



EUROPEAN PARLIAMENT

2014 - 2019

Committee on Employment and Social Affairs

2014/2075(DEC)

30.1.2015

OPINION

of the Committee on Employment and Social Affairs

for the Committee on Budgetary Control

on discharge in respect of the implementation of the general budget of the European Union for the financial year 2013, Section III – Commission and executive agencies
(2014/2075(DEC))

Rapporteur: Marian Harkin

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SUGGESTIONS

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

1. Notes that the Court of Auditors' report shows a slight decrease in the estimated error rate for the area of Employment and Social Affairs, which stood at 3,1 % in 2013 compared to 3,2 % in the previous year; notes that this error rate was still the second lowest amongst all policy areas and that Parliament expects a further decrease in the error rate over the next few years;
2. Emphasises the importance of the European Social Fund (ESF) as a main policy tool to implement employment and social policy; notes that ESF spending accounted for around 98 % of spending in the policy area in 2013;
3. Underlines the fact that under Council Regulation (EC) No 1083/2006¹, funds from the ESF may not be used to relocate jobs from one Member State to another; insists that the Commission and Member States carry out proper checks to make sure that Union funds are not misappropriated in that way;
4. Notes the Court's observations about the main risks to regularity of spending in this policy area, such as the risks related to the intangible nature of investments in human capital, the diversity of the activities and the involvement of multiple, often small-scale partners, in the implementation of projects; welcomes in this regard the specific mitigating actions taken by the Commission, including both preventative and corrective measures and the risk-based audits carried out by DG EMPL; welcomes the use of simplified cost options which reduce the administrative burden on the beneficiaries and are less prone to errors being made by Member States; asks the Commission to encourage Member States not to apply more demanding rules to ESF projects than to nationally funded projects;
5. Calls on the Commission to ensure that the national authorities responsible for managing the Structural Funds address the problem of personnel costs being charged for at higher rates for Union projects than for nationally funded projects;
6. Notes that the intention of Member States to absorb Union funds should pursue the achievement of results and objectives supported by the ESF and must not compromise the consistent application of effective controls, which, particularly towards the end of the eligibility period, can lead to the non-detection of the infringement of rules, with the subsequent funding of projects that are too costly, poorly implemented or unlikely to achieve the intended result;
7. Notes the recommendation of the Court of Auditors that the Commission should follow up with Member States on the weaknesses identified in the DG EMPL risk based thematic

¹ Council Regulation (EC) No 1083/2006 of 11 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1260/1999 (OJ L 2010, 31.7.2006, p. 25).

audit of management verifications and welcomes the new guidance developed by the Commission in order to further strengthen the reliability of management verifications in the 2014-2020 programming period; this guidance, which draws on the lessons learned from the previous programming period, has been presented to Member States and will be issued in the first half of 2015; emphasises that it is very important that the authorities in the Member States should use the information available for them to detect and correct errors prior to claiming reimbursements from the Commission, which will significantly reduce the error rate in the area of employment and social affairs;

8. Encourages DG EMPL to pursue its aim with regard to ESF to move further from the need to correct errors to a situation where errors are avoided and supports DG EMPL's efforts to help the Member States with the highest ESF error rates to improve their systems by using the best practices available; notes in this regard that the administrative capacity and organisation of DG EMPL should correspond to its work and responsibilities towards the Member States.

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	29.1.2015
Result of final vote	+: 46 -: 6 0: 0
Members present for the final vote	Laura Agea, Guillaume Balas, Tiziana Beghin, Brando Benifei, Mara Bizzotto, Viliija Blinkevičiūtė, Enrique Calvet Chambon, David Casa, Ole Christensen, Lampros Fountoulis, Elena Gentile, Arne Gericke, Marian Harkin, Danuta Jazłowiecka, Agnes Jongerius, Rina Ronja Kari, Jan Keller, Ádám Kósa, Agnieszka Kozłowska-Rajewicz, Zdzisław Krasnodębski, Kostadinka Kuneva, Jean Lambert, Jérôme Lavrilleux, Jeroen Lenaers, Verónica Lope Fontagné, Thomas Mann, Anthea McIntyre, Joëlle Mélin, Elisabeth Morin-Chartier, Georgi Pirinski, Marek Plura, Sofia Ribeiro, Maria João Rodrigues, Claude Rolin, Anne Sander, Sven Schulze, Siôn Simon, Jutta Steinruck, Romana Tomc, Yana Toom, Marita Ulvskog, Renate Weber, Tatjana Ždanoka, Jana Žitňanská, Inês Cristina Zuber
Substitutes present for the final vote	Tania González Peñas, Richard Howitt, Paloma López Bermejo, António Marinho e Pinto, Edouard Martin, Helga Stevens, Monika Vana