2004 discharge: European Centre for the Development of Vocational Training

2005/2106(DEC) - 06/02/2006

Having examined the Centre’s revenue and expenditure account and the observations made by the Court of Auditors, the Council recommends the European Parliament to give a discharge to the Director of the Centre in respect of the implementation of the budget for the financial year 2004.

In doing so, the Council confirms that EUR 3.8 million (88 %) of the EUR 4.3 million in appropriations carried forward from the financial year 2003 to the financial year 2004 have been used. In addition, EUR 1.3 million in appropriations have been carried forward from the financial year 2004 to the financial year 2005 and EUR 0.8 million have been cancelled.

In parallel, the Council makes accompanying comments on the discharge which should be followed up. In particular, it:

- notes that the Court has been able to issue a statement of reasonable assurance on the reliability of the Centre's annual accounts for the financial year ended 31 December 2004. However, it regrets that in respect of the reasonable assurance as to the legality and regularity of the underlying transactions, taken as a whole, the Court has excluded the transactions concerning the awards of contracts;

- is deeply concerned about the situation regarding the contract award procedures and urges the Centre to make sure that all the tendering specifications are met when it chooses a service provider, in order to guarantee sound management and budgetary discipline as well as to avoid unjustified overspending. Furthermore, it calls strongly on the Centre to apply strictly the competition rules to all the contracts awarded on the basis of negotiated procedures;

- regrets the fact that the Centre did not submit an amending budget when incurring a loss in 2004, hence contravening the provisions in force, and calls on the Centre to comply with the appropriate procedure each time it has to modify its budget;

- highlights the inconsistencies in the recruitment procedure and supports the Court's recommendation to adopt a guide on such procedure, to ensure its transparency;

- asks the Centre to undertake a systematic monitoring of the staff's financial entitlements in order to avoid undue payments.