2001 discharge: European Foundation for the Improvement of Living and Working Conditions EFILWC, Dublin

2002/2187(DEC) - 08/04/2003 - Text adopted by Parliament, single reading

The European Parliament adopted the report by Freddy BLAK (EUL/NGL, DK) granting discharge to the European Foundation for the Improvement of Living and Working Conditions for the financial year 2001. (Please refer to the previous text). In the accompanying resolution, the report urged the Foundation to make further efforts to reduce the carry-over rate for operating appropriations, which remained too high. It also criticised the Foundation's failure to follow proper tendering procedures for service contracts. As regards the issue of financial control, Parliament notes that the Court of Auditors takes the view that the carry-over rate for operating appropriations remains too high (EUR 3,5 million) and that the Foundation should do everything possible to reduce the carry-over rate. It notes that the new Financial Regulation will provide an improved legal basis for carry-overs; welcomes however the initiatives that the Foundation has taken in order to reduce the level of carry-overs. Parliament notes that the Court of Auditors deplores the practice of "super-user" rights in computerised systems (where one and the same person is able to discharge the duties of the manager, the authorising officer, the financial controller and the accounting officer) as incompatible with the principle of the separation of duties. It asks all the Agencies to ensure that such "super-user" rights are no longer attributed. Parliament regrets that the Foundation has not fully respected the tendering procedures in all its service contracts; recalls that this is not only a violation of the principle of equal treatment but could also result in legal action against the Foundation by disadvantaged tenderers. It urges the Foundation to ensure that proper tendering procedures are followed for all contracts. It acknowledges that the Foundation needs more flexible financial procedures and therefore calls on the it to implement the new Financial Regulation as soon as possible and to find an appropriate balance between flexibility and accountability. Concerning external assessment, the Parliament welcomes the external evaluation and the Draft Action Plan responding to the recommendations made in the evaluation. It congratulates the Foundation on the overall very positive appraisal and calls on the Foundation to carry out in the coming years an analysis of the impact of the measures adopted. It notes that the Foundation is meeting most of its deadlines set out in the Action Plan. Attention is drawn to the following points made in the evaluation: - the need to review and improve cooperation between the Foundation and the Commission as well as the Parliament, - the need to establish a system to track the use of the Foundation's outputs, and - the need to introduce more internal quality control processes. Overall, the parliament congratulates the Foundation on the good work carried out by highly qualified staff. It would however wish that its good work were known to a wider audience, welcomes the enhanced information efforts. It acknowledges that the main role of the organisation is to contribute to the debate at European level and welcomes the steps the Brussels Liaison Office has taken in order to improve contact with the European institutions. It states that the Foundation has a high share of administrativeexpenditure (Title 1 and 2 of the budget) and that in the 2003 budget, it makes up about EUR 10 million; whilst operational expenditure (Title 3) is about EUR 7 million. It notes that many of the operating systems in practice at the Commission are imposed on the Foundation even though they are more adapted to the needs of a very large administration rather than a smaller organisation like the Foundation. The Commission is asked to take advantage of the expertise in the Foundation and to consider the cost benefit of outsourcing more of its tasks to the Foundation. It also calls on the Commission to reconsider creating more executive agencies when the tasks could be given to the existing agencies.