Basic information

2003/2241(DEC) DEC - Discharge procedure	Procedure completed
2002 Discharge: European Foundation for the Improvement of Living and Working Conditions EFILWC, Dublin **Subject** 8.70.03.07 Previous discharges	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	MULDER Jan (ELDR)	10/09/2002

Committee for opinion	Rapporteur for opinion	Appointed
EMPL Employment and Social Affairs	PRONK Bartho (PPE-DE)	15/02/2001

Key events

Date	Event	Reference	Summary
15/10/2003	Non-legislative basic document published	N5-0021/2003	Summary
18/12/2003	Committee referral announced in Parliament		
18/03/2004	Vote in committee		
18/03/2004	Committee report tabled for plenary	A5-0212/2004	
20/04/2004	Debate in Parliament		
21/04/2004	Decision by Parliament	T5-0328/2004	Summary
21/04/2004	End of procedure in Parliament		
21/04/2004	Final act published in Official Journal		

Technical information

Procedure reference	2003/2241(DEC)
Procedure type	DEC - Discharge procedure
Legal basis	Rules of Procedure EP 102
Stage reached in procedure	Procedure completed

Documentation gateway				
European Parliament				
Document type	**Committee**	**Reference**	**Date**	**Summary**
Committee report tabled for plenary, single reading		A5-0212/2004	18/03/2004	
Text adopted by Parliament, single reading		T5-0328/2004 OJ C 104 30.04.2004, p. 0421-0599 E	21/04/2004	Summary

Council of the EU

Document type	Reference	Date	Summary
Supplementary non-legislative basic document	06189/2004	09/03/2004	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofA	Non-legislative basic document	N5-0021/2003 OJ C 319 30.12.2003, p. 0055-0061	15/10/2003	Summary

Additional information		
Source	**Document**	**Date**
European Commission	EUR-Lex	

Final act	
Budget 2004/0715 OJ L 330 04.11.2004, p. 0053-0053	Summary

2002 Discharge: European Foundation for the Improvement of Living and Working Conditions EFILWC, Dublin

2003/2241(DEC) - 09/03/2004 - Supplementary non-legislative basic document

PURPOSE : to present the Council Recommendation on the discharge to be given to the Director of the European Foundation for the improvement of living and working conditions for the financial year 2002. CONTENT : recalling that EUR 4 million in appropriations have been carried forward from the financial year 2002 to the financial year 2003 and EUR 0,2 million have been cancelled, the Council believes that the implementation of the budget calls for a certain number of observations which should be taken account of when granting discharge. The Foundation must continue to improve the monitoring and programming of its operational activities. It should also improve the integration of its accounting systems to decrease the eventuality of errors to occur. Lastly, the Foundation should take appropriate measures to guarantee the transparency of its tendering procedures.

2002 Discharge: European Foundation for the Improvement of Living and Working Conditions EFILWC, Dublin

2003/2241(DEC) - 15/10/2003 - Non-legislative basic document

PURPOSE : to present the report from the Court of Auditors on the financial statements of the European Foundation for the Improvement of Living and Working Conditions for the financial year 2002. CONTENT : this report consists of the results from the audit performed by the Court on the financial statement of the European Foundation for the Improvement of Living and Working Conditions (EFILWC) for the financial year ended 31 December 2002. This examination has allowed the Court to obtain reasonable assurance that the accounts for the financial year ended 31 December 2002 are reliable and that the underlying operations are, taken as a whole, legal and regular. The report states in particular that the appropriations entered for the financial year amounted to EUR 17,4 million. An amount of EUR 17,3 million was committed, of which EUR 13,3 million resulted in payments and 4 million were carried over. The carryovers represented nearly 50 % of the year's commitments for operational activities (Title III). An amount of EUR 0,1 million was cancelled. As regards the outstanding commitments from the previous year (EUR 3,6 million) and amount of EUR 3,5 million were paid and EUR 0,1 million were cancelled. The large amount of carryovers relating to operational activities shows that the Foundation needs to monitor and programme them better. The Foundation's accounting system is characterised by a great heterogeneity in the tools it uses. This means the data has to be re-entered and reprocessed many times, which is a potential source of error. The Foundation does not have an integrated system for monitoring fixed assets and calculating depreciation. It uses two separate databases, which are managed by two different departments. As regards the underlying transactions, the report states that the Foundation's Financial Regulation provides for the possibility of concluding contracts with suppliers by private treaty where the tender procedure is unsuccessful. Thus, in a call for tenders, the price range envisaged for two bid packages was between EUR 25 000 and EUR 35 000. As the call for tenders produced no results, they were allocated by private treaty for EUR 53 500 and EUR 86 000 respectively. The Court suggests that the Foundation should improve the transparency of its procedures by specifying more clearly the conditions on the basis of which it makes use of the tender procedure. The Foundation has replied to the criticisms made by Court. It states in particular that for the cases where contracts are repetitive in nature, the timing of contracting procedures has, where possible, been brought forward. The Foundation is currently implementing measures to improve the integration of its accounting systems. It is the clear intention of the Foundation to ensure that, if such cases arise in the future, the limits applied to the original call for tenders will normally apply to the negotiated procedure ('private treaty').

2002 Discharge: European Foundation for the Improvement of Living and Working Conditions EFILWC, Dublin

2003/2241(DEC) - 21/04/2004 - Text adopted by Parliament, single reading

The European Parliament adopted the report by Jan MULDER (ELDR, NL) concerning the granting of discharge to the Director of the European Foundation for the Improvement of Living and Working Conditions in respect of the implementation of its budget for the financial year 2002. The Parliament records its comments in the accompanying resolution. Firstly, as regards the implementation of the budget, Parliament notes the ECA's criticism concerning the large amount of carry-overs in operational activities and welcomes the efforts made by the Foundation and the outline of measures it presented aimed at improving planning and monitoring so as to reduce carry-overs considerably. It considers that sharing these measures with other Agencies in the context of best practices could be helpful in managing carry-overs. Parliament invites the Foundation to present its analysis of options offered by the new Financial Regulation, with a view to further reducing carry-overs. On the financial statements, Parliament calls on the Foundation to intensify its efforts to have an integrated accounting system up and running as soon as possible and to adopt the measures needed for monitoring its fixed assets, including depreciation. The Commission is called upon to provide the Foundation with the assistance this may require especially as regards integration of the accounting system. Lastly, concerning the underlying transactions, the Foundation is expected to take all necessary, in line with the new Financial Regulation, to respond rapidly to the ECA's call for it to improve the transparency of its tendering procedures. In parallel, the Parliament has made a series of horizontal points on all of the Agencies' discharges which can be summarised as follows: - Internal audit and control measures : Parliament reiterates the position taken in its resolutions 2003 accompanying the discharge given to the Agencies for 2001 as regards the implementation of the new Financial Regulation and invites the Commission and the Agencies to continue their cooperation, in particular in the areas of accounting, internal audit, management and control procedures, so as to ensure that a coherent harmonised framework for the functioning of the Agencies is established. It recalls that it expressed concern in the discharge resolution for 2001 concerning the lack of controls on the agencies carried out by the internal audit service of the Commission (IAS). Parliament expresses grave concern that such controls do not seem to have been carried out this year. It stresses that it is essential that the Agencies be required to submit to the investigative powers of OLAF under the same conditions as the other institutions. - Financial Management : Parliament invites the Agencies to better explain their analysis and to indicate in particular which of their activities of a multi-annual nature might be financed by such appropriations. The Commission is invited to present its position on such a solution and, should it consider that this solution is not feasible, to outline alternatives allowing for a substantial reduction in carry-overs. - Review of the agencies : the Parliament states that that, prior to any decision to set up an agency, the Commission must make a rigorous analysis of the need for and added value of thefunctions that the agency will perform, with an eye to the principles of subsidiarity, budgetary rigour and procedural simplification. Like last year, the Commission is called upon to make a general study of activities currently carried out by various Community bodies that might overlap or serve the same goals, and to propose appropriate solutions, including the possible mergers of agencies. Parliament is concerned by the fact that there is an imbalance between administrative and operational expenditure in many Agencies, with administrative expenditure exceeding expenditure for operational purposes. The Commission and the Agencies are called upon to set targets and a timetable to reduce the level of administrative expenditure as a proportion of total expenditure. The Agencies are encouraged to : - improve cooperation between themselves in order to meet their needs in specific areas (for example, software development) and reduce costs, rather than adopt solutions which were initially designed for the purposes of the Commission but which often prove to be too cumbersome and complicated for the Agencies' specific needs; - organise and develop a close working relationship with the competent parliamentary committees; invites its standing committees with competence in the areas of activity of each of the Agencies to co-ordinate their action with the Committees of Budgets and Budgetary Control, with a view to ensuring efficient monitoring of the activity of the Agencies. - New sources of financing : Parliament calls on the Commission and the Agencies to come forward with constructive proposals with regard to further development of new sources of additional financing, which would increase the level of self-financing. It welcomes the financial contributions of some Member States and regions to the agencies located on their area and considers it important for Council and the Commission to demand such contributions, especially when new agencies are set up. - Harmonised operating framework : Parliament recalls its that the multitude of different forms in the existing agencies' structures was thought to be "neither transparent nor comprehensible. Therefore, it has invited the Commission to present appropriate proposals, aimed at creating such a harmonised framework for the agencies, prior to or at least in

parallel with the presentation of the legislative proposals for the new agencies; insists that an interinstitutional agreement spelling out common guidelines is a pre-condition for creating the harmonised framework. - Staff policy : the Parliament considers that the staff policy of the Agencies should comply with the Financial Regulation, the Staff Regulations and the best practice generally followed by the Institutions. The Parliament recalls the principle that the Agencies should as far as possible employ staff on temporary contracts, in order to maintain flexibility and efficiency. In this respect, it is concerned about the serious anomalies detected in connection with the selection procedures of the European Monitoring Centre for Drugs and Drug Addiction and that selection procedures organised by the Agencies should meet the same standards as those organised by the European Personnel Selection Office (EPSO) and that they should not be perceived as a backdoor for easy entry into the European civil service. Lastly, the Commission is invited to make proposals in order to ensure that the Agencies benefit from appropriate support fromthe EPSO when organising selection procedures and that there is a mechanism in place to validate the outcome of such procedures externally before recruitment takes place.

2002 Discharge: European Foundation for the Improvement of Living and Working Conditions EFILWC, Dublin

2003/2241(DEC) - 21/04/2004 - Final act

PURPOSE : to grant discharge to the European Foundation for the Improvement of Living and Working Conditions in respect of the implementation of its budget for the financial year 2002.

LEGISLATIVE ACT : Decision 2004/715/EC of the European Parliament concerning discharge to the Director of the European Foundation for the Improvement of Living and Working Conditions for the financial year 2002.

CONTENT : with this present Decision, the European Parliament gives discharge to the Director of the European Foundation for the Improvement of Living and Working Conditions, in respect of the implementation of its budget for the financial year 2002.

This Decision is in conformity with the European Parliament’s resolution approved on 21 April 2004 and which is accompanied by a series of which complete the discharge decision (please refer to the summary of the opinion).