



Plenary sitting

A8-0082/2016

7.4.2016

REPORT

on discharge in respect of the implementation of the budget of the European
Centre for the Development of Vocational Training for the financial year 2014
(2015/2164(DEC))

Committee on Budgetary Control

Rapporteur: Derek Vaughan

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1. PROPOSAL FOR A EUROPEAN PARLIAMENT DECISION

on discharge in respect of the implementation of the budget of the European Centre for the Development of Vocational Training for the financial year 2014 (2015/2164(DEC))

The European Parliament,

- having regard to the final annual accounts of the European Centre for the Development of Vocational Training for the financial year 2014,
- having regard to the Court of Auditors' report on the annual accounts of the European Centre for the Development of Vocational Training for the financial year 2014, together with the Centre's replies¹,
- having regard to the statement of assurance² as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2014, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council's recommendation of 12 February 2016 on discharge to be given to the Centre in respect of the implementation of the budget for the financial year 2014 (05584/2016 – C8-0062/2016),
- having regard to Article 319 of the Treaty on the Functioning of the European Union,
- 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 1605/2002³, and in particular Article 208 thereof,
- having regard to Regulation (EEC) No 337/75 of the Council of 10 February 1975 establishing a European Centre for the Development of Vocational Training⁴, and in particular Article 12a 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 Communities⁵,
- having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council⁶, and in particular Article 108 thereof,

¹ OJ C 409, 9.12.2015, p. 39.

² OJ C 409, 9.12.2015, p. 39.

³ OJ L 298, 26.10.2012, p. 1.

⁴ OJ L 39, 13.2.1975, p. 1.

⁵ OJ L 357, 31.12.2002, p. 72.

⁶ OJ L 328, 7.12.2013, p. 42.

- having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Employment and Social Affairs (A8-0082/2016),
1. Grants the Director of the European Centre for the Development of Vocational Training discharge in respect of the implementation of the Centre's budget for the financial year 2014;
 2. Sets out its observations in the resolution below;
 3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Director of the European Centre for the Development of Vocational Training, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

2. PROPOSAL FOR A EUROPEAN PARLIAMENT DECISION

on the closure of the accounts of the European Centre for the Development of Vocational Training for the financial year 2014 (2015/2164(DEC))

The European Parliament,

- having regard to the final annual accounts of the European Centre for the Development of Vocational Training for the financial year 2014,
- having regard to the Court of Auditors' report on the annual accounts of the European Centre for the Development of Vocational Training for the financial year 2014, together with the Centre's replies¹,
- having regard to the statement of assurance² as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2014, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council's recommendation of 12 February 2016 on discharge to be given to the Centre in respect of the implementation of the budget for the financial year 2014 (05584/2016 – C8-0062/2016),
- having regard to Article 319 of the Treaty on the Functioning of the European Union,
- 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 1605/2002³, and in particular Article 208 thereof,
- having regard to Regulation (EEC) No 337/75 of the Council of 10 February 1975 establishing a European Centre for the Development of Vocational Training⁴, and in particular Article 12a 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 Communities⁵,
- having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council⁶,

¹ OJ C 409, 9.12.2015, p. 39.

² OJ C 409, 9.12.2015, p. 39.

³ OJ L 298, 26.10.2012, p. 1.

⁴ OJ L 39, 13.2.1975, p. 1.

⁵ OJ L 357, 31.12.2002, p. 72.

⁶ OJ L 328, 7.12.2013, p. 42.

and in particular Article 108 thereof,

- having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Employment and Social Affairs (A8-0082/2016),
1. Notes that the final annual accounts of the European Centre for the Development of Vocational Training are as annexed to the Court of Auditors' report;
 2. Approves the closure of the accounts of the European Centre for the Development of Vocational Training for the financial year 2014;
 3. Instructs its President to forward this decision to the Director of the European Centre for the Development of Vocational Training, 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).

3. MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Centre for the Development of Vocational Training for the financial year 2014 (2015/2164(DEC))

The European Parliament,

- having regard to its decision on discharge in respect of the implementation of the budget of the European Centre for the Development of Vocational Training for the financial year 2014,
 - having regard to Rule 94 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Employment and Social Affairs (A8-0082/2016),
- A. whereas, according to its financial statements, the final budget of the European Centre for the Development of Vocational Training (“the Centre”) for the financial year 2014 was EUR 17 275 766, representing a decrease of 3,62 % compared to 2013;
- B. whereas the Court of Auditors (“the Court”), in its report on the annual accounts of the Centre for the financial year 2014 (“the Court’s report”), has stated that it has obtained reasonable assurances that the College’s annual accounts are reliable and that the underlying transactions are legal and regular;

Follow-up of the 2013 discharge

1. Welcomes the measures put in place by the Centre in reaction to the Court’s comments in the previous year, as well as to Parliament's recommendations;

Budget and financial management

2. Notes with satisfaction that the budget monitoring efforts during the financial year 2014 resulted in a budget implementation rate of 98,93 %, at same level as in 2013; notes, furthermore, that the payment appropriations execution rate was at 95,68 %, representing an increase of 3,29 % compared with 2013;

Procurement and recruitment procedures

3. Appreciates the continued efficiency of the Centre's support services in 2014; 95 out of 98 posts in the establishment plan were filled and the average timeliness of payments remained stable;

Prevention and management of conflict of interest and transparency

4. Notes that in October 2014 the Centre’s Governing Board adopted a policy on the prevention and management of conflicts of interests adapted to the Centre's situation and comprising of the relevant situations of potential conflict of interests conceivable at the

Centre; welcomes the regular training sessions organised by the Centre in order to raise awareness among its staff on the correct implementation of that policy; observes that the first training sessions took place in June 2015;

5. Notes that the majority of members of the Centre's Governing Board has signed the declarations of absence of conflict of interest; notes, moreover, that those declarations were published on the Centre's website following the consent of the members in question; urges the members of the Governing Board which have not yet signed the declaration to do so as soon as possible;
6. Takes note that the Centre adopted in October 2014 an anti-fraud strategy based on the Common Approach on EU decentralised agencies developed by the Commission in order to support effective prevention and detection of fraud risks and to strengthen appropriate internal procedures for reporting and handling potential fraud cases and their outcomes;
7. States that the annual reports of the Centre could play an important role in compliance regarding transparency, accountability and integrity; calls on the Centre to include a standard chapter on these components in its annual report;

Internal audit

8. Acknowledges that the Commission's Internal Audit Service (IAS) carried out an audit on one of the four topics included in the IAS Strategic Audit Plan 2013 to 2015; observes that the IAS issued in its final audit report one recommendation marked as "very important" and four recommendations marked as "important"; acknowledges that, further to the "very important" recommendation having already been implemented at year-end, the rating of the recommendation was downgraded to "important"; acknowledges, moreover, that the action plan drafted as a result of the audit is being implemented as planned;

Internal controls

9. Notes that the Centre regularly performs a risk assessment and prepares a risk management plan (RMP) in order to identify the risks which could affect the achievement of the Centre's objectives; notes with concern that the RMP indicates that there is a risk that the Centre is unable to treat unforeseen external demands from stakeholders due to its available resources already being overstretched; acknowledges that the Centre is closely monitoring the changes in its work programme in order to adjust it in line with available resources or to integrate the activities resulting from the changes appropriately;

Performance

10. Notes that the periodic external evaluation of the Centre contained recommendations on how it could develop and strengthen its role; notes, furthermore, that in April 2014 the Centre drafted an action plan to follow up on those recommendations which was presented to its Governing Board; observes that 7 out of 23 recommendations and related actions were closed by the end of 2014; invites the Centre to inform the discharge authority of the advancements made regarding the implementation of the remaining recommendations;
11. Observes that the periodic external evaluation also examined possible synergies between the Centre, the European Training Foundation (ETF), the European Foundation for the

Improvement of Living and Working Conditions (EUROFOUND) and the European Agency for Safety and Health at Work (EU-OSHA); acknowledges that, according to the conclusions of the evaluation, the Centre did not duplicate activities of any other actors at Union, national or international level;

12. Takes note of the Centre's close cooperation with the ETF and EUROFOUND, which is formalised in cooperation agreements between these agencies as well as in previously agreed annual work programmes;
13. Notes the Centre's work on increasing the visibility of vocational education and training in the Union and of its own role through its website, social media, organisation of different events in the host Member State as well as through collaboration with the Commission in several publications and press work;

Other comments

14. Regrets that the repair works on the Centre's building in Greece were not finalised by the end of 2014; acknowledges, however, that the repairs are under the responsibility of the Government of the host Member State and that the relevant constructions works had to be suspended due to the economic situation in the host Member State; notes that the remaining works were to be finalised by the end of 2015 and calls on the Centre to further report to the discharge authority on this issue;
15. Appreciates that the Centre focused its activity on contributing to and supporting policies addressing youth unemployment; commends particularly the Centre's skills forecasts and analyses as well as the work focusing on developing apprenticeships; takes note with satisfaction that the information from the detailed country fiches on vocational education and training policies, prepared by the Centre for all Member States, was reflected in the 2014 country-specific recommendations of the European Semester;
16. Believes that the Centre should assist Member States which face the challenge of an increased number of refugees in making use of vocational training opportunities for integrating them in labour markets;
17. Welcomes the fact that visits to the Europass website managed by Centre and available in 27 languages reached 21,7 million users in 2014, representing an increase of 8 % on the 2013 figures;

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18. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of [xx xxxx 2016]¹ on the performance, financial management and control of the agencies.

¹ Texts adopted of that date, P8_TA(-PROV)(2016)0000.

26.1.2016

OPINION OF THE COMMITTEE ON EMPLOYMENT AND SOCIAL AFFAIRS

for the Committee on Budgetary Control

on discharge in respect of the implementation of the budget of the European Centre for the Development of Vocational Training for the financial year 2014
(2015/2164(DEC))

Rapporteur: David Casa

SUGGESTIONS

The Committee on Employment and Social Affairs calls on the Committee on Budgetary Control, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Expresses its satisfaction that the Court of Auditors has declared the transactions underlying the Centre's annual accounts for the financial year 2014 to be legal and regular in all material respects and that its financial position as of 31 December 2014 is fairly represented;
2. Welcomes the measures put in place by the Centre in reaction to the Court's comments in the previous year, as well as to Parliament's recommendations;
3. Appreciates that the Centre focused its activity on contributing to and supporting policies addressing youth unemployment; commends particularly the Centre's skills forecasts and analyses as well as the work focusing on developing apprenticeships; takes note with satisfaction that the information from the detailed country fiches on vocational education and training policies, prepared by the Centre for all Member States, was reflected in the 2014 country-specific recommendations of the European Semester;
4. Believes that the Centre should assist Member States which face the challenge of an increased number of refugees in making use of vocational training opportunities for integrating them in labour markets;
5. Welcomes the fact that visits to the Europass website managed by Centre and available in 27 languages reached 21.7 million users in 2014, representing an increase of 8% on the 2013 figures;
6. Appreciates the continued efficiency of the Centre's support services in 2014; the

implementation rate of the budget remained high at 99,93 %; 95 out of 98 posts in the establishment plan were filled and the average timeliness of payments remained stable;

7. Welcomes the Centre's adoption in 2014 of its anti-fraud strategy, along with the policy on prevention and management of conflicts of interests at the Centre;
8. Deplores the continuation of serious delays with the repair works on the Centre's building which prevent the Centre from making full use of its conference facilities; recalls that the works were planned to be concluded in 2014, however only significant progress was recorded until the end of that year; urges the Greek authorities to do their utmost to make sure that the works are completed to guarantee that the Centre's facilities can be used the soonest.

RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

Date adopted	25.1.2016
Result of final vote	+: 32 -: 8 0: 2
Members present for the final vote	Laura Agea, Guillaume Balas, Enrique Calvet Chambon, David Casa, Ole Christensen, Jane Collins, Lampros Fountoulis, Arne Gericke, Thomas Händel, Marian Harkin, Czesław Hoc, Rina Ronja Kari, Agnieszka Kozłowska-Rajewicz, Kostadinka Kuneva, Jean Lambert, Jérôme Lavrilleux, Jeroen Lenaers, Dominique Martin, Anthea McIntyre, Joëlle Mélin, Elisabeth Morin-Chartier, Emilian Pavel, Georgi Pirinski, Terry Reintke, Sofia Ribeiro, Claude Rolin, Sven Schulze, Jutta Steinruck, Romana Tomc, Renate Weber, Tatjana Ždanoka, Jana Žitňanská
Substitutes present for the final vote	Maria Arena, Amjad Bashir, Lynn Boylan, Miapetra Kumpula-Natri, Paloma López Bermejo, Edouard Martin, Evelyn Regner, Michaela Šojdrová
Substitutes under Rule 200(2) present for the final vote	Eleonora Evi, Anneli Jäätteenmäki

RESULT OF FINAL VOTE IN COMMITTEE RESPONSIBLE

Date adopted	4.4.2016
Result of final vote	+ : 15 - : 4 0 : 0
Members present for the final vote	Louis Aliot, Inés Ayala Sender, Dennis de Jong, Martina Dlabajová, Ingeborg Gräßle, Verónica Lope Fontagné, Monica Macovei, Dan Nica, Gilles Pargneaux, Georgi Pirinski, Petri Sarvamaa, Claudia Schmidt, Bart Staes, Marco Valli, Derek Vaughan, Anders Primdahl Vistisen, Tomáš Zdechovský
Substitutes present for the final vote	Marian-Jean Marinescu
Substitutes under Rule 200(2) present for the final vote	Bodil Valero