

2006 discharge: European Centre for the Development of Vocational Training Cedefop

2007/2046(DEC) - 29/01/2008

Based on the observations contained in the revenue and expenditure account for 2006, CEDEFOP's balance sheet of revenue and expenditure at 31 December 2006, the Court of Auditor's report on the Centre's annual accounts for 2006, alongside the Centre's responses to the observations made by the Court, the Council recommends that the European Parliament provide the discharge to the director of the Centre in respect of the implementation of its budget for the financial year 2006.

In doing so, the Council confirms that the appropriations carried over from 2005 to 2006 (EUR 1.1 million) were used up to the agreed limit of EUR 600 000 (83%), that the appropriations carried over from 2006 to 2007 amount to EUR 1.5 million and that EUR 2.8 million was cancelled.

The Council notes that the Court has been able to issue a statement of reasonable assurance on the reliability of the Centre's annual accounts for the financial year ended 31 December 2006. However, it regrets that in respect of the reasonable assurance as to the legality and regularity of the underlying transactions, taken as a whole, the Court has excluded the transactions concerning the absence of a legal basis for a decision to grant a compensation for non-pecuniary harm not provided for in the staff Regulations. While noting the efforts undertaken by the Centre to improve its management, the Council would like to draw attention to the issues mentioned below:

- **compensation for non-pecuniary harm:** the Council takes note of the fact that the Legal Service of the Commission confirms the legality of the decision of Centre's Appeal Committee. However, it calls on the Centre to implement their rules so as to minimize the level of risk;
- **inventory procedure:** the Council notes with concern the lack of an inventory procedure and calls on the Centre to pursue the efforts undertaken to develop a reliable and exhaustive inventory management system; regarding the deficiencies in the documentation of the main procedure, including the internal control processes, the Council calls on the Centre to remedy it without delay;
- **recruitment:** the Council notes with concern that there are still problems in the recruitment procedure. In this respect, the Council recalls the Recommendations made in 2005 and expects the measures taken by the Centre in 2007 to be effective, in order to avoid unnecessary costs and legal risks;
- **procurement:** the Council regrets the lack of transparency and of information in the procurement procedure. However, the Council takes note of the measures taken by the Centre during 2007 calls strongly on the Centre to continue its efforts to ensure that the contract award procedures are transparent and well documented.