

2009 discharge: European Training Foundation ETF

2010/2175(DEC) - 21/03/2011

The Committee on Budgetary Control adopted the report by Georgios STAVRAKAKIS (S&D, EL) on discharge to be granted to the Director of the European Training Foundation for implementation of the Foundation's budget for the financial year 2009.

Noting that the Foundation's annual accounts for the financial year 2009 are reliable, and the underlying transactions are legal and regular, MEPs approve the closure of the Foundation's accounts. However, they make a number of recommendations that need to be taken into account when the discharge is granted, in addition to the general recommendations that appear in the draft resolution on financial management and control of EU agencies (see [DEC/2010/2271](#)):

- **performance:** Members welcome the Foundation's intention to improve the performance of Vocational Education and Training (VET) systems in the Foundation partner countries ("Torino Process") and to develop a common methodology with International Organisations and Bilateral Donors to improve its role. They call again on the Foundation to set out a comparison of the operations that were carried out during the year for which discharge is to be granted and during the previous financial year so as to enable the discharge authority to assess its performance more effectively from one year to the next;
- **cooperation with CEDEFOP:** Members note that, each year, the Foundation and CEDEFOP draft a joint work programme and welcome the Foundation's intention to devote further space to reporting on the implementation of this joint work programme in future Annual Activity Reports;
- **budgetary management:** Members urge the Foundation to draw up budgetary procedures more rigorously in order to avoid the considerable number of budgetary transfers. They also call on it to obtain the authorisation of its Governing Board when transfers are required (because this is required by the Foundation's Financial Regulation). They also call on the Foundation to closely follow the provisions of the basic regulation, especially where financial transfers between titles are concerned. They take the view, however, that activity-based budgeting is difficult in a system that separates staff and administrative expenditure from operational expenditure, especially for an agency of which the main activities are providing policy analyses, disseminating and exchanging information and experience and supporting partner-country capacity building;
- **human resources:** Members welcome the Foundation's initiative of undertaking a thorough review of its recruitment procedures in response to the findings of the Internal Audit Service (IAS) and to the recommendations made by the Parliament;
- **internal audit:** Members welcome the initiative of providing the discharge authority with the IAS Annual Internal Audit Report concerning the Foundation. They call on the Foundation to implement the IAS recommendations rapidly, particularly those regarding the Director's Declaration of Assurance, the internal control system, on a better description of risk management, the introduction of ex-post controls on financial transactions and on the definition of target values for corporate indicators.