2008 discharge: European Police College CEPOL

2009/2127(DEC) - 05/05/2010 - Text adopted by Parliament, single reading

The European Parliament adopted by 605 votes to 6, with 12 abstentions, a decision **to postpone its decision on discharge to be granted to the Director of the European Police College (CEPOL)** in respect of the implementation of its budget for the financial year 2008.

Parliament thus postpones the closure of CEPOL's accounts.

In parallel, Parliament adopted by 605 votes, to 4, with 10 abstentions, a resolution containing a series of observations on budgetary and financial management which may be summarised as follows:

- **criticisms of the Court of Auditors:** Parliament considers that the Court made a great number of criticisms in regard to CEPOL's budgetary and financial management and that, for the most part, the College's responses are vague and insufficient. It considers, as a result, that the discharge authority is not in a position to evaluate well whether the College will be able to improve in the future;
- **structural problems:** given the small size of the College, Parliament considers that this calls into question its capacity to handle effectively the complexities of the EU's financial and staff regulations. Moreover, the College secretariat's location, in Bramshill, some 70 kilometres from London, is a disadvantage, inter alia as regards recruitment and public transport links. Overall, Parliament questions whether the College's new Director will be able to address these structural problems and wonders whether consideration should not be given to attaching the College to Europol;
- **College governance and transparency:** Parliament notes the College's high fixed governance costs, noting that the College has a 27-member Governing Board and calls for a list of board members to be placed on the website of the College;
- **reliability of the accounts:** Parliament is concerned about the overall quality of financial information supplied and the fixed assets management systems. It also regrets that no ex post control by an external company was launched even in mid-2009 (following the Court of Auditors' findings in the 2007 financial year report that there were cases of appropriations which were used to finance private expenditure). Parliament calls on the College to take all the steps needed to ensure that such a control is carried out as speedily as possible;
- **weaknesses in procurement procedures:** noting the number and serious nature of irregularities in the procedure used for a public supply contract, Parliament stresses, as in previous years, the need for the College to strictly abide by the Financial Regulation and EC public procurement legislation;
- **failure to comply with the rules governing expenditure on courses:** Parliament notes the great number of administrative and financial rules governing expenditure on the organisation of courses and seminars, which were not followed and the irregularities regarding the routine organisation of the College. In this regard, it calls on the College to take steps to improve the situation;
- **carryover of appropriations:** CEPOL carried over 31 % of its total budget in 2008 and this situation is at odds with the principle of annuality. For this reason, Parliament calls on the College to introduce a system of differentiated appropriations in future budgets for grants, so as to obviate the need for cancellations;
- **other irregularities:** Parliament notes the absence of a legal commitment covering a total of EUR 39 500, budgetary commitments preceding the legal commitments in nine cases covering a total of EUR 244 200. As a result, the College needs to take steps to improve this situation and, in the coming years, the discharge for the implementation of its budget should be further based on its performance throughout the year;

- **ongoing OLAF investigation:** Parliament recalls the OLAF investigation into the use of public money for private purposes by members of the College's staff and is pleased to note that some information has been obtained. This relates to the fact that the recovery process has been initiated for the amounts involved. It calls on the College and the Commission to communicate the findings of the OLAF investigation to the discharge authority without delay;
- **human resources:** Parliament notes that it was not until 2009 that the College issued a vacancy notice for the recruitment of an Internal Control Standards Coordinator and that the interviews for that post were then scheduled for early 2010;
- **internal audit:** Parliament calls on the College to implement the recommendations made by the Internal Audit Service (IAS), in particular in regard to public procurement; management assurance; fixed assets (inventory system); management of delegations (delegations must be fully documented and regularly reviewed); budgetary management; compliance with accounting rules and principles; and the checklist ensuring consistency and documentation of the financial controls;
- **Action plan:** lastly, Parliament calls on the CEPOL to adopt and implement an action plan to meet the objectives set out in the annex to this report by 30 June 2010. As a second step, the College's Director, in cooperation with the IAS and the parent directorate-general (DG) would have to draft specific measures and a timetable for implementation of that plan and to submit them to the Governing Board for adoption. Parliament calls on the College to communicate the specific measures and indicators adopted to the discharge authority by 30 June 2010, as well as on the Court of Auditors to deliver an opinion in letter form on the establishment of the College's action plan to the discharge authority at the earliest opportunity.

Parliament also makes a number of general recommendations that are contained in the resolution on the performance, financial management and control of EU agencies (see 2010/2007(INI) adopted in parallel).