



2023/2155(DEC)

5.2.2024

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
Labour Authority
(2023/2155(DEC))

Rapporteur for opinion: Romana Tomc

PA_NonLeg

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:

- having regard to the European Court of Auditors' Annual report on the implementation of the EU budget for the 2022 financial year;
 - having regard to the European Court of Auditors' Annual report on EU agencies for the financial year 2022;
 - having regard to the European Labour Authority's Consolidated Annual Activity Report (CAAR) 2022;
1. Expresses its satisfaction that the European Court of Auditors (the 'Court') has declared the transactions underlying the European Labour Authority's (Authority) annual accounts for the financial year 2022 to be legal and regular and that its financial position as at 31 December 2022 is fairly represented;
 2. Notes that the year 2022 was the first full year after the Authority gained financial autonomy (in May 2021) and that the Authority is still in a growing stage reaching full resources only in 2024; welcomes that the budget of the Authority for the financial year 2022 was EUR 54 million (EUR 31 million in 2021)¹; expresses its satisfaction that the Authority's budget for 2022 was executed by 97% (95,8% in 2021); nevertheless, notes with concern the high rates of carry-overs of available 2022 commitment appropriations to 2023 which contradicts the budgetary principle of annuality and might indicate structural issues in the budget process and implementation cycle; highlights the need to keep ensuring adequate human and financial resources allowing the Authority to fulfill its mandate and continue implementing its work programme with a very high activity completion rate;
 3. Appreciates the fact that the Authority reacted promptly to the situation of those fleeing the Russian war of aggression against Ukraine and implemented information and enforcement activities focused on supporting Member States in protecting these vulnerable people from the risks of undeclared work and exploitation in the workplace;
 4. Appreciates the Authority's work to assist Member States and the Commission in ensuring a fair and effective enforcement of Union rules on labour mobility and coordination of social security systems, in facilitating effective labour mobility in Europe through European Employment Services (EURES) activities, and, effectively, making it easier for citizens and businesses to reap the benefits of the internal market; in this regard, welcomes the work of the Authority's four working groups on Information, Inspections, Mediation and European Platform tackling undeclared work;
 5. Notes that the Authority has not yet reached its full operational potential; highlights that

¹ These budget figures were taken from the ECA's Annual report on EU agencies for the financial year 2022 and are based on the total payment appropriations available during the financial year.

at the end of 2022, the proportion of temporary workers (seconded national experts (SNEs) and interims) at the Authority was 58 %, the highest proportion compared to all EU decentralised agencies; reiterates its previous calls for the conversion of 15² of the SNEs posts into temporary agents posts (TAs) to ensure the need for appropriate staffing for the Authority to be able to continue fulfilling its mission; notes that high reliance on temporary workers leads to a regular high staff turnover, entailing the risk of losing expertise (specialised knowledge, contact networks built with stakeholders), which could negatively affect ELA's operational capabilities; notes that a high staff turnover may also impact business continuity and could negatively affect ELA's overall performance;

6. Notes that one of the Authority's objectives is to facilitate and enhance cooperation between Member States in the enforcement of relevant Union law across the Union, including facilitating concerted and joint inspections; looks forward to the forthcoming Commission evaluation in 2024 of the Authority's performance in relation to its objectives, mandate and tasks; notes that the Commission on the basis of this evaluation may, as appropriate, submit a legislative proposals to review the scope of the Authority;
7. Notes with concern that the Court reported weaknesses in public procurement procedures, particularly regarding the legality and regularity of transactions, where a contract was awarded to a tender whose financial offer exceeded the maximum budget with more than 100%; calls on the Authority to further improve its public procurement procedures, ensuring full compliance with the applicable rules and financial regulations, to ensure they achieve the best possible value for money; calls on the ELA to lead by example and make use of the social clause in the existing EU Public Procurement Directive to ensure that economic operators involved in public contracts comply with all applicable obligations in the fields of environmental, social and labour law established by Union law, national law or collective agreement, or by applicable international environmental, social or labour law provisions;
8. Regrets that the Court found systematic weaknesses in the Authority's management and control systems, particularly related to the payment of daily and monthly allowances to SNEs and national liaison officers (NLOs); acknowledges that from 2023 the Authority has strengthened the management and control of the SNE file; welcomes ELA's acknowledgement of the Court's observations and its commitment to address these deficiencies in a timely manner;
9. Emphasizes that despite the fact that the Authority has been set up in difficult circumstances, the staff is very much engaged; stresses, however, that the staff needs support in the area of human resources and calls on the Authority to take necessary measures to ensure health and safety in the workplace, including training for staff, and information on access to available health systems;
10. Notes that the Authority is among the EU agencies which yet has to established a corporate plan to improve the energy efficiency and climate neutrality of its operations;
11. Encourages the Authority to develop an active cooperation with other agencies and to

² EMPL opinion on discharge in respect of the implementation of the budget of the European Labour Authority.

report regularly to the European Parliament on its progress made;

12. Recommends, on the basis of the facts available, that discharge be granted to the Executive Director of the European Labour Authority in respect of the implementation of the Authority's budget for the financial year 2022.

**ANNEX: ENTITIES OR PERSONS
FROM WHOM THE RAPPORTEUR HAS RECEIVED INPUT**

The rapporteur declares under her exclusive responsibility that she did not receive input from any entity or person to be mentioned in this Annex pursuant to Article 8 of Annex I to the Rules of Procedure.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	11.1.2024
Result of final vote	+: 35 -: 1 0: 3
Members present for the final vote	João Albuquerque, Atidzhe Alieva-Veli, Dominique Bilde, Vilija Blinkevičiūtė, Milan Brglez, Jordi Cañas, David Casa, Leila Chaibi, Ilan De Basso, Jarosław Duda, Estrella Durá Ferrandis, Lucia Ďuriš Nicholsonová, Cindy Franssen, Chiara Gemma, Helmut Geuking, Elisabetta Gualmini, Agnes Jongerius, Radan Kanev, Ádám Kósa, Katrin Langensiepen, Elena Lizzi, Sara Matthieu, Jozef Mihál, Max Orville, Dennis Radtke, Antonio Maria Rinaldi, Mounir Satouri, Monica Semedo, Eugen Tomac, Nikolaj Villumsen, Maria Walsh
Substitutes present for the final vote	Catherine Amalric, Romeo Franz, Lina Gálvez Muñoz, José Gusmão, Carina Ohlsson
Substitutes under Rule 209(7) present for the final vote	Maria Noichl, Vera Tax, Romana Tomc

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

35	+
NI	Ádám Kósa
PPE	David Casa, Jarosław Duda, Cindy Franssen, Helmut Geuking, Radan Kanev, Dennis Radtke, Eugen Tomac, Romana Tomc, Maria Walsh
Renew	Atidzhe Alieva-Veli, Catherine Amalric, Jordi Cañas, Lucia Ďuriš Nicholsonová, Jozef Mihál, Max Orville, Monica Semedo
S&D	João Albuquerque, Vilija Blinkevičiūtė, Milan Brglez, Ilan De Basso, Estrella Durá Ferrandis, Lina Gálvez Muñoz, Elisabetta Gualmini, Agnes Jongerius, Maria Noichl, Carina Ohlsson, Vera Tax
The Left	Leila Chaïbi, José Gusmão, Nikolaj Villumsen
Verts/ALE	Romeo Franz, Katrin Langensiepen, Sara Matthieu, Mounir Satouri

1	-
ID	Dominique Bilde

3	0
ECR	Chiara Gemma
ID	Elena Lizzi, Antonio Maria Rinaldi

Key to symbols:

+ : in favour

- : against

0 : abstention