Basic information

2012/2192(DEC) DEC - Discharge procedure	Procedure completed
2011 discharge: European Training Foundation (ETF) **Subject** 8.70.03.07 Previous discharges	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	GERBRANDY Gerben-Jan (ALDE)	29/02/2012
	Shadow rapporteur SARVAMAA Petri (PPE) AYALA SENDER Inés (S&D) STAES Bart (Verts/ALE) BRADBOURN Philip (ECR) SØNDERGAARD Søren Bo (GUE/NGL) ANDREASEN Marta (EFD) EHRENHAUSER Martin (NI)	

Committee for opinion	Rapporteur for opinion	Appointed
EMPL Employment and Social Affairs	BERÈS Pervenche (S&D)	26/10/2012

European Commission

Commission DG	Commissioner
Budget	ŠEMETA Algirdas

Key events

Date	Event	Reference	Summary
25/07/2012	Non-legislative basic document published	COM(2012)0436	Summary
13/09/2012	Committee referral announced in Parliament		

19/03/2013	Vote in committee		
21/03/2013	Committee report tabled for plenary	A7-0080/2013	Summary
16/04/2013	Debate in Parliament		
17/04/2013	Decision by Parliament	T7-0156/2013	Summary
17/04/2013	Results of vote in Parliament		
17/04/2013	End of procedure in Parliament		
16/11/2013	Final act published in Official Journal		

Technical information

Procedure reference	2012/2192(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/7/10524

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE497.837	23/01/2013	
Committee opinion	EMPL	PE502.008	22/02/2013	
Amendments tabled in committee		PE497.838	27/02/2013	
Committee report tabled for plenary, single reading		A7-0080/2013	21/03/2013	Summary
Text adopted by Parliament, single reading		T7-0156/2013	17/04/2013	Summary

Council of the EU

Document type	Reference	Date	Summary
Document attached to the procedure	05753/2013	01/02/2013	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2012)0436	25/07/2012	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofA	Court of Auditors: opinion, report	N7-0028/2013 OJ C 388 15.12.2012, p. 0165	18/09/2012	Summary

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

Final act	
Decision 2013/0596 OJ L 308 16.11.2013, p. 0289	Summary

2011 discharge: European Training Foundation (ETF)

2012/2192(DEC) - 25/07/2012 - Non-legislative basic document

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2011, as part of the 2011 discharge procedure.

Analysis of the accounts of the **European Training Foundation (EFT)**.

CONTENT: this Commission document sets out the consolidated annual accounts of the European Union for the financial year 2011 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 Training Foundation (EFT).

In 2011, the tasks and budget of this agency were as follows:

- **description of the Foundation's tasks**: the European Training Foundation, which is located in Turin, was created by Council Regulation (EEC) No 1360/90 and its role is to support the reform of vocational training in the European Union's partner countries. As such, it assists the Commission in the implementation of various programmes (Phare, Tacis, CARDS and MEDA).
- **the Foundation's budget for the financial year 2011**: the Foundation’s budget for 2011, as presented in the Commission document on the consolidated annual accounts of the European Union, gives the following figures:
  - forecasted income budget: EUR 20 million;
  - entitlements established: EUR 20 million
  - amounts received: EUR 20 million;
  - outstanding: EUR 0 million.

The complete version of EFT's final accounts may be found at the following address:

http://www.etf.europa.eu/wpubdocs.nsf/0/E488BAFE3A39FD7BC1257A3900472BAB/$File/GB12DEC004_EN.pdf

2011 discharge: European Training Foundation (ETF)

2012/2192(DEC) - 18/09/2012 - Court of Auditors: opinion, report

PURPOSE: presentation of the EU Court of Auditors’ report on the annual accounts of the European Training Foundation (ETF) for the financial year 2011, together with the Foundation’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 Training Foundation (ETF).

In the Court’s opinion, the **Foundation’s Annual Accounts fairly present, in all material respects, its financial position as of 31 December 2011** 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 Foundation for the financial year ended 31 December 2011 are, in all material respects, **legal and regular**.

The report confirms that the Foundation's 2010 budget amounted to EUR 20.3 million, and that the number of staff employed by the Foundation at the end of the year was 125.

Court's observations:

- treasury: the Foundation has not yet adopted and implemented a treasury policy to minimise and spread financial risk while aiming at adequate returns. The account is kept in a bank which no longer has the minimum rating as indicated by the Commission;
- public procurement: the Court identified 64 contracts with a total value of EUR 2 million which were not countersigned by the Foundation's contractor, creating legal uncertainty;
- recruitment: the Foundation needs to further improve the transparency of its recruitment procedures.

Foundation's replies:

- it states that it will put in place a treasury policy including the monitoring of bank credit ratings, in view of spreading financial risk and ensuring an adequate return on cash holdings;
- the ETF has brought its practice in this case into line with that of all its other framework contracts, under which all purchase orders are countersigned by the contractor;
- as regards recruitment, the ETF has now adopted a standard threshold of 70 % in all phases of the selection process.

Lastly, the Court of Auditors' report contains a summary of the **Foundation's activities in 2011**. This is focused on the following:

- improving human capital development (HCD) in 30 partner countries;
- organisation of a conference to present the results of the first year of the Torino Process (24 partner countries VET policy assessments);
- organisation of a corporate conference was on the Institutional Arrangements in the implementation of Qualifications Frameworks;
- supporting the EU policies and project cycle of External Relations instruments for the partner countries;
- capacity building of partner countries;
- policy analysis;
- dissemination and networking;
- responses to direct requests from the European Commission on the management of training in the third countries.

2011 discharge: European Training Foundation (ETF)

2012/2192(DEC) - 01/02/2013

Having examined the revenue and expenditure accounts for the financial year 2011 and the balance sheet at 31 December 2011 of the European Training Foundation, as well as the Court of Auditors' report on the annual accounts of the Foundation for the financial year 2011, accompanied by the Foundation's replies to the Court's observations, the Council recommends the European Parliament to give a discharge to the Director of the Foundation in respect of the implementation of the budget for the financial year 2011.

The observations in the Court of Auditors' report in relation to the financial year 2011 call for some comments by the Council, which may be summarised as follows:

- the Council calls on the Foundation to adopt and implement a treasury policy in order to minimise and spread the financial risk;
- it encourages the Foundation to remedy the weaknesses identified by the Court on the **lack of countersignature of some of the Foundation's contracts**;
- it expresses its concern regarding the uncertain situation of the **Foundation's premises** and calls on the Foundation, in collaboration with other stakeholders, to pursue its efforts to solve
- this issue;
- lastly, the Council encourages the Foundation to pursue its efforts to address the shortcomings detected by the Court in its staff recruitment procedures.

2011 discharge: European Training Foundation (ETF)

2012/2192(DEC) - 21/03/2013 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Gerben-Jan GERBRANDY (ADLE, NL) on discharge to be granted to the Director of the European

Training Foundation (ETF) in respect of the implementation of the Agency's budget for the financial year 2011.

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts of the Foundation for the financial year 2011 are reliable and that the underlying transactions are legal and regular, Members approve the closure of ETF'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:

- **Financing, budget and financial management**: the total contribution of the Union to the Foundation's budget for 2011 was EUR 19.85 million, which represents an increase of 2.86%. At the end of 2011, the Foundation recorded a positive budget outturn of EUR 117 686,58.
- **Implementation rate of appropriations and carryovers**: noting that the Foundation achieved a payment execution rate of 99.8% in 2011, Members, on the other hand, deplore the significant amount of carryovers. They note that the rate for the carry forward of operational activities – differentiated appropriations (reste à liquider) is 33%.

Lastly, Members made a series of observations as regards ETF's recruitment policies, premises, control and performances. They welcome the improved cooperation between the Foundation and Cedefop and call for new synergies with other competent agencies in the field of training.

2011 discharge: European Training Foundation (ETF)

2012/2192(DEC) - 17/04/2013 - Text adopted by Parliament, single reading

The European Parliament adopted a decision on discharge to be granted to the Director of the European Training Foundation (ETF) in respect of the implementation of the Agency's budget for the financial year 2011. The vote on the decision to grant discharge covers the closure of the accounts (in accordance with Annex VI, Article 5(1) of the European Parliament's Rules of Procedure).

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts of the Foundation for the financial year 2011 are reliable and that the underlying transactions are legal and regular, Parliament adopted a resolution containing 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:

- **Financing, budget and financial management**: Parliament recalls that the total contribution of the Union to the Foundation's budget for 2011 was EUR 19.85 million, which represents an increase of 2.86%. At the end of 2011, the Foundation recorded a positive budget outturn of EUR 117 686,58.
- **Implementation rate of appropriations and carryovers**: noting that the Foundation achieved a payment execution rate of 99.8% in 2011, Parliament, on the other hand, deplores the significant amount of carryovers. It notes that the rate for the carry forward of operational activities – differentiated appropriations (reste à liquider) is 33%.
- **Cooperation with Cedefop**: Parliament welcomes the cooperation agreement between the Foundation and Cedefop. It invites the Commission, together with the Foundation, the European Centre for the Development of Vocational Training, European Foundation for the Improvement of Living and Working Conditions and the European Agency for Safety and Health at Work to further explore the synergies that exist between those agencies and to report to the discharge authority on the possible deeper integration of those four agencies.

Lastly, Parliament made a series of observations as regards ETF's recruitment policies, premises, control and performances.

2011 discharge: European Training Foundation (ETF)

2012/2192(DEC) - 17/04/2013 - Final act

PURPOSE: to grant discharge to the European Training Foundation (ETF) in respect of the implementation of the Foundation's budget for the financial year 2011.

NON-LEGISLATIVE ACT: Decision 2013/596/EU of the European Parliament on discharge in respect of the implementation of the budget of the European Training Foundation for the financial year 2011.

CONTENT: with the present decision, and in accordance with Article 319 of the Treaty on the Functioning of the European Union (TFEU), the European Parliament grants discharge to ETF's Director for the implementation of its budget for the financial year 2011.

This decision is in line with the European Parliament's resolution adopted on 17 April 2013 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 17 April 2013).

A parallel decision, 2013/597/EU, adopted on the same day, approves the closure of this Foundation's accounts for the 2011 financial year.