



**2015/2164(DEC)**

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## **DRAFT 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 replies<sup>1</sup>,
- having regard to the statement of assurance<sup>2</sup> 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 xx February 2016 on discharge to be given to the Centre in respect of the implementation of the budget for the financial year 2014 (xxxxxx/2016 – C8-xxxx/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 1605/2002<sup>3</sup>, 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 Training<sup>4</sup>, 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 Communities<sup>5</sup>,
- 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 Council<sup>6</sup>, and in particular Article 108 thereof,

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<sup>1</sup> OJ C 409, 9.12.2015, p. 39.

<sup>2</sup> OJ C 409, 9.12.2015, p. 39.

<sup>3</sup> OJ L 298, 26.10.2012, p. 1.

<sup>4</sup> OJ L 39, 13.2.1975, p. 1.

<sup>5</sup> OJ L 357, 31.12.2002, p. 72.

<sup>6</sup> 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 (A8-0000/2016),
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 replies<sup>1</sup>,
- having regard to the statement of assurance<sup>2</sup> 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 xx February 2016 on discharge to be given to the Centre in respect of the implementation of the budget for the financial year 2014 (xxxxxx/2016 – C8-xxxx/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 1605/2002<sup>3</sup>, 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 Training<sup>4</sup>, 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 Communities<sup>5</sup>,
- 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 Council<sup>6</sup>,

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<sup>1</sup> OJ C 409, 9.12.2015, p. 39.

<sup>2</sup> OJ C 409, 9.12.2015, p. 39.

<sup>3</sup> OJ L 298, 26.10.2012, p. 1.

<sup>4</sup> OJ L 39, 13.2.1975, p. 1.

<sup>5</sup> OJ L 357, 31.12.2002, p. 72.

<sup>6</sup> 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 (A8-0000/2016),
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 (A8-0000/2016),
- 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 European Centre for the Development of Vocational training 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;

#### ***Budget and financial management***

1. 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;

#### ***Prevention and management of conflict of interest and transparency***

2. Notes that the Centre’s Governing Board adopted in October 2014 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 this policy; observes that the first training sessions took place in June 2015;
3. 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;

4. 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;

### ***Internal audit***

5. 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 2013-2015; 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***

6. 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***

7. Notes that the periodic external evaluation of the Centre contained recommendations on how it could develop and strengthen its role; notes, furthermore, that the Centre drafted an action plan to follow up on those recommendations which was presented to its Governing Board in April 2014; 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;
8. Observes that the periodic external evaluation examined as well 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;
9. 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;
10. 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*

11. 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, as well as 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;

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

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<sup>1</sup> Texts adopted of that date, P8\_TA(-PROV)(2016)0000.