Financial Regulation and must therefore be updated;

Whereas the Treaty of 22 July 1975 amending certain financial provisions of the Treaties establishing the European Communities and of the Treaty establishing a single Council and a single Commission of the European Communities modified the procedure for giving a discharge to the Commission in respect of the implementation of the budget and substituted the Court of Auditors for the Audit Board in all the texts referring to the Audit Board;

Whereas Regulation (EEC) No 1416/76 [6] should be amended accordingly,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EEC) No 1416/76 is hereby amended as follows:

1. Article 1 (2) is replaced by the following paragraphs 2 and 3:

   '2. Expenditure may not be authorized for a period extending beyond the financial year.

   3. Administrative expenditure arising from:

   — contracts which have been concluded, in accordance with local usage, or

   — contractual provisions relating, in particular, to the supply of equipment,

   for the periods extending beyond the financial year shall be charged to the statement of revenue and expenditure for the financial year in which it is effected.';

2. Article 2 is replaced by the following:

   'Article 2

   The budget appropriations must be used in accordance with the principles of sound financial management, and in particular those of economy and cost-effectiveness. Quantified objectives must be identified and the progress of their realization monitored.';

3. Article 3 (1) is replaced by the following:

   '1. Subject to Article 22, all revenue and expenditure shall be entered in full in the statement of revenue and expenditure and in the accounts without any adjustment against each other.';

4. Article 3 (2):

   (a) the first subparagraph is replaced by the following:

   '2. Total revenue shall cover total expenditure.

   However, certain revenues shall not be used for any other purpose, notably:

   — revenue earmarked for a specific purpose, such as income from foundations, subsidies, gifts and bequests,

(1) OJ No L 39, 13. 2. 1975, p. 1. Regulation as amended by Regulation (EEC) No 1946/93 (See page 11 of this Official Journal).
(2) OJ No C 23, 31. 1. 1991, p. 28 and OJ No C 130, 21. 5. 1992, p. 25.
(3) OJ No C 13, 20. 1. 1992, p. 526.
(4) OJ No C 152, 10. 6. 1991, p. 3.
(5) OJ No L 356, 31. 12. 1977, p. 1. Regulation as last amended by Regulation (EEC) No 610/90 (OJ No L 70, 16. 3. 1990, p. 1.).
(6) OJ No L 164, 24. 6. 1976, p. 1.

— revenue from third parties in respect of work carried out at their request.';

(b) the second and third subparagraphs become paragraph 3;

5. Article 4 is replaced by the following:

'Article 4

No revenue shall be collected and no expenditure effected unless credited to or charged against an article in the statement of revenue and expenditure.

No expenditure may be committed or authorized in excess of the authorized appropriations, without prejudice to Article 22.';

6. Article 6 is replaced by the following:

'Article 6

The following rules shall govern the utilization of appropriations:

1. (a) appropriations still uncommitted at the end of the financial year for which they were entered, shall, as a rule, lapse;

(b) appropriations relating to remunerations and allowances of staff may not be carried over;

(c) the appropriations not committed at 31 December may be carried over to the next financial year only;

(d) the appropriations in respect of payments still outstanding at 31 December by virtue of commitments duly entered into between 1 January and 31 December shall be carried over automatically to the next financial year only.

2. In the case of appropriations mentioned in point 1 (c), the Commission shall forward to the budgetary authority, not later than 15 February, the duly substantiated requests to carry over appropriations which the Centre has sent to it before 1 February.

The carry-over of such appropriations can be proposed only for exceptional reasons in order to cope with compelling needs which cannot be met by appropriations from the following financial year. In principle, such carry-overs are intended to cover needs normally coming under the previous financial year but which, due to delays for which the authorizing officer was not responsible, could not be used in due time.

The European Parliament shall consult the Council and shall act on these requests for carry-overs.

In the absence of a decision by the budgetary authority within a period of six weeks, the requests for carry-overs shall be deemed to be approved.

3. Unused revenue and appropriations still available on 31 December, arising out of the donations referred to in Article 3 (2), shall be carried over automatically.

4. The following appropriations shall lapse at the end of the year:

(a) appropriations from the previous financial year:

— appropriations carried over by decision under point 1 (c) which have been neither committed nor paid,

— appropriations carried over automatically under point 1 (d) which have not been paid;

(b) appropriations of the financial year which have not been carried over.

5. The Commission shall be provided, for its information, before 1 March, with a list of the appropriations to be carried forward automatically. The Commission shall forward this list to the European Parliament and the Council for their information.

6. For the purposes of implementing the statement of revenue and expenditure, the use of appropriations carried forward shall be shown separately, for each budget item, in each article in the accounts for the current financial year.';

7. the following paragraph is added to Article 7:

'Expenditure relating to rents or certain associated expenditure which is payable in advance in accordance with provisions laid down by law or contracts may give rise to payments from 20 December onwards to be charged to the appropriations for the next financial year.';

8. Article 8 is replaced by the following:

'Article 8

1. If the statement of revenue and expenditure is not finally adopted at the beginning of the financial year, Article 204 of the Treaty shall apply to commitment and payment of expenditure already approved in principle in the last statement duly adopted.

An item of expenditure shall be considered as having been approved in principle in the last statement duly adopted if it could have been charged to a specific budget heading under the financial year concerned.

2. Payments may be made monthly in respect of any chapter up to one-twelfth of the total appropriations entered in the chapter in question for

the preceding financial year, account being taken of transfers, as long as this measure does not have the effect of placing at the disposal of the Centre, for any month, appropriations in excess of one-twelfth of the amount of the subsidy reserved for the Centre in the draft budget or, in the absence thereof, in the preliminary draft budget of the Communities. Commitments may be entered into in respect of any chapter for up to one-quarter of the total appropriations entered in the relevant chapter for the preceding financial year, account being taken of all transfers, plus one-twelfth for each completed month, without exceeding the amount of the subsidy reserved for the Centre in the draft budget or, in the absence thereof, in the preliminary draft budget of the Communities.

3. At the request of the Management Board, the Commission may, in the light of administrative needs, authorize simultaneously two or more provisional twelfths, provided that the amount authorized for each chapter does not exceed the maximum annual limit provided for in paragraph 2.

4. If, for a given chapter, the authorization of two or more provisional twelfths granted in the circumstances provided for in paragraph 3 does not enable the expenditure necessary to avoid a break in continuity of the Centre's activity in the area in question to be met, an overstepping of the total provided for in paragraph 3 may, exceptionally, be authorized in accordance with the same procedure, provided that the overall total of the appropriations opened in the statement of revenue and expenditure of the preceding year is not exceeded.';

9. Article 9 is deleted;

10. Article 10 is replaced by the following:

'Article 10

The statement of revenue and expenditure shall be drawn up in ecus. The value of the ecu and the arrangements for its conversion into national currencies shall be that laid down in the Financial Regulation applicable to the general budget of the European Communities.';

11. the first subparagraph of Article 11 (2) is replaced by the following:

'2. In the event of unavoidable, exceptional or unforeseen circumstances, the Management Board of the Centre may send supplementary or amending estimates to the Commission. Such estimates shall be submitted and adopted in the same form and according to the same procedure as the statement whose estimates they are amending. They must be substantiated by reference to the latter.';

12. the following paragraph is added to Article 14:

'The statement and the list of posts shall be published in the *Official Journal of the European Communities*, at the same time as the budget of the Communities.';

13. Article 15 is replaced by the following:

'Article 15

The statement of revenue and expenditure shall be subdivided into titles, chapters, articles and items according to the nature of the revenue or expenditure or the intended purpose thereof, following a decimal classification system.

It shall show:

1. as regards the statement of revenue:
   (a) the revenue for the financial year in question;
   (b) the revenue entered for the preceding financial year and the revenue established for the last financial year for which accounts have been closed;
   (c) appropriate remarks on each revenue heading;
2. as regards the statement of expenditure:
   (a) the appropriations made available for the financial year in question divided into titles, chapters, articles and items;
   (b) the appropriations made available for the preceding financial year and the actual expenditure in the last financial year for which the accounts have been closed, increased by the amounts carried forward, using the same classification;
   (c) appropriate remarks on each subdivision;
   (d) in an annex, an establishment plan setting the number of permanent and temporary posts for each grade in each category and indicating the number of posts authorized for the preceding year.';

14. Aticle 16 is replaced by the following:

'Article 16

The establishment plan drawn up by the budgetary authority shall constitute an absolute limit for the Centre; no appointment may be made in excess of the limit set.

Instances of half-time work authorized by the Director in accordance with Article 29a of Council Regulation (ECSC, EEC, Euratom) No 1859/76 of 29 June 1976 laying down the conditions of employment of staff of the European Centre for the Development of Vocational Training [1] may be compensated for by the recruitment of other staff

within the limits laid down by the budget authority in the budgetary procedure.

(1) OJ No L 214, 6. 8. 1976, p. 1.';

15. Article 17 is replaced by the following:

'*Article 17*

The statement of revenue and expenditure shall be implemented in accordance with the principle that the authorizing officers and accounting officers are different individuals.

The appropriations shall be administered by the authorizing officer who alone is empowered to enter into commitments regarding expenditure, establish entitlements to be collected and issue recovery orders and payment orders. The operations of collection or payment shall be carried out by the accounting officer. The duties of authorizing officer, financial controller and accounting officers shall be mutually incompatible.';

16. Article 18 is replaced by the following:

'*Article 18*

The Management Board of the Centre shall implement the statement of revenue and expenditure on its own responsibility in accordance with this Regulation and within the limits of the appropriations allotted.

With the exception of the cases provided for in Articles 23, 30, 38 and 41 involving decisions overruling the financial controller, the Management Board shall delegate its powers under conditions to be laid down by it and within the limits which it lays down in the act of delegation which shall be communicated to the delegatee, the accounting officers, the financial controller and the Court of Auditors.

Those so empowered may act only within the limits of the powers expressly conferred upon them.';

17. the following Article is inserted after Article 18:

'*Article 18a*

Where revenue and expenditure operations are managed by means of integrated computer systems, the provisions of Sections II and III and of Title VI shall apply with due allowance for the possibilities and requirements deriving from computerized management. To this end:

— the supporting documents may remain with the authorizing officer or the accounting officer for the purposes of checking,

— signatures and approvals may be added in appropriate computerized form.

The conditions for implementing this Article shall be determined by the implementing rules provided for in Article 76.';

18. Article 19 is replaced by the following:

'*Article 19*

The financial controller of the Commission shall be responsible for checking the commitment and payment of all expenditure and the establishment and recovery of all revenue of the Centre, in accordance with the principles laid down in Article 2.

Monitoring shall be carried out by that official by means of inspection of the files relating to expenditure and revenue and, if necessary, on the spot.

The financial controller may be assisted in his duties by one or more assistant financial controllers.

The financial controller must be consulted on the setting up of the accounting systems of the Centre. He shall have access to the data of such systems.';

19. in Article 20:

(a) the following paragraph is inserted after the second paragraph:

'He shall be responsible for preparing the financial statement provided for in Articles 66 and 67.';

(b) the following paragraph is added:

'The special rules applicable to the accounting officer and to assistant accounting officers shall be laid down in the implementing rules provided for in Article 76.';

20. the following paragraph is inserted in Article 21:

'4a. Appropriations may be transferred only to budget headings for which the statement of expenditure has authorized appropriations or carried a token entry.';

21. points (b) and (c) of Article 22 are replaced by the following:

'(b) the following sums may be reused under the heading to which the initial expenditure was charged:

— revenue arising from the refund of amounts paid in error against appropriations entered in the statement of revenue and expenditure,

— proceeds from the supply of goods and services to other institutions or bodies, including refunds by such institutions or bodies of mission allowances paid on their behalf,

— insurance payments received,

— revenue from payments connected with lettings,

— revenue from the sale of publications and films,

— refunds of taxes — incorporated in the price of the products or services provided to the Centre — effected by Member States pursuant to the provisions of the Protocol on the Privileges and Immunities of the European Communities,

— revenue from the supply of goods and services against payment;

— proceeds from the sale of vehicles, equipment and installations and scientific and technical apparatus, equipment and materials which are being replaced or scrapped.

Such sums must be reused before the end of the financial year following that in which the revenue was collected.

The chart of accounts shall include suspense accounts to record reuse operations in both revenue and expenditure;

(c) adjustments may be made in respect of exchange differences occurring in budget operations. The final gain or loss shall be included in the balance for the year.';

22. Article 23 is replaced by the following:

'*Article 23*

1. All measures which may give rise to or modify a debt due to the Centre must be preceded by a proposal from the authorizing officer. Such proposals shall be sent to the financial controller for his approval and to the accounting officer for provisional registration. They shall mention, in particular, the type of revenue, the estimated amount thereof and the item to which it is to be booked and also the name and description of the debtor. They shall be registered after approval by the financial controller. The purpose of the approval of the financial controller shall be to establish that:

(a) the revenue is booked to the correct item;

(b) the proposal is in order and conforms to the relevant provisions, in particular in the statement of revenue and expenditure, the rules applying to the Centre and all acts made in implementation of those regulations, and to the principles of sound financial management referred to in Article 2.

The financial controller may withhold his approval. The Management Board may, by a decision stating the full reasons therefor, and on its sole responsibility, overrule this refusal. This decision shall be final and binding; it shall be communicated for information to the financial controller. The Management Board shall inform the Court of Auditors of all such decisions within one month.

2. The competent authorizing officer shall draw up, in respect of every debt established, a recovery order which shall be sent with supporting documents to the financial controller for his prior approval. Such recovery orders shall, after they have received the approval of the financial controller, be registered by the accounting officer.

The purpose of the approval of the financial controller shall be to establish that:

(a) the revenue is booked to the correct item;

(b) the order is in order and conforms to the relevant provisions;

(c) the supporting documents are in order;

(d) the debtor is correctly described;

(e) the due date is indicated;

(f) the principles of sound financial management referred to in Article 2 have been applied;

(g) the amount and currency of the sum to be recovered are correct.

If the financial controller's approval is withheld, the second subparagraph of paragraph 1 shall apply.';

23. Article 24 is replaced by the following:

'*Article 24*

1. The accounting officer shall assume responsibility for the recovery orders duly drawn up.

He shall exercise all due diligence to ensure that the resources due to the Centre are recovered at the due dates indicated in the recovery orders, and shall ensure that the rights of the Centre are safeguarded.

The accounting officer shall inform the authorizing officer and the financial controller of any revenue not recovered within the time limits laid down.

2. If the authorizing officer waives the right to recover an established debt, he shall send beforehand a proposal for cancellation to the financial controller for his approval and to the accounting officer for information.

The purpose of the approval of the financial controller shall be to establish that the waiver is in order and conforms with the principles of sound financial management referred to in Article 2. The proposal concerned shall be registered by the accounting officer.

If approval is withheld, the Management Board may, by a decision stating the full reasons therefor, and on its sole responsibility, overrule

this refusal. This decision shall be final and binding; it shall be communicated for information to the financial controller.

The Management Board shall inform the Court of Auditors of all such decisions within one month.

When the financial controller finds that a document establishing a debt has not been drawn up, or that a sum due has not been recovered, he shall inform the Management Board thereof.';

24. Article 27 (2) is replaced by the following:

'2. The implementing conditions in respect of paragraph 1 above shall be determined by the implementing rules provided for in Article 76. These conditions shall ensure that an exact account is kept of commitments and authorizations in terms of actual needs.';

25. Article 28 is replaced by the following:

'Article 28

Without prejudice to the provisions of Article 18a, proposals for commitments, accompanied by supporting documents, shall be transmitted to the financial controller and to the accounting officer; they shall show, in particular, the purpose of the expenditure, the estimated amount involved, indicating the currency where possible, the budget item to which it is to be charged and also the name and description of the creditor; they shall be registered, after approval by the financial controller, in accordance with the implementing rules provided for in Article 76.';

26. in Article 29:

(a) point (d) is replaced by the following:

'(d) the principles of sound financial management referred to in Article 2 have been applied.';

(b) the second paragraph is replaced by the following:

'Approval may not be conditional.';

27. in Article 30, the last sentence of the third paragraph is replaced by the following:

'The Management Board shall inform the Court of Auditors of all such decisions within one month.';

28. (this amendment to Article 33 does not affect the English text);

29. (a) (this amendment to Article 34 does not affect the English text);

(b) in Article 34, the third indent of the first paragraph is replaced by the following:

'— the amount to be paid (in figures and words), expressed in ecus or in national currency,';

30. (this amendment to Article 35 does not affect the English text);

31. Article 36 is replaced by the following:

'Article 36

1. For payments by instalment, the first payment order shall be accompanied by documents establishing the creditor's claim to payment of the instalment in question. Subsequent payment orders shall refer to the supporting documents already furnished, and repeat the reference number of the first payment order.

2. The authorizing officer may grant advances to personnel if a provision laid down by regulation specifically provides therefor.

The authorizing officer may grant advances to cover disbursements to be effected by a member of the staff on behalf of the Centre.

Apart from the imprest accounts referred to in Article 43, no advance may be paid unless it has been approved beforehand by the financial controller.';

32. Article 37 is replaced by the following:

'Article 37

Without prejudice to Article 18a, payment orders shall be sent for prior approval to the financial controller.

The purpose of this prior approval shall be to establish that:

(a) the payment order was properly issued;

(b) the payment order agrees with the commitment of expenditure and that the amount thereof is correct, taking account of the principles and requirements of sound financial management referred to in Article 2;

(c) the expenditure is charged to the correct item;

(d) the appropriations are available;

(e) the supporting documents are in order;

(f) the payee is correctly named and described.';

33. (this amendment to Article 39 does not affect the English text);

34. in Article 42, the second paragraph is replaced by the following:

'The procedure for opening, administering and using such accounts shall be determined by the implementing measures provided for in Article 76. These measures shall, in particular, indicate expenditure the payment of which must necessarily be effected either by cheque or by post office or bank transfer order, and shall receive the joint

signature on cheques and on post office or bank transfer orders of two duly authorized officials, one signature necessarily being that of the accounting officer, an assistant accounting officer, or an administrator of an imprest account.';

35. Article 43 is replaced by the following:

'*Article 43*

For the payment of certain categories of expenditure, imprest accounts may be set up in accordance with the implementing measures provided for in Article 76.

Only the accounting officer may replenish the imprest accounts, save in exceptional cases defined in the implementing rules of this Regulation.

These measures shall contain specific provisions concerning in particular:

— the appointment of administrators of imprest accounts,

— the nature and maximum amount of each item of expenditure to be incurred,

— the maximum amount of the imprest which may be advanced,

— the time within which supporting documents must be produced,

— the responsibility of the administrators of imprest accounts.';

36. the following section is inserted after Article 43:

'SECTION IIIa

MANAGEMENT OF POSTS

Article 43a

1. The following shall be established:

(a) a file identifying the posts and containing a job description for each category A post;

(b) an organization chart showing the organization of the departments detailing the tasks of each administrative unit.

2. If the note "to be abolished" is placed against a post in the statement of revenue and expenditure, it may no longer be filled when the next vacancy arises in the same career.';

37. Article 44 (1) is replaced by the following:

'1. Contracts for the purchase or hiring of buildings or goods, for the provision of services or for the performance of construction work shall be in writing. Apart from contracts relating to the purchase of a building already constructed or to the leasing of a building, all such contracts shall be concluded after an invitation to tender has been issued either by the automatic public tendering procedure or the discretionary tendering procedure.

However, contracts may be made by private treaty in the circumstances referred to in Article 46.

Contracts may be made against invoice or bill of costs in cases provided for in Article 50.';

38. in Article 46, point (a) is replaced by the following:

'(a) where the contract for the purchase or hiring of goods, for the provision of services or for building works involves an amount not exceeding the limit laid down in the implementing rules provided for in Article 126 of the Financial Regulation applicable to the general budget of the Communities, the Centre being bound, however, as far as possible and by all appropriate means, to enable suppliers who are likely to be able to supply the goods and services in question to compete;';

39. Article 48 is replaced by the following:

'*Article 48*

Contracts involving amounts exceeding the amount laid down in the implementing rules provided for in Article 126 of the Financial Regulation applicable to the general budget of the Commission shall be subject to the authorization of the Management Board.';

40. in the third paragraph of Article 49, 'exceeding 100 000 units of account' is replaced by: 'exceeding the limit laid down in the implementing rules provided for in Article 126 of the Financial Regulation applicable to the general budget of the Communities';

41. Article 50 is replaced by the following:

'*Article 50*

Contracts may be made against invoice or bill of costs where the estimated value of the goods, services or works does not exceed the limits laid down by the implementing rules provided for in Article 126 of the Financial Regulation applicable to the general budget of the Communities.';

42. Article 51 is replaced by the following:

'*Article 51*

When concluding contracts referred to in this Regulation, the Centre shall comply with the directives adopted by the Council in implementation of the Treaty with respect to public works, supplies and services whenever the amounts involved are equal to or greater than the amounts provided for in those directives.';

43. Article 52 is replaced by the following:

'*Article 52*

Permanent inventories showing the quantity and value of all movable and immovable property belonging to the Centre shall be kept in accordance with a model drawn up by the Commission. Only movable property exceeding a specific value laid down in the implementing rules provided for in Article 76 shall be entered in those inventories.

The Centre shall carry out its own inspection to ascertain that entries in the inventory correspond to the facts.';

44. the first paragraph of Article 54 is replaced by the following:

'A statement or record shall be drawn up by the authorizing officer and authenticated by the financial controller whenever any property in the inventory is sold, given away free of charge, scrapped, hired out, or missing on account of loss, theft or any other reason.';

45. Article 56 is replaced by the following:

'*Article 56*

The accounts shall be kept in ecus by the double entry method, on the basis of the calendar year. They shall show all revenue and expenditure for the financial year; they shall be authenticated by supporting documents. They may in addition be kept in the currency of the country where the Centre has its seat.

The revenue and expenditure account and the balance sheet shall be drawn up in ecus.';

46. Article 57 is replaced by the following:

'*Article 57*

The chart of accounts shall make a clear distinction between budgetary accounts and cash accounts.

It shall comprise two parts:

(a) accounts of budgetary expenditure and revenue, which show the detailed implementation of the statement of revenue and expenditure;

(b) the balance sheet accounts, which disclose the assets of the Centre.

These accounts shall show the expected effect of the Centre's legal obligations.

The accounts shall make it possible to draw up an annual balance of assets and a monthly statement of revenue and expenditure by chapter and article.

These statements shall be forwarded to the financial controller, the authorizing officer and the Court of Auditors.';

47. Article 58 is replaced by the following:

'*Article 58*

Any advance, other than regular advances which are periodically re-examined, shall be entered in a suspense account and settled at the latest during the financial year which follows the payment of this advance.

However, the advances referred to in the second subparagraph of Article 36 (2) shall be settled as a general rule within six weeks following completion of the project for which they were granted.';

48. Article 59 is replaced by the following:.

'*Article 59*

The detailed conditions for the establishment and operation of the chart of accounts for transactions relating both to assets and to the implementation of the budget shall be determined by the implementing rules provided for in Article 76.';

49. in Article 61:

(a) 'receivable orders' is replaced by 'recovery orders'. (A further amendment does not affect the English text);

(b) the following paragraph is added:

'The same shall apply if they neglect to issue payment orders or are, without justification, late in issuing them, thereby rendering the Centre liable to civil action by third parties.';

50. Article 62 is replaced by the following:

'*Article 62*

1. Accounting officers and assistant accounting officers shall render themselves liable to disciplinary action and, where appropriate, to payment of compensation as regards payments made by them in disregard of the third paragraph of Article 40.

They shall render themselves liable to disciplinary action and to payment of compensation as regards any loss or deterioration of the monies, assets and documents in their charge where such loss or deterioration result from an intentional mistake or serious negligence on their part.

Under the same conditions, they shall be responsible for the correct execution of orders received by them

in respect of the use and the administration of bank and post office giro accounts, and in particular:

(a) where the recoveries or payments made by them do not agree with the amounts on the corresponding recovery or payment orders;

(b) where they effect payment to a party other than the payee entitled.

2. Administrators of advance funds shall render themselves liable to disciplinary action and, where appropriate, to payment of compensation in the following cases:

(a) where they cannot show due warrant with proper documents for payments made by them;

(b) where they effect payments to parties other than entitled payees.

They shall be liable to disciplinary action and to payment of compensation in respect of any loss or deterioration of the monies, assets and documents in their charge where such loss or deterioration results from an intentional mistake or serious negligence on their part.

3. The accounting officer, assistant accounting officers and administrators of advanced funds shall insure themselves against the risks arising under this Article.

The Centre shall cover the insurance costs relating thereto.';

51. Article 63 is replaced by the following:

'*Article 63*

The liability to payment of compensation and disciplinary action of authorizing officers, accounting officers, assistant accounting officers and administrators of advance funds may be determined in accordance with the provisions of Regulation No 1859/76.';

52. Article 65 is replaced by the following:

'*Article 65*

The Management Board shall draw up each year a revenue and expenditure account of the Centre.

The revenue and expenditure account shall cover all revenue and expenditure transactions relating to the preceding financial year. It shall be submitted in the same form and following the same subdivisions as the statement of revenue and expenditure.

The revenue and expenditure account shall be preceded by an analysis of the financial management in respect of the year in question. For the drawing up of this analysis, the Centre shall supply details on the realization of the principles and objectives as referred to in Article 2.';

53. Article 66 is replaced by the following:

'*Article 66*

The revenue and expenditure account shall include the following tables subdivided in accordance with the nomenclature of the Centre's statement of revenue and expenditure:

1. a table of revenue comprising:
   - estimated revenue for the financial year,
   - amendments to the revenue estimates as a result of supplementary or amending statements,
   - entitlements established in the course of the financial year,
   - entitlements still to be collected from the preceding financial year,
   - revenue collected during the financial year and revenue carried over pursuant to Article 6 (3),
   - amounts still to be collected at the end of the financial year,
   - the cancellation of established entitlements.

   Statements shall be attached, where appropriate, to this table, showing the balances and gross amounts of the transactions referred to in Article 22;

2. a table showing the movement in appropriations for the financial year, indicating:
   - the initial appropriations,
   - any amendments to appropriations made by means of transfers,
   - any amendments made by means of supplementary or amending statements,
   - the final appropriations for the financial year,
   - appropriations carried over under Article 6;

3. a table showing the use of the appropriations allocated for the financial year, indicating:
   - the commitments entered into and chargeable to the financial year,
   - the payments made and chargeable to the financial year,
   - the sums still to be paid at the close of the financial year,
   - the appropriations carried over pursuant to Article 6,
   - cancelled appropriations.

   Where appropriate, a statement shall be attached to this table, showing the balances and gross payments arising from the transactions referred to in Article 22;

4. a table showing the use of appropriations carried over from the preceding financial year, indicating:

— the amount of appropriations carried over,

— the payments made from appropriations which have been carried over,

— the unused appropriations to be cancelled.';

54. Article 67 is replaced by the following:

'*Article 67*

1. The Management Board shall also draw up a blance sheet of assets and liabilities of the Centre as at 31 December of the preceding financial year.

A statement of accounts showing the movements and balances of the accounts at the same date shall be attached thereto.

The balance sheet shall include, on the assets side, the amount of revenue to be collected and, on the liabilities side, the amount of expenditure chargeable to the financial year, which have not yet been entered in the accounts.

2. These documents shall be submitted to the financial controller.';

55. Article 68 is replaced by the following:

'*Article 68*

The Management Board shall, by 31 March at the latest, send the revenue and expenditure account, the financial analysis and the balance sheet of the Centre for the preceding financial year to the European Parliament, the Council, the Commission and the Court of Auditors.';

56. in Article 69, 'Audit Board' is replaced by 'Court of Auditors';

57. in Article 70, 'Audit Board' is replaced by 'Court of Auditors';

58. in Article 71:

(a) 'Audit Board' is replaced by 'Court of Auditors';

(b) the second paragraph is replaced by the following:

'In particular, the Centre shall place at the disposal of the Court of Auditors all documents concerning the conclusion of contracts and all accounts of cash or materials, all accounting records or supporting documents, and also administrative documents pertaining thereto, all documents relating to revenue and expenditure, all inventories, all lists of posts in the departments, which the Court of Auditors may consider necessary for auditing the revenue and expenditure account on the basis of records or on the spot and all documents and data created or stored on a magnetic medium.';

(c) the fourth paragraph is replaced by the following:

'The information supplied under (b) may be requested only by the Court of Auditors.';

(d) the seventh paragraph is replaced by the following:

'The grant of aid to beneficiaries outside the Centre shall be subject to the agreement in writing by the recipients of an audit being carried out by the Court of Auditors on the utilization of the amounts granted.';

59. Article 72 is replaced by the following:

'*Article 72*

The report of the Court of Auditors established in accordance with Article 206a of the EEC Treaty shall be governed by the following provisions:

1. the Court of Auditors shall transmit to the Centre and the Commission, by 15 July at the latest, any comments on the accounts and the balance sheet which are, in its opinion, of such a nature that they should appear in the annual reports. These comments must remain confidential. The Centre shall address its reply to the Court of Auditors and simultaneously to the Commission by 31 October at the latest;

2. the Court of Auditors' report shall contain an assessment of the soundness of financial management;

3. the Court shall take all necessary steps to ensure that the replies of the Centre to its comments are published immediately following those comments;

4. the Court of Auditors shall transmit to the authorities responsible for giving discharge, to the Centre and to the Commission, by 30 November at the latest, its annual report accompanied by the replies and it shall ensure publication thereof in the *Official Journal of the European Communities*.';

60. Article 73 is deleted;

61. Article 74 is replaced by the following:

'*Article 74*

1. The European Parliament, upon a recommendation from the Council acting by a qualified majority, shall, before 30 April of the following year, give a discharge to the Management Board in respect of the implementation of the statement of revenue and expenditure. If that date cannot be met, the Parliament or the Council shall inform the Management Board of the reasons for the postponement.

If the European Parliament postpones the decision giving discharge, the Management Board shall make every effort to take measures, as soon as possible, to facilitate removal of the obstacles to that decision.

2. The discharge decision shall cover the accounts of all revenue and expenditure of the Centre, the resulting balance and the assets and liabilities of the Centre shown in the balance sheet. It shall include an assessment of the responsibility of the Management Board's budgetary management over the past financial year.

3. The financial controller shall take account of the comments in the decisions giving discharge.

4. The Management Board shall take all appropriate steps to act on the comments appearing in the decisions giving discharge.

5. By 15 December of the year in which the decision giving discharge is taken, the Centre shall report on the measures taken in the light of these comments, and, in particular, on the instructions given to those of its departments which are responsible for the implementation of the budget. Such reports shall be transmitted to the European Parliament, the Council, the Commission and the Court of Auditors.

The Centre must also give an account, in an annex to the revenue and expenditure account for the next financial year, of the measures taken in the light of the comments appearing in the decisions giving discharge.

6. Supporting documents pertaining to the accounts and the preparation of the revenue and expenditure account and the balance sheet shall be kept for a period of five years following the date of the decision giving discharge in respect of the implementation of the statement of revenue and expenditure.

However, the documents relating to transactions not finally closed shall be kept for longer than the said period until the end of the year following the year in which such transactions are finally closed.';

62. Article 75 is replaced by the following:

'Article 75

The Management Board shall inform the Court of Auditors, as soon as possible, of all decisions and rules taken pursuant to Articles 3, 6, 8, 14 and 21.

The Court of Auditors and the financial controller shall be informed of the appointment of authorizing officers, the accounting officer, assistant according officers and administrators of advance funds and of the acts of delegation or appointment pursuant to Articles 18, 20 and 43.

The Management Board shall transmit to the Court of Auditors any rules of procedure they adopt in respect of financial matters.';

63. the following Article is inserted:

'Article 75a

Until the entry into force of the implementing rules provided for in Article 126 of the Financial Regulation applicable to the general budget of the Communities, the limit values to be specified for the purposes of Articles 46, 48, 49 and 50 shall be as follows:

— Article 46, point (a): the limit below which contracts may be made by private treaty shall be ECU 10 000,

— Article 48: the limit above which the authorization of the Management Board shall be required shall be ECU 35 000,

— third paragraph of Article 49: the threshold for compulsory security shall be ECU 250 000,

— Article 50: the limits below which contracts may be made against invoice or bill of costs shall be ECU 750 and 2 000 respectively for expenditure away from the Centre.'

Article 2

This Regulation shall enter into force on the third day following its publication in the *Official Journal of the European Communities.*

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Luxembourg, 30 June 1993.

For the Council
The President
S. BERGSTEIN