Basic information

2014/2104(DEC) DEC - Discharge procedure	Procedure completed
2013 discharge: European Training Foundation (ETF) **Subject** 8.70.03.03 2013 discharge	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	CZARNECKI Ryszard (ECR)	09/10/2014
	Shadow rapporteur ZDECHOVSKÝ Tomáš (PPE) VAUGHAN Derek (S&D) ALI Nedzhmi (ALDE) DE JONG Dennis (GUE/NGL) JÁVOR Benedek (Verts/ALE) VALLI Marco (EFDD)	

Committee for opinion	Rapporteur for opinion	Appointed
EMPL Employment and Social Affairs	HARKIN Marian (ALDE)	03/11/2014

European Commission

Commission DG	Commissioner
Budget	GEORGIEVA Kristalina

Key events

Date	Event	Reference	Summary
30/07/2014	Non-legislative basic document published	COM(2014)0510	Summary
20/10/2014	Committee referral announced in Parliament		

23/03/2015	Vote in committee		
30/03/2015	Committee report tabled for plenary	A8-0090/2015	Summary
28/04/2015	Debate in Parliament		
29/04/2015	Decision by Parliament	T8-0153/2015	Summary
29/04/2015	Results of vote in Parliament		
29/04/2015	End of procedure in Parliament		
30/09/2015	Final act published in Official Journal		

Technical information

Procedure reference	2014/2104(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/01627

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE539.708	22/01/2015	
Committee opinion	EMPL	PE541.516	30/01/2015	
Amendments tabled in committee		PE539.779	06/03/2015	
Committee report tabled for plenary, single reading		A8-0090/2015	30/03/2015	Summary
Text adopted by Parliament, single reading		T8-0153/2015	29/04/2015	Summary

Council of the EU

Document type	Reference	Date	Summary
Document attached to the procedure	05304/2015	30/01/2015	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2014)0510	30/07/2014	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofA	Court of Auditors: opinion, report	N8-0093/2014 OJ C 442 10.12.2014, p. 0260	08/07/2014	Summary

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

Final act	
Budget 2015/1675 OJ L 255 30.09.2015, p. 0305	Summary

2013 discharge: European Training Foundation (ETF)

2014/2104(DEC) - 29/04/2015 - Final act

PURPOSE: to grant discharge to the European Training Foundation (ETF) in respect of the Agency's budget for the financial year 2013.

NON LEGISLATIVE ACT: Decision (EU) 2015/1675 of the European Parliament on discharge in respect of the implementation of the budget of the European Training Foundation for the financial year 2013.

CONTENT: with the present decision, the European Parliament grants discharge to the Director of the European Training Foundation for the implementation of its budget for the financial year 2013.

This decision is in line with the European Parliament's resolution adopted on 29 April 2015 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 29 April 2015).

Amongst Parliament's main observations was a request that the Foundation assess whether a **review of its treasury policy** was needed.

2013 discharge: European Training Foundation (ETF)

2014/2104(DEC) - 30/07/2014 - Non-legislative basic document

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2013, as part of the 2013 discharge procedure.

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

CONTENT: this Commission document sets out the consolidated annual accounts of the European Union for the financial year 2013 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 (ETF).

The document contains the figures on which the discharge procedure is based.

Discharge procedure of the EU agencies: the EU Budget finances a wide range of policies and programmes throughout the EU. In accordance with the priorities set by the European Parliament and the Council in the multi-annual financial framework (MFF), the European Commission carries out specific programmes, activities and projects in the field with the technical support of some specialised agencies.

The consolidated annual accounts of the EU provide information on the activities of the institutions, agencies and other bodies of the EU from a budgetary and accrual accounting perspective.

The consolidated reports on the implementation of the general budget of the EU include the budget implementation of all Institutions. **Agencies do not have a separate budget inside the EU budget**; and they are partially financed by a Commission budget subsidy.

Each agency is subject to its own discharge procedure.

ETF: in 2013, 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. Its objective is to contribute to improving human capital development in the following countries: the countries eligible for support

under Council Regulation (EC) No 1085/2006 and Regulation No 1638/2006 of the European Parliament and of the Council and subsequent related legal acts. The ETF aims particularly to: (i) provide information, policy analyses and advice on human capital development issues in the partner countries; (ii) promote knowledge and analysis of skills needs in national and local labour markets.

- **the Foundation's budget for the financial year 2013**: the Foundation's budget for 2013, as presented in the Commission document on the consolidated annual accounts of the European Union, gives the following figures:

§ **Commitment appropriations**:

- **committed** : EUR 22 million;
- **paid** : EUR 22 million;
- **carried over** : 0.

§ **Payment appropriations**:

- **committed** : EUR 23 million;
- **paid** : EUR 21 million;
- **carried over** : EUR 2 million.

Also see the final accounts of the Foundation.

2013 discharge: European Training Foundation (ETF)

2014/2104(DEC) - 30/01/2015

Having examined the revenue and expenditure accounts for the financial year 2013 and the balance sheet at 31 December 2013 of the European Training Foundation (ETF), as well as the Court of Auditors' report on the annual accounts of the Foundation for the financial year 2013, 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 2013.

Overall, the Council welcomes the Court's opinion that, in all material respects, the Foundation's annual accounts present fairly its financial position as at 31 December 2013 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Foundation's Financial Regulation and the accounting rules adopted by the Commission's accounting officer, and that the underlying transactions for that financial year are legal and regular.

Nevertheless, the Council made one observation concerning:

- **bank funds**: the Council notes the Court's observation that the Foundation had a significant amount of funds in accounts at one single bank with a low credit rating. It encourages the Foundation to pursue its efforts in order to remedy the situation.

2013 discharge: European Training Foundation (ETF)

2014/2104(DEC) - 08/07/2014 - 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 2013, 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).

Statement of assurance: pursuant to the provisions of Article 287 of the Treaty on the Functioning of the European Union (TFEU), the Court has audited:

- the annual accounts of the Foundation, which comprise the financial statements and the reports on the implementation of the budget for the financial year ended 31 December 2013;

- the legality and regularity of the transactions underlying those accounts.

Opinion on the reliability of the accounts: in the Court's opinion, the Foundation's annual accounts present fairly, in all material respects, its financial position as at 31 December 2013 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of its Financial Regulation and the accounting rules adopted by the Commission's accounting officer.

Opinion on the legality and regularity of the transactions underlying the accounts: in the Court's opinion, the transactions underlying the annual accounts for the year ended 31 December 2013 are legal and regular in all material respects.

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

The Court's observations:

- **budgetary management**: at the end of 2013, the Foundation had EUR 7.5 million in accounts at a single bank with a low credit rating.

The Foundation's replies:

- **budgetary management**: the Foundation agreed with the Court's finding and confirms its intention to participate in 2014 in a joint procurement procedure for banking services launched by the Commission. The high bank balance at 31 December 2013 is due to the first instalment of the 2014 subvention being paid in advance and funds received for new projects.

Lastly, the Court of Auditors' report contains a summary of the **Foundation's activities in 2013**. This is focused on the following:

Budget: EUR 22 million, of which EUR 19.9 million was funded by a Commission subsidy.

Activities:

- improving human capital development (HCD) in 30 partner countries designated by its establishing Regulation and the Governing Board: supporting EU policies and projects, providing policy analyses, disseminating and exchanging information and experience and supporting partner-country capacity building, human capital development;
- expertise in human capital development and its links to employers. This includes expertise in adapting the approaches to human capital development in the EU and its Member States to the context of the partner countries;
- in 2013, the Torino Process, implemented in 27 ETF partner countries as a participatory, evidence-based analysis of vocational education and training (VET) policies and systems, was validated in a corporate conference organised in May with a title 'Torino Process: Moving Skills Forward';
- responses to direct requests from the European Commission throughout the year.

2013 discharge: European Training Foundation (ETF)

2014/2104(DEC) - 29/04/2015 - Text adopted by Parliament, single reading

The European Parliament adopted by 558 votes to 132, with 2 abstentions, a decision to grant discharge to the Director of the European Training Foundation (ETF) for the financial year 2013. The vote on the discharge decision approved the closure of the accounts (in accordance with Annex VI, Article 5(1) of the Rules of Procedure of the European Parliament).

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts of the Foundation for the financial year 2013 are reliable, and that the underlying transactions are legal and regular, Parliament adopted by 567 votes to 108, with 5 abstentions, a resolution containing a number of recommendations that form an integral part of the discharge decision and as well as the general recommendations that appear in the resolution on performance, financial management and control of EU agencies:

- **Foundation's financial statements**: Parliament noted that the final budget of the Foundation for the financial year 2013 was EUR 20 143 500, representing a decrease of 0.01% compared to 2012. The entire budget of the Foundation derives from the Union budget.
- **Carryovers**: Parliament noted that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 99.78%, and that the payment appropriations execution rate was 95.72%. It noted from the Court's report that at the end of 2013, the Foundation had EUR 7 500 000 in accounts at a single bank with a low credit rating. However, it noted the Foundation's intention to participate in a joint procurement procedure for banking services launched by the Commission.

Parliament also made a series of observations on the prevention and management of conflicts of interests, recruitment, procurement procedures and internal audits.

With regard to **performance**, Parliament acknowledged from the Foundation that the general public was a key target of its communication activities. It observed that the first level of information on the Foundation's website was aimed at interested citizens and contained general information, concrete activities and results. The Foundation also used other channels of communication such as **social media.** It appreciated the progress made in the development of evidence-based European vocational education and training reform through the Torino Process and other specific policy analyses which were taken over by partner countries, leading to national policy developments which help to **guarantee future sustainability**.

Lastly, Parliament welcomed the fact that an agreement on the Foundation's premises was concluded with the authorities of the Piedmont region, in Italy, which ensured the continuation of the Foundation's activities for the 2013-2015 period.

2013 discharge: European Training Foundation (ETF)

2014/2104(DEC) - 30/03/2015 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Ryszard CZARNECKI (ECR, PL) on discharge in respect of the implementation of the budget of the European Training Foundation (ETF) for the financial year 2013.

The committee recommended that the European Parliament grant the Director of the Foundation discharge in respect of the implementation of the Foundation's budget for the financial year 2013.

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts of the Foundation for the financial year 2013 are reliable, and that the underlying transactions are legal and regular, Members called on the Parliament to approve the closure of the Foundation's accounts. They made, however, a number of recommendations that needed 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.

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