Basic information

2011/2230(DEC) DEC - Discharge procedure	Procedure completed
2010 discharge: European Police College (CEPOL) **Subject** 8.70.03.07 Previous discharges	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	MACOVEI Monica (PPE)	03/03/2011
	Shadow rapporteur HERCZOG Edit (S&D) GERBRANDY Gerben-Jan (ALDE) STAES Bart (Verts/ALE) CZARNECKI Ryszard (ECR) SØNDERGAARD Søren Bo (GUE/NGL) ANDREASEN Marta (EFD) EHRENHAUSER Martin (NI)	

Committee for opinion	Rapporteur for opinion	Appointed
LIBE Civil Liberties, Justice and Home Affairs	MATHIEU HOUILLON Véronique (PPE)	23/11/2011

European Commission

Commission DG	Commissioner
Budget	ŠEMETA Algirdas

Key events

Date	Event	Reference	Summary
26/07/2011	Non-legislative basic document published	COM(2011)0473	Summary

12/10/2011	Committee referral announced in Parliament		
27/03/2012	Vote in committee		
04/04/2012	Committee report tabled for plenary	A7-0119/2012	Summary
10/05/2012	Decision by Parliament	T7-0167/2012	Summary
10/05/2012	Results of vote in Parliament		
10/05/2012	Debate in Parliament		
10/05/2012	End of procedure in Parliament		
17/10/2012	Final act published in Official Journal		

Technical information

Procedure reference	2011/2230(DEC)
Procedure type	DEC - Discharge procedure
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	CONT/7/07256

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE473.993	06/02/2012	
Committee opinion	LIBE	PE478.345	09/02/2012	
Amendments tabled in committee		PE483.631	07/03/2012	
Committee report tabled for plenary, single reading		A7-0119/2012	04/04/2012	Summary
Text adopted by Parliament, single reading		T7-0167/2012	10/05/2012	Summary

Council of the EU

Document type	Reference	Date	Summary
Document attached to the procedure	06083/2012	08/02/2012	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2011)0473	26/07/2011	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofA	Court of Auditors: opinion, report	N7-0022/2012 OJ C 366 15.12.2011, p. 0134	06/09/2011	Summary

Additional information		
Source	Document	Date
European Commission	EUR-Lex	

Final act	
Decision 2012/0566 OJ L 286 17.10.2012, p. 0156	Summary

2010 discharge: European Police College (CEPOL)

2011/2230(DEC) - 10/05/2012 - Final act

PURPOSE: to grant discharge to the European Police College in respect of the implementation of the College's budget for the financial year 2010.

NON-LEGISLATIVE ACT: Decision 2012/566/EU of the European Parliament on discharge in respect of the implementation of the budget of the European Police College (CEPOL) for the financial year 2010.

CONTENT: with the present decision, and in accordance with Article 319 of the Treaty on the Functioning of the European Union, the European Parliament grants discharge to the Executive Director of CEPOL for the implementation of its budget for the financial year 2010.

This decision is in line with the European Parliament's resolution adopted on 10 May 2012 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 10/05/2012).

A parallel decision, 2012/567/EU, adopted on the same day, approves the closure of CEPOL's accounts for the 2010 financial year.

2010 discharge: European Police College (CEPOL)

2011/2230(DEC) - 26/07/2011 - Non-legislative basic document

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2010, as part of the 2010 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 2010 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 2010, 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 2010 financial year**: the College's 2010 budget amounted to EUR 7.8 million, compared with EUR 8.8 million the previous year. The number of staff employed by the College at the end of the year was 31, as compared to 28 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

2010 discharge: European Police College (CEPOL)

2011/2230(DEC) - 06/09/2011 - Court of Auditors: opinion, report

PURPOSE: presentation of the EU Court of Auditors' report on the annual accounts of the European Police College (EPC), together with the College's reply.

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

This audit concerned, amongst others, the annual accounts of the European Police College (EPC).

In the Court's opinion, **the College's Annual Accounts fairly present, in all material respects, its financial position as of 31 December 2010** 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 considers that **the transactions underlying the annual accounts** of the College for the financial year ended 31 December 2010 are, in all material respects, **legal and regular.**

The report confirms that the College's 2010 budget amounted to EUR 7.8 million, and that the number of staff employed by the College at the end of the year was 31.

The report also makes a series of observations on the budgetary and financial management of the EPC, accompanied by the latter's response. The main observations may be summarised as follows:

The Court's observations:

- budgetary and financial management: more than EUR 1.6 million, equivalent to 48% of the appropriations carried over from 2009, had to be cancelled in 2010. This situation is at odds with the budgetary principle of annuality. Expenditure for organising courses and seminars represents a significant part of the College's budget. There was a lack of rigour in the College's process for approving cost claims related to such activities, particularly with regard to the completeness of supporting evidence;
- follow-up on previous audit findings: an external ex-post check on appropriations used to finance private expenditure during 2007 and 2008 has been carried out. The external reviewers considered that no further funds are recoverable in respect of this matter (see DEC/2008/2271 and DEC/2009/2127).

The College's replies:

- to avoid the repetition of the situation described by the Court, the carry-forward of 2010 appropriations has been subjected to strict criteria to minimise cancellations in 2011. In June 2011, all open commitments were reviewed to better monitor the budget consumption and optimise the 2011 budget implementation. CEPOL has revised the process for approving cost claims and their supporting evidence. In addition, it has organised a new training course for Course Managers to further improve the controls on courses as well as the quality of the payment files.
- CEPOL acknowledges the comment of the Court. However, it will continue to try to recover as much as it is possible the funds not yet completely recovered.

Lastly the Court of Auditors' report contains a **summary of the College's activities** in 2010. These may be described as follows:

- courses and seminars: 91 courses, seminars and conferences were organised;
- external relations: the College signed Cooperation Agreements with the Turkish National Police Institute and the Croatian Police College. The College also signed revised Cooperation Agreements with the Icelandic National Police College and Norwegian Police University on 9 December 2010 and negotiations started with the Russian Federation, Georgia, Albania and Montenegro about future Cooperation Agreements;
- organisation of joint programmes with the Member States (in particular one on the subject of money laundering);
- implementation of the "Euromed Police II" project;

- exchange programme with 21 Member States and one candidate country;
- continuation of electronic network activities (e-Net): the College's website had 102,000 visitors.

2010 discharge: European Police College (CEPOL)

2011/2230(DEC) - 08/02/2012

Having examined the revenue and expenditure accounts for the financial year 2010 and the balance sheet at 31 December 2010 of the European Police College, as well as the Court of Auditors' report on the annual accounts of the College for the financial year 2010, accompanied by the College's replies to the Court's observations, the Council recommends the European Parliament to give a discharge to the Director of the College in respect of the implementation of the budget for the financial year 2010.

However, the Council considers that observations made in the Court of Auditor's report call for a certain number of remarks:

- the Council welcomes the Court's opinion that, in all material respects, the College's annual accounts fairly present the financial position as at 31 December 2010 and the results of operations and cash flows for the year then ended, in accordance with the provisions of the College's Financial Regulation, and that the underlying transactions for that financial year are legal and regular;
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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;

- the Council is concerned about the **lack of rigour in the College's process of approving cost claims** related to the organisation of courses and seminars, particularly with regard to the completeness of supporting evidence. It invites the College to review and improve its internal financial procedures.

2010 discharge: European Police College (CEPOL)

2011/2230(DEC) - 04/04/2012 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Monica Luisa MACOVEI (EPP, RO) on discharge in respect of the implementation of the budget of the European Police College (CEPOL) and called on the European Parliament to grant the Director of CEPOL discharge in respect of the implementation of the College's budget for the financial year 2010.

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts for the financial year 2010 are reliable and that the underlying transactions are legal and regular, Members approve the closure of the accounts of the College's accounts.

However, they make a number of recommendations that need to be taken into account when the discharge is granted, in addition to the general recommendations that appear in the draft resolution on performance, financial management and control of EU agencies:

- **Budget and financial management**: Members note the College's claim that the financial year 2010 was characterised by a lack of sufficient financial resources with a cut of EUR 1 000 000 in the Union contribution to the College's budget. They are surprised by this view, particularly in this time of crisis, as good management ensures correct and cost-efficient spending of the budget available and considering that 31.6 % of the College's 2010 budget was carried over to 2011.
- They also take note from the College's final annual accounts for the financial year 2010 that some deficiencies occurred in the preparation of individual budgets and commitments for courses and seminars which resulted in 2010 appropriations having been committed and paid to cover 2009 expenditure. This is at odds with the principle of annuality. Members note in 2010 a rate of spent payment appropriations of only 59.12%. They draw attention to the fact that the rules on reimbursement for the activities of the College have been revised to a large extent and that different measures have been clarified for the strict implementation of the financial regulations. Members deplore the fact that before the adoption of Decision 34/2010/GB of the Governing Board of the College of 29 September 2010, the cut-off dates for reimbursement of costs were not enforced, so that there was no substantial improvement in adhering to these cut-off dates.
- **Carryover appropriations**: the committee notes that 31.6 % of the College's 2010 budget, were carried forward to 2011, which is at odds with the principle of annuality. It is concerned that even though the Court of Auditors has been able to obtain reasonable assurances that the annual accounts of the College for the 2010 financial year are, in all material aspects, reliable, the Court of Auditors observed that more than EUR 1 600 000, equivalent to 48 % of the appropriations carried over from 2009, had to be cancelled in 2010. It awaits action on this, particularly in terms of better programming.
- The College's activities: Members note that expenditure for organising courses and seminars represents a significant part of the College's budget. There was a lack of rigour in the College's process for approving cost claims related to such activities, particularly with regard to the completeness of supporting evidence.
- **Appropriations used to finance private expenditure**: the committee also note that an external ex-post check on appropriations used to finance private expenditure during 2007 and 2008 has been carried out and that the external reviewers considered that no further funds are recoverable in respect of this matter. It notes that the Recovery Order requiring the former Director to return funds was cashed in December 2011.
- **The College's MAP for 2010-2014**: Members take note of the IAS statement that the description of some items in the MAP lack clarity and that the progress reporting is not always accurate enough to allow a clear understanding of what the individual milestones imply in terms of concrete actions. They call on the IAS to confirm that the updated progress report on the College's MAP reflects adequately their recommendations.
- **Internal audit:** Members note that the very important recommendation on the completeness of the internal recording of mission expenses has been reported as implemented by the College and is currently under the IAS review. They call on the College and the IAS to inform the discharge authority of the results of the review.
- **Single location for CEPOL and EUROPOL**: the committee notes that the College and Europol are two Union bodies evolving in similar fields of intervention 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 calls on the Commission to prepare a comprehensive impact assessment by March 2013 regarding a potential merger of these two agencies setting out the costs and benefits. Members are convinced that the merger will engender greater rationality and efficiency in expenditure. They welcome, therefore, the Commission's proposal that Europol could take over the training role of the College, and regret that Member States rejected this proposal. Members believe that a merger would enable the College to benefit directly from Europol's expertise regarding international organised crime and terrorism in order to fulfil its mission of providing training for senior police officers.

2010 discharge: European Police College (CEPOL)

2011/2230(DEC) - 10/05/2012 - Text adopted by Parliament, single reading

The European Parliament adopted a decision concerning the granting of discharge to the Director of CEPOL in respect of the implementation of the budget of the European Police College (CEPOL) in respect of the implementation of the College's budget for the financial year 2010. This decision also approves the closure of the Agency's accounts.

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts for the financial year 2010 are reliable and that the underlying transactions are legal and regular, Parliament adopted a resolution containing a series of recommendations that need to be taken into account when the discharge is granted, in addition to the general recommendations that appear in the draft resolution on performance, financial management and control of EU agencies.

These recommendations may be summarised as follows:

- **Budget and financial management**: Parliament notes the College's claim that the financial year 2010 was characterised by a lack of sufficient financial resources with **a cut of EUR 1 000 000 in the Union contribution** to the College's budget. It is surprised by this view, particularly in this time of crisis, as good management ensures correct and cost-efficient spending of the budget available and considering that 31.6 % of the College's 2010 budget was carried over to 2011. Members also take note from the College's final annual accounts for the financial year 2010 that some deficiencies occurred in the preparation of individual budgets and commitments for courses and seminars which resulted in 2010 appropriations having been committed and paid to cover 2009 expenditure. This is at odds with the principle of annuality. Members note **in 2010 a rate of spent payment appropriations of only 59.12%**. They draw attention to the fact that the rules on reimbursement for the activities of the College have been revised to a large extent and that different measures have been clarified for the strict implementation of the financial regulations. Members deplore the fact that before the adoption of Decision 34/2010/GB of the Governing Board of the College of 29 September 2010, the cut-off dates for reimbursement of costs were not enforced, so that there was **no substantial improvement in adhering to these cut-off dates**. Improvements are called for in this area;
- **Carryover appropriations**: Parliament notes that 31.6% of the College's 2010 budget, were carried forward to 2011, which is at odds with the principle of annuality. It is concerned that even though the Court of Auditors has been able to obtain reasonable assurances that the annual accounts of the College for the 2010 financial year are, in all material aspects, reliable, the Court of Auditors observed that more than EUR 1 600 000, equivalent to 48 % of the appropriations carried over from 2009, had to be cancelled in 2010. It awaits action on this, particularly in terms of **better programming**;
- **The College's activities**: Members note that expenditure for organising courses and seminars represents a significant part of the College's budget. There was a lack of rigour in the College's process for approving cost claims related to such activities, particularly with regard to the completeness of supporting evidence;
- **Appropriations used to finance private expenditure**: Parliament also notes that an external ex-post check on appropriations used to finance private expenditure during 2007 and 2008 has been carried out and that the external reviewers considered that no further funds are recoverable in respect of this matter. It notes that the Recovery Order requiring the former Director to return funds was cashed in December 2011. Parliament calls on the College to continue the recovery process until all funds are fully recovered;
- **The College's MAP for 2010-2014**: Members take note of the IAS statement that the description of some items in the MAP lack clarity and that the progress reporting is not always accurate enough to allow a clear understanding of what the individual milestones imply in terms of concrete actions. They call on the IAS to confirm that the updated progress report on the College's MAP reflects adequately their recommendations.
- **Internal audit**: Parliament notes that the very important recommendation on the completeness of the internal recording of mission expenses has been reported as implemented by the College and is currently under the IAS review. It calls on the College and the IAS to inform the discharge authority of the results of the review;

- **Governance and structural deficiencies**: Parliament underlines that the governance costs of the College are high compared to its activities. It welcomes, therefore, the efforts of the College to reduce its governance expenditure at its 25th GB meeting of June 2011, when it was agreed that all GB committees should be abolished by 2012 and that all GB working groups should be critically analysed. It calls on the GB to take drastic decisions concerning the existing working groups and states that the GB may decide, 'in cases of strict necessity', to establish working groups to make recommendations and to develop and propose any other advisory tasks deemed necessary by the GB. It takes note of the response from the College that its Rules of Procedure were amended to limit the number of regular meetings of the GB to one per presidency and to restrict the size of national delegations;
- **Against a single location for CEPOL and EUROPOL**: it should be noted that in a series of amendments adopted in plenary, Parliament **deleted the request of its committee responsible to merge CEPOL AND EUROPOL**.