

**RESOLUTION OF THE EUROPEAN PARLIAMENT****of 3 April 2014****with observations forming an integral part of its Decision on discharge in respect of the implementation of the budget of the European Training Foundation for the financial year 2012**

THE EUROPEAN PARLIAMENT,

- having regard to the final annual accounts of the European Training Foundation for the financial year 2012,
  - having regard to the Court of Auditors' report on the annual accounts of the European Training Foundation for the financial year 2012, together with the Foundation's replies <sup>(1)</sup>,
  - having regard to the Council's recommendation of 18 February 2014 (05849/2014 – C7-0054/2014),
  - having regard to Article 319 of the Treaty on the Functioning of the European Union,
  - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities <sup>(2)</sup>, and in particular Article 185 thereof,
  - 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 (EC) No 1339/2008 of the European Parliament and of the Council of 16 December 2008 establishing a European Training Foundation <sup>(4)</sup>, and in particular Article 17 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,
  - having regard to its previous discharge decisions and resolutions,
  - having regard to Rule 77 of, and Annex VI 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 (A7-0182/2014),
- A. whereas according to its financial statements, the budget of the European Training Foundation ('the Foundation') for the financial year 2012 was EUR 20 144 530, representing an increase of 1,48 % compared to 2011,
- B. whereas the Court of Auditors has stated that it has obtained reasonable assurances that the Foundation's annual accounts for the financial year 2012 are reliable and that the underlying transactions are legal and regular,

<sup>(1)</sup> OJ C 365, 13.12.2013, p. 206.

<sup>(2)</sup> OJ L 248, 16.9.2002, p. 1.

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

<sup>(4)</sup> OJ L 354, 31.12.2008, p. 82.

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

<sup>(6)</sup> OJ L 328, 7.12.2013, p. 42.

1. Points out the Foundation's important role in contributing to improving human capital development in the partner countries; welcomes, in this regard, the achievement of the objectives of the work programme, as shown by the increased number of corporate outputs in 2012 detailed in the annual activity report; acknowledges the emphasis placed by the Foundation's activity on the important issues of youth employment and the renewed focus on vocational education and training, the skills dimension of small and medium-sized enterprises and migration processes;
2. Notes with regret from the Foundation's annual accounts that the issue of the Foundation's premises remained unsolved in 2012, despite the preventive and mitigation actions put in place; welcomes the fact that an agreement was concluded with the regional authorities in 2013, which ensures the continuation of the Foundation's activities for the 2013-2015 period;

#### **Follow-up of 2011 discharge**

3. Acknowledges from the Court of Auditors' report that corrective actions taken in response to previous year's comments have been completed;
4. Acknowledges from the Foundation that:
  - the Foundation cooperates closely with the European Centre for the Development of Vocational Training ('Cedefop'), including cooperation on administrative issues, in the context of an annual joint work programme annexed to the annual work programme of each Agency and reported in their respective annual activity reports,
  - on main thematic areas, under DG EAC coordination, the Foundation and Cedefop will set up common projects focusing on the added value of the cooperation of the two very distinctive agencies; notes that an on-going area of cooperation concerns the Copenhagen/Bruges review process,
  - the Foundation also cooperates closely with the European Foundation for the Improvement of Living and Working Conditions under a collaboration agreement which includes an annual joint action plan; notes that although the Foundation has no areas of common interest with the European Agency for Safety and Health at Work, nevertheless it will cooperate willingly with any Commission initiative aimed at achieving economies of scale and optimising performance among agencies;

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

5. Notes that budget monitoring efforts during the financial year 2012 resulted in a budget implementation rate of 99,91 %; notes that the payment appropriations execution rate was 95,49 %;

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

6. Acknowledges from the Court of Auditors' report that in 2012, the overall level of committed appropriations was 99,9 %, indicating that commitments were made in a timely manner; notes, however, that the level of committed appropriations carried over to 2013 was high for title II (administrative expenditure) at EUR 600 000 (36,8 %); appreciates that the main reasons for such a high level were the late receipt of invoices for building-related services delivered in 2012 (EUR 300 000) and a number of IT hardware and software purchases ordered as planned during the last months of 2012 (EUR 300 000) but not delivered until 2013;

#### **Transfers**

7. Notes with satisfaction that according to the Foundation's annual activity report, as well as the Court of Auditors' findings, the level and nature of transfers in 2012 have remained within the limits of the financial rules; commends the Foundation for its good budgetary planning;

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

8. Notes that for the year 2012, neither sampled transactions nor other audit findings have led to any comments on the Foundation's procurement procedures in the Court of Auditors' annual audit report;

9. Notes that the Court of Auditors, in its annual audit report for 2012, made no comments as regards the Foundation's recruitment procedures;
10. Welcomes the measures taken by the Foundation in response to concerns raised about the lack of treasury policy and transparency of recruitment procedures;
11. Regrets that before adopting a formal decision, the Governing Board failed to inform Parliament of its intention to extend the Director's term of office, as provided for by Article 10 of Regulation (EC) No 1339/2008; recalls that the procedure is independent of the high quality of the person confirmed as Director; demands full respect for the role and powers of Parliament, as provided for in that Regulation;

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

12. Welcomes the adoption of guidelines on preventing and managing conflicts of interests in June 2013; calls on the Foundation to make those guidelines available on its website;
13. Observes that the CVs and declarations of interests of the members of the Governing Board, as well as the declarations of interests of the Executive Director and senior management, are not publicly available; calls on the Foundation to remedy the situation as a matter of urgency;

#### **Internal audit**

14. Acknowledges from the Foundation that as of 23 May 2013, the Commission's Internal Audit Service (IAS) has formally closed 12 out of the 14 recommendations from the 2011 IAS audit on communication and that the Foundation does not have any outstanding open recommendations ranked as 'very important'; notes however, that there are still two open IAS audit recommendations from the 2011 IAS audit on external and internal communication, both ranked as 'important', one of which is considered to have been implemented by the Foundation and is currently pending IAS review and closure, while the other is in the process of implementation and was expected to be fully implemented in 2013 in line with planned actions;

#### **Performance**

15. Requests that the Foundation communicate the results and impact its work has on the European citizens in an accessible way, mainly through its website;
16. Refers, in respect of the other observations accompanying its Decision on discharge, which are of a horizontal nature, to its resolution of 3 April 2014 <sup>(1)</sup> on the performance, financial management and control of the agencies.

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<sup>(1)</sup> Texts adopted, P7\_TA(2014)0299 (see page 359 of this Official Journal).