Basic information

2010/2181(DEC) DEC - Discharge procedure	Procedure completed
2009 discharge: European Police College CEPOL **Subject** 8.70.03.07 Previous discharges	

Key players

European Parliament	**Committee responsible**	**Rapporteur**	**Appointed**
	CONT Budgetary Control	STAVRAKAKIS Georgios (S&D)	23/03/2010
		Shadow rapporteur MACOVEI Monica (PPE) GERBRANDY Gerben-Jan (ALDE) STAES Bart (Verts/ALE)	
European Commission	**Commission DG**	**Commissioner**	
	Budget	ŠEMETA Algirdas	

Key events

Date	Event	Reference	Summary
20/07/2010	Non-legislative basic document published	SEC(2010)0963	Summary
07/10/2010	Committee referral announced in Parliament		
11/04/2011	Vote in committee		Summary
15/04/2011	Committee report tabled for plenary	A7-0150/2011	
10/05/2011	Decision by Parliament	T7-0164/2011	Summary
10/05/2011	Results of vote in Parliament		
10/05/2011	Debate in Parliament		
10/05/2011	Report referred back to committee		
03/10/2011	Vote in committee		Summary

06/10/2011	Committee report tabled for plenary	A7-0330/2011	
25/10/2011	Decision by Parliament	T7-0446/2011	Summary
25/10/2011	End of procedure in Parliament		
25/11/2011	Final act published in Official Journal		

Technical information

Procedure reference	2010/2181(DEC)
Procedure type	DEC - Discharge procedure
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	CONT/7/06026

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE450.703	07/02/2011	
Committee opinion	LIBE	PE454.531	01/03/2011	
Amendments tabled in committee		PE460.804	09/03/2011	
Committee report tabled for plenary, single reading		A7-0150/2011	15/04/2011	
Text adopted by Parliament, single reading		T7-0164/2011	10/05/2011	Summary
Committee draft report		PE469.790	26/07/2011	
Amendments tabled in committee		PE472.107	08/09/2011	
Committee report tabled for plenary, single reading		A7-0330/2011	06/10/2011	
Text adopted by Parliament, single reading		T7-0446/2011	25/10/2011	Summary

Council of the EU

Document type	Reference	Date	Summary
Document attached to the procedure	05892/2011	03/02/2011	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	SEC(2010)0963	20/07/2010	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary

CofA	Court of Auditors: opinion, report	N7-0024/2011 OJ C 338 14.12.2010, p. 0137	16/09/2010	Summary

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

Final act	
Decision 2011/0756 OJ L 313 26.11.2011, p. 0017	Summary

2009 discharge: European Police College CEPOL

2010/2181(DEC) - 25/10/2011 - Final act

PURPOSE: to grant discharge to the European Police College for the financial year 2009.

NON-LEGISLATIVE ACT : Decision 2011/756/EU of the European Parliament on discharge in respect of the implementation of the budget of the European Police College for the financial year 2009.

CONTENT: with this Decision the European Parliament grants the Director of the European Police College discharge in respect of the implementation of the Agency's budget for the financial year 2009. The Decision is in accordance with Parliament's resolution of 25 October 2011 and includes a series of observations which form an integral part of the Decision refusing discharge (please refer to the summary of 25 October 2011.)

A parallel decision, adopted on the same day, approved the final accounts for this Community Agency for the financial year 2009.

2009 discharge: European Police College CEPOL

2010/2181(DEC) - 16/09/2010 - Court of Auditors: opinion, report

PURPOSE: presentation by the Court of Auditors of its report on the annual accounts of the European Police College (CEPOL) for the financial year 2009, together with the College's replies

CONTENT: in accordance with the tasks and objectives conferred on it by the Treaty on the Functioning of the European Union (TFEU), the Court of Auditors, in the context of the discharge procedure, addresses to the European Parliament and the Council a Statement of Assurance on the reliability of the annual accounts, as well as of the legality and regularity of the transactions underlying them of each EU institution, body or agency, on the basis of an external, independent audit.

This audit also covered the annual accounts of the European Police College (CEPOL).

In the Court's opinion, **the College's annual accounts presented "fairly, in all material respects", its financial position as of 31 December 2009** and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of its Financial Regulation.

The Court also stated that the **transactions underlying the annual accounts** of the Agency for the financial year ended 31 December 2009 were, "in all material respects, **legal and regular**". However, the Court considered that this statement of assurance should be accompanied by a qualified opinion on the legality and the regularity of the transactions underlying the accounts.

- **Basis for the Court's qualified opinion:** the Court notes the following aspects:
  - **procurement procedures**: in several cases, the College purchased goods and services in the absence of a contract or a tendering procedure. In another case, the procedure was handled by a member of staff not qualified in procurement and, as a result, no terms of reference were specified, no financial offer was requested or received and no financial evaluation was carried out;
  - as in 2008, expenditures for the organisation of courses and seminars represent an important part of the budget. For 2009, the audit of such expenditure also revealed severe shortcomings: engagement contracts of 'module advisers' and 'educational experts' in the field of the Common Curricula Policy were not submitted to the Commission with a view to obtaining its prior consent or communicated to the budgetary authority. Thus, the College's revised Financial Regulation never entered into force and, as a result, all **these engagement contracts were illegal**.

The report again confirmed that the College's 2009 final budget amounted to EUR 8.8 million and that it employed 28 agents during the financial year.

The report also included comments on the College's budgetary and financial management, together with the Agency's replies. The main comments are as follows:

The Court's comments:

- carry-over and cancellation of a large number of appropriations: in 2009, more than EUR 3.8 million, i.e. 43% of the College's total budget, were carried forward to 2010. In addition, 46% of the appropriations carried over from 2008 had to be cancelled, indicating severe and recurrent weaknesses in the programming and the monitoring of the implementation of the budget and was at odds with the principle of annuality;
- delays in the processing of invoices totalling EUR 900 000, due to an unsatisfactory distribution of financial responsibilities, weak internal control procedures and difficulties in recruiting and retaining staff qualified and experienced in financial and accounting matters;
- poorly managed selection and recruitment procedures which were not transparent;
- certain payments made to College staff considered illegal;
- still no effective follow-up of the matter of College appropriations used for private expenses (for further information on this point, see DEC/2008/2271 and DEC/2009/2127).

The College's replies:

- since March 2010, the College has been improving its budgetary implementation and control with the Commission's support. Additional improvements are scheduled to be introduced in association with the College's Multi-Annual Activity Plan;
- the financial workflows, processes, procedures as well as roles and responsibilities are the subject of on-going review and improvement (the problem of payment delays is about to be resolved thanks to the recruitment of ad hoc staff);
- new recruitment procedures are in place to ensure that errors or omissions are avoided in future (proof of candidates' professional experience and references);
- since March 2009, no travel expenses have been reimbursed;
- the matter of private expenses: in 2009, the College implemented a number of measures that resulted in the recovery of GBP 17 612,91; the ex-post check remains outstanding.

Lastly, the Court of Auditor's report contained a summary of the **College's activities in 2009** in the following areas:

- 88 courses, seminars and conferences were organised;
- external cooperation with Frontex, Eurojust and ENFSI (European Network of Forensic Science Institutes);
- organisation of joint programmes with the Member States;
- science and research;
- implementation of the Euromed Police II project: seminars on drug trafficking and trafficking in human beings;
- exchange programmes with 21 Member States and one candidate country;
- creation of an electronic network (e-Net): the College's website consulted by 76,000 visitors.

2009 discharge: European Police College CEPOL

2010/2181(DEC) - 03/02/2011

Based on the observations contained in the revenue and expenditure account and the balance sheet of the European Police College (CEPOL) for the financial year 2009, as well as on the Court of Auditor's report and CEPOL's replies to the Court's observations, the Council recommends that the Parliament grant the Director of the college discharge in respect of the implementation of the budget for the financial year 2009.

The Council welcomes the Court's opinion that the College's annual accounts present fairly, in all material respects, its financial position as of 31 December 2009 and the results of its operations and cash-flows for the year then ended, in accordance with the provisions of the College's Financial Regulation. However, **it regrets that the transactions underlying the annual accounts of the College for the financial year ended on 31 December 2009 are subject of reservations regarding their legality and regularity**.

The Council considers that observations made in the Court of Auditor's report call for a certain number of observations to be taken into account when granting discharge, particularly on the following points:

- **procurement procedures**: the Council notes with great concern that the Court identified, for the third year in a row, recurrent irregularities at the College, notably the deviation from basic procurement rules foreseen in the Financial Regulation of the College and in the framework Financial Regulation for agencies. It calls on the College to ameliorate and strictly apply its procurement procedures, in line with the relevant regulations;
- **financial programming**: the Council urges the College to improve its financial programming and monitoring of the budget implementation, with the aim to reduce the amounts carried over to the next financial year, in line with the budgetary principle of annuality;
- **presentation of the accounts**: the Council is concerned about the delays observed by the Court in the processing of financial documents and payments, as well as about the late presentation and the errors in the College's provisional accounts. It invites the College to review and improve its internal workflows and to clarify the roles and responsibilities of its key financial actors;
- **recruitment procedures**: the Council asks the College to remedy the weaknesses identified by the Court in its recruitment procedures, to bring practices in line with the Staff Regulations and to generally increase the transparency of staff selection;
- **new management**: after the change in the College's management at the beginning of 2010, the Council expects that the relevant issues continue to be addressed by the College and that improvements be initiated without delay. The Council also urges the College to give rapid evidence about the follow-up of the requests and recommendations expressed in previous years.

2009 discharge: European Police College CEPOL

2010/2181(DEC) - 10/05/2011 - Text adopted by Parliament, single reading

The European Parliament adopted by 569 votes to 9, with 10 abstentions a decision to postpone granting the discharge **to the Director of the European Police College (CEPOL) for implementation of CEPOL's budget for the financial year 2009.** Furthermore, Parliament adopted a resolution to postpone the closure of the College's accounts.

Noting that the Court of Auditors qualified its opinion on the legality and regularity of the underlying transactions, Parliament made a number of recommendations (in addition to the general recommendations that appear in the draft resolution on financial management and control of EU agencies - see DEC/2010/2271) that are attached to the decision to postpone the discharge:

- **weaknesses in procurement procedures**: Parliament refuse to grant discharge because of the College's persistent lack of compliance with the Financial Regulation with regard to public procurement rules and irregularities regarding tendering rules. It deplores the fact that, in certain instances, no investigations were ever carried out even when someone within CEPOL was appointed to do deal with the matter;
- **failure to comply with the rules governing expenditure on courses**: severe shortcomings were identified in the administrative and financial rules governing expenditure on the organisation of courses and seminars. Parliament considers it unacceptable that the main irregularities are due to the fact that the revised College's Financial Regulation has never entered into force (because it did not receive a favourable opinion from the Commission on certain points). **It recommends that the College, in the interest of fostering transparency**, **provides direct access to its detailed budget** (with the exception of those contracts for which publication might entail a security risk);
- **carryover of appropriations:** noting that more than EUR 3.8 million of the 2009 payment appropriations (43% of the total budget) was carried forward to 2010 and that 46% of the appropriations carried over from 2008 had to be cancelled, Parliament calls for these shortcoming to be rapidly remedied. It welcomes, however, the fact that, in 2010, measures were taken to begin to rectify this problem;
- **accounting system:** Parliament regrets the significant delays and errors in the preparation of the 2009 provisional accounts (a backlog of unprocessed invoices totalling EUR 900 000 at the end of 2009) due to difficulties in recruiting and retaining staff qualified and experienced in financial and accounting matters. It notes that the College, in its Financial Statements for 2009, quantified the total impact on accumulated reserves of its errors prior to 1 January 2008 as EUR 929 670.27 (10.56% of its total budget for 2009) and the total impact on accumulated reserves of its errors from 2008 as EUR 284 718.77 (3.2% of its total budget for 2009);
- **human resources management:** the Court of Auditors reported several weaknesses with regard to staff selection procedures that put at risk the transparency of these procedures. Parliament is concerned about practices which are not allowed under the Staff Regulations or are illegal (e.g. a staff member with management responsibilities was authorised to be based outside the United Kingdom, but to work on the College's premises in Bramshill for a limited number of days per year while the College was reimbursing the travel expenses). Parliament wonders how the College intends to address these recurrent human resources management issues, especially considering the fact that the location of the College's Secretariat in Bramshill significantly impedes its capacity to attract and retain duly qualified people;
- **appropriations used to finance private expenditure**: among the most serious problems brought to light by the Court of Auditors and Parliament, Parliament highlights the issue of CEPOL appropriations used to finance private expenditure. These amounts were finally reimbursed, but not in their totality. It would appear that there is not even a real possibility for the further recovery of certain sums. In this context, Parliament underlines, once again, the responsibilities of the former Director for these deficiencies and irregularities and regrets the fact that, out of concern not to harm the Agency's image, the Governing Board decided not to take disciplinary action mainly because of the possibility of legal action by the former Director. **It reiterates its position that the Governing Board of the College must be held accountable and calls again for a reconsideration of the position of the Commission in the Governing Board by granting it the right to vote**;

College's MAP (2010-2014): Parliament notes that the College's Governing Board finally approved the MAP in May 2010 and that this is being implemented gradually, even if the first progress reports highlights some shortcomings. The College is called upon to take further measures: i) better application of control standards, ii) better application of certain financial procedures, iii) enhanced ex-ante and ex-post verification capacity, iv) reduced reliance on interim staff, v) improved Human Resource (HR) management. Information on these various points should be sent to Parliament by 30 June 2011 at the latest. Parliament recalls that the progression of the College in implementing the MAP is primarily linked to its **capacity in recruiting and retaining qualified staff experienced in financial and accounting matters**.

Structural deficits: Parliament highlights the shortcomings in the College that appear to be the hardest to overcome. These relate, in particular, to:

- the impossibility of applying the complex EU financial and staff regulations, given the limited mission and corresponding small size of the College;
- the location of the College's secretariat, in Bramshill, some 70 kilometres from London;
- the College's governance costs which are very high as compared to its activities, given that while employing only 28 staff, the College had a 27-voting member Governing Board during 2009.

It also notes that the College and Europol are two Union bodies evolving in similar fields and are performing complementary activities. **It believes that if these activities were brought together under a common agency**, unnecessary additional costs would be avoided. It recommends, therefore, **merging the College within Europol in the near future** as such a merger would engender greater rationality and efficiency in expenditure (although some Member States have already rejected this proposal). Parliament calls on the Commission to examine, before 1 September 2011, the possibility of attaching the College to Europol as a concrete solution to the College's structural and chronic problems and calls on the Council and the Commission to provide the Parliament with a report on the merging of the College with Europol by the end of 2011.

2009 discharge: European Police College CEPOL

2010/2181(DEC) - 20/07/2010 - Non-legislative basic document

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2009, as part of the 2009 discharge procedure.

Analysis of the accounts of the **European Police College (CEPOL).**

CONTENT: this Commission document sets out the consolidated annual accounts of the European Union for the financial year 2009 as prepared on the basis of the information presented by the institutions, organisations and bodies of the EU, in accordance with Article 129 (2) of the Financial Regulation applicable to the EU's General Budget, including the European Police College (CEPOL).

In 2009, the tasks and budget of this agency were as follows:

- **description of CEPOL's tasks:** CEPOL, which is located in Bramshill, United Kingdom, was established under Council Decision 2000/820/JHA, as repealed in 2005 and replaced by Council Decision 2005/681/JHA. The College's main task is to function as a network and bring together the national police training institutes in the Member States to provide training sessions, based on common standards, for senior police officers;

- **CEPOL's budget for the 2009 financial year:** the College's 2009 budget amounted to EUR 8.8 million, compared with EUR 8.7 million the previous year. The number of staff employed by the College at the end of the year was 28, as compared to 27 in the previous year.

The complete version of CEPOL's final accounts may be found at the following address: https://www.cepol.europa.eu/index.php?id=final-accounts

2009 discharge: European Police College CEPOL

2010/2181(DEC) - 25/10/2011 - Text adopted by Parliament, single reading

Following the postponement of the discharge decision in May 2011, the European Parliament adopted by 519 votes to 67, with 52 abstentions, a decision on granting discharge to the Director of the European Police College on the implementation of College's budget for financial year 2008. The decision to grant the discharge shall also constitute the closure of CEPOL's accounts.

Furthermore, Parliament adopted a resolution with observations which are an integral part of the decision to grant discharge. These may be summarised as follows:

General assessment: Parliament acknowledges measures taken by the new management and governance of the College to tackle its deficiencies in response to Parliament's request for action, following the serious irregularities in the implementation of the budget for 2009 and welcome, in particular, the following actions taken in time to respond to Parliament's requests: (i) the revision of the Financial Regulation of the College by introducing a derogation concerning the exclusion for tender with regard to the selection of educational experts in order to use experts from national police training institutes and, therefore, ensuring the cost effectiveness and the representation of these institutions as part of the College's network; (ii) the assurance from the Court of Auditors and from the IAS that the College's MAP for 2010-2014 gives an overview of the status of its different milestones and that the College is progressing according to its targets; (iii) a report on the application by the College of the procurement manual for the period covering 1 July 2010 - 1 July 2011; (iv) the decision of the Governing Board of the College to grant voting rights to the Commission.

Parliament looks forward to the Commission's presentation in 2012 of the College's new legal framework to integrate the abovementioned Commission's voting rights in the proceedings of the Governing Board. It notes that the final report on the five-year external evaluation of the College established that there is a case for the College's relocation and calls on the Court of Auditors to prepare a **special report**, during 2012, setting out the costs and benefits in financial and operational terms of merging the College's responsibilities with those of Europol.

Specific observations: Parliament also makes a series of more technical observations in the following areas:

- improving the procurement procedure;
- strengthen technical elements to avoid carry-overs;
- improving financial discipline and internal control of the College;
- better management of human resources;
- improvement of the legality of certain expenses.

The College's MAP for 2010-2014: Parliament notes that the enhanced transparency provided by the current Director and its management team has led to an improved understanding of the challenges the College is facing and has fostered the necessary changes. It welcomes, in this respect, the policy of the College to publish a monthly newsletter and regular progress reports on its activities for its Governing Board in order to provide them with a clearer analysis of the status of the College's activities. In addition, it calls on the College to consult Parliament regularly and to continue to update it with its progress report on the MAP implementation.