Basic information

2004/2050(DEC) DEC - Discharge procedure	Procedure completed
2003 discharge: European Centre for the Development for vocational training ECDVT budget **Subject** 8.70.03.07 Previous discharges	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	AYALA SENDER Inés (PSE)	26/07/2004
	AYALA SENDER Inés (PSE)	22/09/2004
	SCHLYTER Carl (Verts/ALE)	22/09/2004

Committee for opinion	Rapporteur for opinion	Appointed
EMPL Employment and Social Affairs	The committee decided not to give an opinion.	

Council of the European Union

Council configuration	Meetings	Date
Economic and Financial Affairs ECOFIN	2646	2005-03-08

Key events

Date	Event	Reference	Summary
14/09/2004	Non-legislative basic document published	N6-0207/2004	Summary
10/01/2005	Committee referral announced in Parliament		
16/03/2005	Vote in committee		
16/03/2005	Additional information		Summary
23/03/2005	Committee report tabled for plenary	A6-0074/2005	
12/04/2005	Decision by Parliament	T6-0101/2005	Summary
12/04/2005	Results of vote in Parliament		
12/04/2005	Debate in Parliament		
12/04/2005	End of procedure in Parliament		

27/07/2005	Final act published in Official Journal		

Technical information

Procedure reference	2004/2050(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		A6-0074/2005	23/03/2005	
Text adopted by Parliament, single reading		T6-0101/2005 OJ C 033 09.02.2006, p. 0029-0227 E	12/04/2005	Summary

Council of the EU

Document type	Reference	Date	Summary
Supplementary non-legislative basic document	06858/2005	08/03/2005	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
OS	Non-legislative basic document	N6-0207/2004	14/09/2004	Summary
CofA	Court of Auditors: opinion, report	C324/2004 OJ C 324 30.12.2004, p. 0001	30/12/2004	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Budget 2005/0539
OJ L 196 27.07.2005, p. 0068-0068 Summary

2003 discharge: European Centre for the Development for vocational training ECDVT budget

2004/2050(DEC) - 08/03/2005 - Supplementary non-legislative basic document

Having examined the revenue and expenditure account for the financial year 2003, the balance sheet of

revenue and expenditure at 31 December 2003 of the European Centre for the Development of Vocational Training and the Court of Auditors' report on the annual accounts of the Centre for the financial year 2003, the Council recommends that the European Parliament gives a discharge to the Director of the Centre in respect of the implementation of the budget for the financial year 2003.

To recall, EUR 2.5 million (81 %) of the EUR 3.1 million in appropriations carried forward from the financial year 2002 to the financial year 2003 have been used. EUR 4.3 million in appropriations have been carried forward from the financial year 2003 to the financial year 2004 and EUR 0.4 million have been cancelled.

Observations in the Court of Auditors' report in relation to the financial year 2003 call for certain comments by the Council, which are annexed to this Recommendation.

The Council welcomes the fact that the Court of Auditors has been able to obtain reasonable assurance that the Centre's annual accounts for the financial year ended 31 December 2003 are reliable and that the underlying transactions, taken as a whole, are legal and regular. However, some observations need to be made.

The Council urges the Centre to accelerate the necessary financial adaptation to fully comply with the Centre's new financial regulation and its implementation rules, and therefore to put in place the requested validation of the accounting system.

The Centre should take appropriate measures to guarantee a sound management of the contract award procedures at all stages, in order to prevent irregularities and to avoid inconsistencies and formal errors. In addition, the Centre is strongly invited to improve the transparency of its selection procedures, by updating its list of contractors.

Lastly, the Council regrets the lack of transparency with regard to the decisions taken on recruitment and their financial impact when calculating pay and takes note that the Centre intends to take into account the Court's remarks in the drawing up or adaptation of its internal procedures.

2003 discharge: European Centre for the Development for vocational training ECDVT budget

2004/2050(DEC) - 30/12/2004

This report from the Court of Auditors concerns the results of the audit carried out by the Court on the annual accounts of the European Centre for the Development of Vocational Training for the financial year ended 31 December 2003.

The Court has obtained reasonable assurance that the annual accounts for the financial year ended 31 December 2003 were reliable and that the underlying transactions, taken as a whole, were legal and regular.

The report highlights that the appropriations entered in the final budget amount to EUR 14.7 million of which EUR 15.4 million were committed with EUR 11.3 million paid. EUR 4.2 million were carried over from the previous financial year and no appropriations were cancelled.

In its report, the Court states that in 2003 the Centre received Phare subsidies and contributions from third countries including Norway amounting to EUR 791 844. Contrary to the principles of budgetary unity and accuracy, the Centre did not use an amending budget to include the amount of these 2003 subsidies in its budget.

The Court notes that the Centre's new financial regulation and the detailed rules for its implementation were adopted by the Management Board on 31 March 2003. These rules specify that a new internal audit system is to be set up. Changes to the Centre's financial organisation and its accounting system were not yet complete at the end of the year. In accordance with the Centre's financial regulation, the accounting officer is to validate the systems laid down by the authorising officer to supply or justify accounting information. There has been no such validation.

The Court highlights that the Centre has set up a 'contracts unit' to ensure that contracts to be awarded for studies are correct, but this unit is not informed about the procedures that are under way until the selection reports have been signed. It is unable to do anything to prevent irregularities at the initial stages (choice of procedure, examination of invitations to tender and publicity measures). Extending

this unit's powers appears especially necessary insofar as a study of various files has brought to light inconsistencies and formal errors in the management of contract award procedures.

The Court states that in 2003 the Centre had a list of potential contractors following a call for expressions of interest (CEI) which was issued in 2000. This list was drawn up and centralised under the authority of the permanent Chairman of the Evaluation Boards. By means of this list, the Centre was able to launch a restricted procedure among the potential contractors on the list, without the need to publish or declare selection criteria. In 2003, five files on restricted procedures using CEIs were examined. In three cases (total contract value: 79 800 euro) giving rise to payments in 2003, the

successful contractors did not appear on this list and no explanation was given for this situation. In view of this finding, the relevance of the existence of such a list of contractors could be called into question. The Court notes, moreover, that as the list has not been updated, the Centre gives a somewhat inconsistent picture of its selection procedures.

Lastly, on examination, recruitment files and a number of individual files were found to have formal and documentary shortcomings which prevented the necessary transparency with regard to the decisions taken on recruitment and the financial impact of those decisions when calculating pay.

Responding point by point to the observations made by the Court, the Centre states that it ought to have normalised the receipt of funds relating to the subsidy from the non-member countries and to the 'Phare' contract by means of a supplementary and amending budget.

The necessary financial adaptation due to the financial reform began in 2003 and should be completed in 2005. As regards the adaptation of the accounting system, the Centre is making the necessary changes in accordance with the priorities set. The Centre makes clear that it is correct that the accounting system has still not been validated. This is due to the changes that must still be made to fully implement the accounting reform. The validation should take place in the course of 2005.

The Reform and the complexity of procurement and contract management issues in conjunction with the difficulties presented by a decentralised modus operandi reinforced the need for a centralised system of procurement and contract management operations. In this regard, and following the Director's Decision 2004/1, the Legal and Contract Management Service is solely in charge of direct centralised procurement and contract management at Cedefop and in this capacity takes care of and transacts all formal, legal and administrative tasks related to all stages and aspects of procurement at Cedefop. Finally, and as evidenced by the documentation provided to the Court of Auditors, the Centre would like to stress that the procedures which led to the awarding of all contracts were in compliance with the applicable rules.

Regarding the abovementioned contracts, Cedefop would like to point out that either the contracts concern the year 2002 or are low-value contracts. The Centre states that even though their names did not appear on the list presented to the auditors (as a result of difficulties related to decentralised operations at that time), their status as qualified potential contractors cannot be disputed.

Lastly, the Centre would like to stress that the procedures which led to the awarding of the contracts at issue were in compliance with the applicable rules.

2003 discharge: European Centre for the Development for vocational training ECDVT budget

2004/2050(DEC) - 14/09/2004 - Non-legislative basic document

PURPOSE : presentation of the financial statements and balance sheets of the European Centre for the Development of Vocational Training for the 2003 financial year.

CONTENT : this report presented by the ECDVT presents the financial statements and balance sheets of its activities in 2003.

The appropriations entered in the final budget amount to EUR 14.7 million of which 98.6% stems from a Community contribution.

In terms of staffing, the Centre in Thessaloniki (GR) has officially established 83 posts. 79 posts are occupied plus 46 other staff (auxiliary contracts, seconded national experts, local employees, temporary replacements) are noted making a total of 125 staff assigned to operational, administrative and mixed tasks.

The Centre's main aim is to develop exchanges of information and experience on issues common to the training systems of the Member States. In total, the Centre held 72 conference and seminars in 2003. 65 studies and 23 projects were carried out. 68 various publications (Cedefop info, electronic newsletter). As regards the circulation of documents, the Centre produced 10 244 on request, 2 346 electronic newsletter subscriptions and 8 523 subscriptions to Cedefop Info.

Cedefop also participated in the Copenhagen Process, e-Learning Programmes, Leonardo da Vinci programme, social partners' joint action framework.. Lastly, the Centre participated in the maintenance and the development of the Electronic Training Village.

2003 discharge: European Centre for the Development for vocational training ECDVT budget

2004/2050(DEC) - 12/04/2005 - Text adopted by Parliament, single reading

The European Parliament adopted a resolution drafted by co-rapporteurs Inés AYALA SENDER (PES, ES) and Carl SCHLYTER (Greens/EFA, SE) giving discharge to the Director of the European Centre for the Development of Vocational Training in respect of the implementation of its budget for the financial year 2003. (Please see the summary of 16/03/05.)

Parliament’s resolution is in two parts: the first concerns the discharge itself and the second part deals with an accompanying resolution on the management and implementation of the budget. The accompanying resolution also carries general points addressed to the Commission and the Agencies.

In response to the Court of Auditors observations on restricted procedures in awarding contracts, Parliament remarked that it expected the Centre to make further efforts to better present the results of such procedures in a transparent way abiding by the relevant rules. It invited the Centre to finalise and implement the changes to its financial organization in the course of 2005. The Centre should from now on include in its general budget subsidies contributions from third countries in line with the Court of Auditors' observation.

Parliament went on to welcome the cooperation between the Centre and the European Training Foundation in preparing the accession countries for their participation in the Centre's activities following enlargement. Such complementary action should continue and be einforced where appropriate.

The Centre is asked to enhance transparency in its procedure for personnel recruitment. Parliament regretted that top management positions are male dominated, urged the Centre to improve the balance. Finally, it welcomed the Centre's strategy for information and communication, especially its focus on openness and accessibility for citizens.

Parliament went on to make some general observations common to all the agencies. The principal points may be summarized as follows:

General points addressed to the Commission and the Agencies: Parliament supported the Commission's efforts to establish a limited number of models, at least for future 'regulatory' agencies. It took the view that the structure of current and future agencies merited in-depth consideration at inter-institutional level. Before the Commission defines the framework conditions for the use of regulatory agencies, an inter-institutional agreement should spell out common guidelines. Parliament invited the Commission to perform by the end of 2005 a cross-cutting analysis of the evaluations carried out on individual Agencies in order to:

- reach conclusions with regard to the coherence of Agency activity with EU policies in general and as regards the synergies existing or to be developed between the agencies and Commission departments and the avoidance of overlapping between them;

- make an assessment of the broader European added value of the Agencies' outputs in their respective area of activity and of the relevance and effectiveness of the Agency model in implementing or contributing to EU policies;

- determine the impact of the Agencies' actions in terms of the proximity and visibility of the EU to its citizens.

In parallel with this exercise, the Commission should present proposals for changes to be made in the existing Agencies' Constituent Acts with a view to optimising its relationship with the Agencies. Before any decision is taken to propose the creation of a new agency, the Commission must undertake a strict evaluation of the added value of the function of this agency, bearing in mind existing structures, the principles of subsidiarity, budgetary austerity and the simplification of procedures.

General points addressed to the Agencies:

Parliament wanted to receive from each of the Agencies, the report summarizing information on the audits carried out by the Internal Auditor, the recommendations made and the action taken on these recommendations in accordance with Regulation 2343/2002/EC. Agencies should also make further efforts to apply correctly the staff regulations and rules applicable to other civil servants with regard to their staff. Parliament made some remarks on the imbalance between men and women in high-grade positions in the agencies, and stated that relevant provisions on equal opportunities must be observed.

In response to the relevant observations of the Court of Auditors, the Agencies must comply fully with the budgetary principles as set out in the Financial Regulation, in particular those of unity and budgetary accuracy.

Parliament went on to encourage the Agencies to strengthen their co-operation, thus opening up opportunities for developing synergies, and avoiding duplication of work. Parliament expected to be informed regularly on this issue.

It called on the Agencies to pay special attention to procedures for the award and management of contracts, and to strengthen their internal control procedures. Parliament suggested the setting-up of specialised units entrusted with the task of advising, on the basis of risk analysis, on how best to prepare contract award procedures.

General points addressed to the European Court of Auditors and the Agencies:

Parliament asked Court of Auditors and the Agencies to strengthen their co-operation in order to enhance the procedures and technical tools to improve the sound management of all the budgetary and finance issues. They should do this in order to establish a methodology that prepares the ground for a positive budget discharge from the start of the process.

2003 discharge: European Centre for the Development for vocational training ECDVT budget

2004/2050(DEC) - 12/04/2005 - Final act

OBJECTIVE: granting of discharge for implementing the EU's general budget for 2003 - CEDEFOP

LEGISLATIVE ACT: Decision 2005/539/EC of the European Parliament concerning the discharge for implementing the general budget of the EU for the 2003 financial year (CEDEFOP).

CONTENT: With this Decision, the European Parliament grants discharge to the Director of CEDEFOP for the implementation of the budget for the 2003 financial year.

This decision is in line with the European Parliament’s resolution adopted on 12 April 2005 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 12/04/2005).