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## TEXTS ADOPTED

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### **P8\_TA(2017)0182**

#### **Discharge 2015: European Foundation for the Improvement of Living and Working Conditions (Eurofound)**

##### **1. European Parliament decision of 27 April 2017 on discharge in respect of the implementation of the budget of the European Foundation for the Improvement of Living and Working Conditions for the financial year 2015 (2016/2162(DEC))**

*The European Parliament,*

- having regard to the final annual accounts of the European Foundation for the Improvement of Living and Working Conditions for the financial year 2015,
- having regard to the Court of Auditors' report on the annual accounts of the European Foundation for the Improvement of Living and Working Conditions for the financial year 2015, together with the Foundation's reply<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 2015, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council's recommendation of 21 February 2017 on discharge to be given to the Foundation in respect of the implementation of the budget for the financial year 2015 (05873/2017 – C8-0049/2017),
- 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 1365/75 of the Council of 26 May 1975 on the creation of a European Foundation for the improvement of living and working

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<sup>1</sup> OJ C 449, 1.12.2016, p. 188.

<sup>2</sup> OJ C 449, 1.12.2016, p. 188.

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

conditions<sup>1</sup>, and in particular Article 16 thereof,

- 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>2</sup>, and in particular Article 108 thereof,
  - having regard to Rule 94 of and Annex IV 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 (A8-0111/2017),
1. Grants the Director of the European Foundation for the Improvement of Living and Working Conditions discharge in respect of the implementation of the Foundation's budget for the financial year 2015;
  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 Foundation for the Improvement of Living and Working Conditions, 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).

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<sup>1</sup> OJ L 139, 30.5.1975, p. 1.

<sup>2</sup> OJ L 328, 7.12.2013, p. 42.

## **2. European Parliament decision of 27 April 2017 on the closure of the accounts of the European Foundation for the Improvement of Living and Working Conditions for the financial year 2015 (2016/2162(DEC))**

*The European Parliament,*

- having regard to the final annual accounts of the European Foundation for the Improvement of Living and Working Conditions for the financial year 2015,
  - having regard to the Court of Auditors' report on the annual accounts of the European Foundation for the Improvement of Living and Working Conditions for the financial year 2015, together with the Foundation's reply<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 2015, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
  - having regard to the Council's recommendation of 21 February 2017 on discharge to be given to the Foundation in respect of the implementation of the budget for the financial year 2015 (05873/2017 – C8-0049/2017),
  - 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 1365/75 of the Council of 26 May 1975 on the creation of a European Foundation for the improvement of living and working conditions<sup>4</sup>, and in particular Article 16 thereof,
  - 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>5</sup>, and in particular Article 108 thereof,
  - having regard to Rule 94 of and Annex IV 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 (A8-0111/2017),
1. Approves the closure of the accounts of the European Foundation for the Improvement of Living and Working Conditions for the financial year 2015;

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<sup>1</sup> OJ C 449, 1.12.2016, p. 188.

<sup>2</sup> OJ C 449, 1.12.2016, p. 188.

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

<sup>4</sup> OJ L 139, 30.5.1975, p. 1.

<sup>5</sup> OJ L 328, 7.12.2013, p. 42.

2. Instructs its President to forward this decision to the Director of the European Foundation for the Improvement of Living and Working Conditions, 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. European Parliament resolution of 27 April 2017 with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Foundation for the Improvement of Living and Working Conditions for the financial year 2015 (2016/2162(DEC))**

*The European Parliament,*

- having regard to its decision on discharge in respect of the implementation of the budget of the European Foundation for the Improvement of Living and Working Conditions for the financial year 2015,
  - having regard to Rule 94 of and Annex IV 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 (A8-0111/2017),
- A. whereas, according to its financial statements, the final budget of the European Foundation for the Improvement of Living and Working Conditions (the “Foundation”) for the financial year 2015 was EUR 20 860 000 representing an increase of 0,42 % compared to 2014,
- B. whereas the Court of Auditors (the “Court”) in its report on the Foundation’s annual accounts for the financial year 2015 (the “Court's report”), stated that it has obtained reasonable assurances that the Foundation’s annual accounts for the financial year 2015 are reliable and that the underlying transactions are legal and regular,
- C. whereas, in the context of the discharge procedure, the discharge authority stresses the particular importance of further strengthening the democratic legitimacy of the Union institutions by improving transparency and accountability, implementing the concept of performance based budgeting and good governance of human resources,

#### ***Follow-up of 2014 discharge***

1. Notes that the Foundation was committed to increasing the number of declarations of interest and CVs available on its website and that it aimed to collect declarations from all board members as the new governing board was to be appointed after the expiry of the mandate of the current board in November 2016; notes, however, that some of the governing board’s CVs and declarations of interests are still missing; calls on the Foundation to acquire and publish those documents to ensure necessary public oversight and scrutiny of its management;
2. Notes that, according to the Court's report, the observation in the Court's 2013 report regarding a comprehensive headquarters agreement between the Foundation and the Member State hosting the Foundation is marked as ”completed”;
3. Notes that, according to the Court's report, the observation in the Court's 2014 report regarding non-compliance of the Foundation with the Staff Regulations is marked as “completed”;

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

4. Notes that the Foundation is making efforts to ensure a full delivery of the work programme, which requires full use of the budgetary funds; notes that the budget monitoring efforts during the financial year 2015 resulted in a budget implementation rate of 99,9 % and that the payment appropriations execution rate was 87,35 %, representing an increase of 7,55 % compared to 2014;

#### ***Commitments and carry-overs***

5. Notes that, according to the Court's report, the level of committed appropriations carried forward to 2016 was at EUR 2 135 164 (31,2 %) for Title III (operational expenditure), compared to EUR 3 814 156 (53,7 %) in 2014; acknowledges the fact that the Foundation's committed appropriations are high mainly due to multi-annual projects implemented according to schedule;
6. Notes that carry-overs may often be partly or fully justified by the multiannual nature of the agencies' operational programmes, do not necessarily indicate weaknesses in budget planning and implementation and are not always at odds with the budgetary principle of annuality, in particular if they are planned in advance and communicated to the Court; welcomes the fact that the Foundation, together with the Court, established a procedure which allows a transparent distinction between "planned" and "unplanned" carry-overs;

#### ***Procurement and recruitment procedures***

7. Notes that the Foundation's advisory committee on procurement and contracts (ACPC), which gives an opinion on contract proposals with a value of at least EUR 250 000, examined five dossiers in 2015 and that all its opinions were favourable; notes, in addition, that the ACPC carried out an annual *ex-post* verification of two out of five contracts awarded in 2015; notes that although the ACPC issued specific comments and recommendations, it was satisfied that the Foundation adhered to the procurement procedures;

#### ***Performance***

8. Notes that the Foundation's target of 80 % regarding the number of planned outputs in its work programme was not achieved, even though the Foundation improved its performance in comparison to 2014; notes that the reasons why the Foundation missed the target are principally related to delays by contractors and the scarcity of staff resources; notes, furthermore, that a more realistic number of projects and deliverables was planned and implemented in 2016, in line with the Foundation's reduced resources; is concerned that, with the current resources outlook, the Foundation's pan-European surveys are not secured in the long term as well as that the Foundation cannot commit to embark on further work, such as on migrants and refugees or undeclared work, despite strongly worded requests by its governing board; calls on the Foundation and the Commission to tackle the scarcity of staff resources and report back to the discharge authority on the possible solutions;
9. Is concerned that the overall 10 % reduction of staff has had an impact on the delay of some of the Foundation's projects and contributed to difficult discussions in relation to negative priorities with the governing board's bureau; acknowledges the fact that the Foundation managed to comply with the reductions imposed by the Commission even though all its establishment plan posts were filled in the previous years; calls on the

Commission to ensure that potential further cost-saving measures do not hinder the Foundation's ability to fulfil its mandate; calls on the budgetary authority to take this into account during the budgetary procedure;

### ***Internal controls***

10. Notes that, in line with the prioritisation made in 2014, the Foundation's internal control coordinator focused on further developing the three internal control standards relating to staff allocation and mobility, processes and procedures, as well as to document management; notes, in addition, that two members of the internal control committee attended a 'train the trainer' course on anti-fraud organised by the European Anti-fraud Office;

### ***Internal audit***

11. Notes that the internal audit service (IAS) did not carry out any audit in the Foundation during 2015; notes that the three pending recommendations, stemming from the audit on 'customer relations and stakeholder relations management' conducted by the IAS in 2013, were closed in 2015;

### ***Prevention and management of conflicts of interests and transparency***

12. Welcomes the fact that in 2016 the Foundation raised awareness of its conflicts of interests and anti-fraud policies among its staff by using specific training offered to all members of staff; notes with satisfaction, furthermore, that that training is intended to become a standard part of the induction programme for new members of staff;

### ***Other comments***

13. Notes that 17 members of staff participated in 2015 in two away days for which the cost was EUR 2 136 (namely, EUR 126 per person);
14. Notes the efficiency of the eTendering platform for managing calls for tender, which consists of the publication of tender documents and the management of questions and answers concerning the specifications and the procedure;
15. Welcomes the publishing of the current programming document 2017 to 2020, which sets out the policy and institutional context for the programme, describes the multiannual programme for the four-year period, and sets out the work programme for 2017;
16. Stresses that the Foundation's host Member State is to provide the best possible conditions to ensure the functioning of the Foundation, including multilingual, European-oriented schooling and appropriate transport connections;
17. Notes that necessary arrangements concerning the accommodation to be provided for the Foundation in the host Member State is to be laid down in a Headquarters Agreement between the Foundation and that Member State;
18. Acknowledges the Foundation's progress in the implementation of the current four-year programme for 2013 to 2016 on research to assist the development of social and labour policies; welcomes its input to policy development through a consistently high number

of quality surveys, studies, presentations, events and projects in order to constantly improve the living and working conditions in the Union; notes the start of the European Parliament's pilot project, "The future of manufacturing in Europe"; considers it to be important to maintain strong cooperation between the Foundation and Parliament's Committee on Employment and Social Affairs in order to continue to engage in constructive and evidence-based discussions; calls on the Foundation to continue to closely monitor, analyse and report on living and working conditions and to provide expertise for their improvement;

19. Notes the high-level impact of the Foundation, particularly in supporting the Union institutions, as reflected in the performance indicators presented in the consolidated annual activity report;

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20. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 27 April 2017<sup>1</sup> on the performance, financial management and control of the agencies.

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<sup>1</sup> Texts adopted, P8\_TA(2017)0155.