



PROPOSED ARRANGEMENTS FOR THE ASSESSMENT AND ANALYSIS OF ETF ANNUAL ACTIVITY REPORT 2004

1. Background

Under the new Financial Regulation the Governing Board must make an analysis and assessment of the ETF's annual activity report.

This analysis and assessment is transmitted to the budgetary authority and the Court of Auditors, and published together with the report itself. According to the regulation, the report must be forwarded to the relevant institutions by 15 June of the year following the activities.

This procedure was introduced for the first time in June 2004 when Members of the Governing Board made an analysis and assessment of ETF's annual activity report for 2003. On that occasion, the Chairman in consultation with ETF prepared a draft assessment of the annual activity report to facilitate the work of the Board. Governing Board members discussed and agreed the draft assessment during the meeting of 29 June (see annex).

During the discussion, Board Members requested that the Advisory Forum support the Board in assessing future Annual Activity Reports by providing its opinion on the more technical aspects. The Board agreed to come back to this issue at the next meeting in November 2004

2. Main steps in the preparation of the 2003 Annual Activity Report and assessment

The new Financial Regulation came into force in 2004, which was the first year when the analysis and assessment was included in the report. The following steps were taken to adopt the report and prepare the analysis and assessment.

- (a) First draft prepared by ETF in English by end February
- (b) First draft checked with Commission services by mid April
- (c) Revised draft in English by end April
- (d) Translation of revised draft to GB languages by mid June¹
- (e) Preparation of the draft analysis and assessment in English by the Chairman in co-operation with ETF by mid June
- (f) Circulation of draft analysis and assessment to GB members 19-25 June
- (g) GB meeting 29 June 2004. The GB adopted the annual report and the analysis
- (h) Annual Activity Report and assessment sent to the relevant authorities by 1 July. N.B The financial regulation states that the report should reach the authorities by 15 June

3. Proposed arrangements for the preparation of the analysis and assessment of the ETF annual activity report 2004.

On the basis of the Governing Board's request, the following procedure is proposed for the preparation of the Board's analysis and assessment of the annual activity report 2004. This procedure is based on the following principles:

- The procedure should be simple and not lengthen the already considerable lead times. This rules out a formal and systematic consultation of the Advisory Forum due to language as the translations would not be ready on time

¹ Please note that GB languages are EN, FR, DE, IT, ES. The Advisory Forum working languages also include RU

- It is the GB's analysis and assessment and the GB must take responsibility for it, though it is free to consult whomever it wishes to consult before reaching its decision.
- It is therefore proposed that the Chairman should propose a draft text, which will be finalised by a working group of the Board, which will decide on its own initiative who to consult, including members of the Advisory Forum.
- It is proposed that the working group should initially be composed of the Troika countries, who may co-opt other GB members (and possibly non-GB members) onto the group. The ETF will assist the working group in its tasks.
- The working group will operate mainly by e-mail, but if required the ETF will organise a meeting of the group.

4. Projected road map in the preparation of the 2004 Annual Activity Report and assessment according to the GB proposal

- (a) First draft of the 2004 Annual Report prepared by the ETF in English by end February 2005
- (b) First draft checked with Commission services by end March 2005
- (c) Revised draft in English by mid April
- (d) Preparation of the draft analysis and assessment in English by the Chairman by mid April
- (e) Revised draft of the Annual Report sent for translation into GB languages by mid April
- (f) Circulation of revised Annual Report and draft analysis and assessment to Troika Member State GB members by mid April
- (g) Revised analysis and assessment from Troika by mid May
- (h) Translation of analysis and assessment into GB languages by 20 May
- (i) GB meeting 7 June 2005. The Board adopts the Activity Report and analysis and assessment
- (j) Annual Activity Report and assessment sent to the relevant authorities by 15 June.

Brussels, 9 November 2004

Nikolaus G. van der Pas
Chairman