2010 discharge: European Centre for the Development of Vocational Training (CEDEFOP)

2011/2213(DEC) - 12/04/2012 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Monica Luisa MACOVEI (EPP, RO) on discharge to be granted to the Director of the European Centre for the Development of Vocational Training in respect of the implementation of the budget for the financial year 2010.

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts of the Centre for the financial year 2010 are reliable and that the underlying transactions are legal and regular, Members approve the closure of the Centre'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 performance, financial management and control of EU agencies:

- **Budget and financial management**: Members note from the Centre's annual accounts for the financial year 2010 that the representation expenses and the meeting expenses increased respectively by 233 % and 37 % compared with 2009. They also note that, in 2010, the Centre did not meet the target for using funds (annual contributions from two non-Member States which are managed as assigned revenue requiring them to be committed for specific projects), as already commented on by the Court in its report on the 2009 financial year. They call on the Centre to keep the discharge authority informed of the use of these contributions;
- **Carryover appropriations:** Members note that the Centre carried forward a number of appropriations from one budget heading to another (when some carryovers were unauthorised because they were not automatic). They note some improvements as cancelled payment appropriations were down from 24 % in 2009 to 14 % in 2010 but, nevertheless, call on the Centre to **put further efforts into reducing carryover appropriations**;
- **Transfers**: Members call on the Centre to reduce as much as possible transfers of commitment appropriations in order also to apply the principle of specification;
- **Human resources**: Members observe from its Annual Activity Report (AAR) that on 31 December 2010 the Centre employed 96 staff, 5 posts fewer than provided for in its establishment plan. They take note of the Governing Board's statement in its opinion on the Centre's 2010 final Annual Account that the recruitment procedures for all five open posts were in progress or had been successfully completed by 31 December 2010;
- **Internal audit**: Members note that that the Internal Audit Service (IAS) had observed that the Centre has started to implement new Internal Control Standards (ICS) in 2009 and baseline requirements were fully met by the end of 2010 with very few exceptions. A1s far as the Internal Audit Capacity (IAC) is concerned, Members note that following an IAC audit of grant procedures the Centre proceeded to recover amounts paid to national grant beneficiaries totalling EUR 23 647.67. On the whole, they are of the view that the IAC's reports could lead to further improvements in the internal control measures for procurement and grant procedures.