2017 discharge: European Foundation for the Improvement of Living and Working Conditions (Eurofound)

2018/2179(DEC) - 01/03/2019 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Petri SARVAMAA (EPP, FI) on discharge in respect of the implementation of the budget of the European Foundation for the Improvement of Living and Working Conditions (Eurofound) for the financial year 2017.

The committee called on the European Parliament to grant the Director of the Foundation discharge in respect of the implementation of the Foundation's budget for the financial year 2017.

Noting that the Court of Auditors stated that it had obtained reasonable assurance that the annual accounts of the Foundation for the financial year 2017 were reliable and that the underlying transactions were legal and regular, Members called on Parliament to approve the closure of the Foundation's accounts.

They made, however, a number of recommendations that needed 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:

Foundation's financial statements

The final budget for Eurofound for the financial year 2017 was EUR 20 480 000 representing a decrease of 1.49 % compared to 2016.

Budget and financial management

Members noted with appreciation that the budget monitoring efforts during the financial year 2017 resulted in a budget implementation rate of 100 %, the same as in the 2016. Payment appropriations execution rate was 80.7 %, representing a decrease of 4.1 % compared to 2016.

Members also made a series of observations regarding procurement, staff policy and internal controls.

In particular, they noted that:

- on 31 December 2017, the establishment plan was 95.70 % completed, with 89 officials or temporary agents appointed out of 93 authorised under the Union budget.

- that the Foundation reported underpayments and overpayments to thirty staff members for the period 2005 to 2014 in relation to the transition to the new EU Staff Regulations in 2005. The Foundation corrected all underpayments, but will not recover the overpayments;

- by the end of 2017, the Foundation was not yet using all of the tools launched by the Commission aimed to introduce a single solution for the electronic exchange of information with third parties participating in public procurement procedures (e-procurement);

- the Foundation implemented an ethics code and that the Foundation is committed to informing the discharge authority about any case of alleged or confirmed conflict of interest;

- there is a need to strengthen the accounting officer’s independence by making him directly responsible to the Foundation’s director and management board.