Basic information

2017/2163(DEC) DEC - Discharge procedure	Procedure completed
2016 discharge: European Union Agency for Law Enforcement Training (CEPOL) **Subject** 8.70.03.06 2016 discharge	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	STAES Bart (Verts/ALE)	14/09/2017
	Shadow rapporteur SARVAMAA Petri (PPE) LIBERADZKI Bogusław (S&D) FITTO Raffaele (ECR) ALI Nedzhmi (ALDE) DE JONG Dennis (GUE/NGL) VALLI Marco (EFDD) KAPPEL Barbara (ENF)	

Committee for opinion	Rapporteur for opinion	Appointed
LIBE Civil Liberties, Justice and Home Affairs	CHRYSOGONOS Kostas (GUE/NGL)	19/10/2017

European Commission

Commission DG	Commissioner
Budget	OETTINGER Günther

Key events

Date	Event	Reference	Summary
26/06/2017	Non-legislative basic document published	COM(2017)0365	Summary

13/09/2017	Committee referral announced in Parliament		
20/03/2018	Vote in committee		
26/03/2018	Committee report tabled for plenary	A8-0098/2018	Summary
18/04/2018	Decision by Parliament	T8-0138/2018	Summary
18/04/2018	Results of vote in Parliament		
18/04/2018	Debate in Parliament		
18/04/2018	End of procedure in Parliament		
03/10/2018	Final act published in Official Journal		

Technical information

Procedure reference	2017/2163(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/10806

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE613.463	24/01/2018	
Committee opinion	LIBE	PE613.654	19/02/2018	
Amendments tabled in committee		PE618.236	02/03/2018	
Committee report tabled for plenary, single reading		A8-0098/2018	26/03/2018	Summary
Text adopted by Parliament, single reading		T8-0138/2018	18/04/2018	Summary

Council of the EU

Document type	Reference	Date	Summary
Supplementary non-legislative basic document	05941/2018	09/02/2018	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2017)0365	26/06/2017	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary

CofA	Court of Auditors: opinion, report	N8-0014/2018 OJ C 417 06.12.2017, p. 0047	12/09/2017	Summary

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

Final act	
Budget 2018/1352 OJ L 248 03.10.2018, p. 0183	Summary

2016 discharge: European Union Agency for Law Enforcement Training (CEPOL)

2017/2163(DEC) - 03/10/2018 - Final act

PURPOSE: to grant discharge to the European Police College (CEPOL) for the financial year 2016.

NON-LEGISLATIVE ACT: Decision (EU) 2018/1352 of the European Parliament on discharge in respect of the implementation of the budget of the European Union Agency for Law Enforcement Training (before 1 July 2016: European Police College) (CEPOL) for the financial year 2016.

CONTENT: the European Parliament decided to **grant discharge** to the Executive Director of the European Union Agency for Law Enforcement Training discharge in respect of the implementation of the Agency's budget for the financial year 2016.

This decision is accompanied by a resolution of the European Parliament containing the observations which form an integral part of the discharge decision in respect of the implementation of the general budget of the European Union for the financial year 2016 (*please refer to the summary dated 18.4.2018*).

In this resolution, Parliament recalled that a number of staff brought a legal claim against the College disputing the conditions in which the relocation was carried out and its financial impact on their income. Parliament noted that an amicable settlement has been reached with some members of staff and the payments were made to this end in 2015 and 2016. Some members of staff appealed the court judgement, which is expected in 2018.

As a consequence of the College’s relocation from the United Kingdom to Hungary, and due to the significantly lower correction coefficient applied to staff salaries in the new location, the number of resignations has increased. Parliament noted that a number of mitigating actions have been implemented. However, the low grading of posts combined with low correction coefficient does not encourage foreigners (especially from West and Northern Europe) to move to Hungary, and that as a result, the geographical balance of staff is not ensured.

Parliament also noted with concern that for the time being the College does not have sufficient information to allow a thorough preparation for carrying out future activities after Brexit. The Commission and the College are called on to update the discharge authority on Brexit-related risk management.

2016 discharge: European Union Agency for Law Enforcement Training (CEPOL)

2017/2163(DEC) - 26/03/2018 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Bart STAES (Greens/EFA, BE) on discharge in respect of the implementation of the budget of the European Union Agency for Law Enforcement Training (before 1 July 2016: European Police College) (CEPOL) for the financial year 2016.

The committee called on the European Parliament to grant the Executive Director of the European Union Agency for Law Enforcement Training discharge in respect of the implementation of the Agency’s budget for the financial year 2016.

Noting that the Court of Auditors stated that it had obtained reasonable assurance that the annual accounts of the College for the financial year 2016 were reliable and that the underlying transactions were legal and regular, Members called on Parliament to approve the closure of the College'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:

- **College's financial statements**: the final budget of the European Police College for the financial year 2016 was EUR 10 291 700, representing an increase of 17.34 % compared to 2015 due to the grant agreement with the Commission on the EU/MENA Counter-Terrorism Training Partnership. The entire budget of the College derives from the Union budget.
- **Budget and financial management**: the budget monitoring efforts during the financial year 2016 resulted in a budget implementation rate of 95.95 %, representing an increase of 0.44 % compared to 2015. Following the signature of the grant agreement with the Commission in 2005 on EU/MENA Counter-Terrorism Training Partnership, a budget of EUR 2 490 504 was agreed, out of which a second instalment of EUR 1 243 891 became available for commitments and payments. 89 % of the available credits have been committed and 48 % of the available credits have been paid.
- It should be noted that a number of staff brought a legal claim against the College disputing the conditions in which the relocation was carried out and its financial impact on their income. An amicable settlement has been reached with some members of staff and the payments were made to this end in 2015 and 2016.
- **Commitments and carry-overs**: Members observed that a total of EUR 1 477 288 was carried over to 2017, amounting to 17 % of the overall 2016 budget. The level of carryovers of committed appropriations was high for expenditure for support activities at EUR 140 055, i.e. 30 % (compared to EUR 212 456, i.e. 49 %, in 2015). These carry-overs mainly refer to IT consulting and IT related goods and services ordered late in the year. Members noted that carry-overs are often justified and do not necessarily indicate weaknesses in budget planning and implementation.
- **Staff policy**: Members noted with satisfaction the gender balance achieved by the posts occupied in 2016, since the ratio is 50 % female to 50 % male. However, the gender balance ratio of 69 % to 31 % in the management board. The report highlighted that, as a consequence of the **College's relocation** from the United Kingdom to Hungary, and due to the significantly lower correction coefficient applied to staff salaries in the new location, the **number of resignations has increased**. Although a number of mitigating actions have been implemented, the low grading of posts combined with low correction coefficient does not encourage foreigners (especially from West and Northern Europe) to move to Hungary, and that as a result, the **geographical balance of staff is not ensured**. In 2016, 30% of all College staff were Hungarian, which is a disproportionate number.

Members also made a series of observations regarding transfers, procurement, the prevention and management of conflicts of interests and internal audits and controls.

On performance, Members stated that in 2016 the College's training portfolio encompassed 174 training activities, of which 87 residential activities and 87 webinars, 492 exchanges in the frame of the European Police Exchange Programme, 27 online modules, one online course. They noted with satisfaction that for the sixth year in a row the outreach of the College has increased, resulting in the College training 18 009 law enforcement professionals in 2016 compared to 12 992 in 2015, representing an increase of over 38 %.

Members noted that the five-year external evaluation of the College (2011-2015) was completed by the external evaluator in January 2016. It was concluded that the College is efficient. However, there is a clear need for a significant reinforcement of the College with both human and financial resources.

Lastly, Members noted with concern that for the time being the College does not have sufficient information to allow a thorough preparation for carrying out future activities after **Brexit**. Brexit will limit the College's access to United Kingdom law enforcement expertise and its ability to organise training with United Kingdom officials. These aspects might negatively impact the development of common practices, information exchange and ultimately cross-border cooperation on fighting and prevention of crime. Members recommended that measures be implemented to maintain - at the least - the current level of cooperation.

2016 discharge: European Union Agency for Law Enforcement Training (CEPOL)

2017/2163(DEC) - 12/09/2017 - Court of Auditors: opinion, report

PURPOSE: presentation of the EU Court of Auditors' report on the annual accounts of the European Union Agency for Law Enforcement Training (CEPOL) for the financial year 2016, together with the Agency'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 focused on the annual accounts of the European Union Agency for Law Enforcement Training (**CEPOL**). The Agency's task is to function as a network and to bring together the national police training institutes in the Member States to provide training sessions, based on common standards, for senior police agents.

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 College, which comprise the financial statements and the reports on the implementation of the budget for the financial year ended 31 December 2016;
- the legality and regularity of the transactions underlying those accounts.

Opinion on the reliability of the accounts: in the Court's opinion, the College's annual accounts present fairly, in all material respects, its financial position as at 31 December 2016 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: the Court considers that the transactions underlying the annual accounts for the year ended 31 December 2016 are legal and regular in all material respects.

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

The Court's observations:

- **budgetary management**: the Court noted that the carry-overs of committed appropriations were high for expenditure for support activities at EUR 140 055. They mainly refer to IT consulting and IT related goods and services ordered late in the year;
- **staff policy**: it also noted a high staff turnover which may impact business continuity and the Agency's ability to implement the activities foreseen in its work programme. In 2016, 11 staff members left the Agency, while 21 were recruited. The low number of applications, particularly from Member States other than the host state, puts at risk the Agency's ability to recruit suitable candidates. Possible reasons for the limited number of applications from other Member States are the salary correction coefficient applied for the host state (69 %) and competition with another EU body located in Budapest.

CEPOL's reply:

- **budgetary management**: the Agency took note of the Court's comments on the carry-over rate for support activities. CEPOL further improved its budget management and commits to maintain compliance with the budgetary principle of annuality provided in the Financial Regulation;
- **staff policy**: the Agency has taken note of the Court's comments as regards the move to Hungary. The low grading of posts combined with low correction coefficient, does not encourage foreigners (especially from West and Northern Europe) to move to Hungary, therefore the geographical balance cannot be always ensured during the recruitment process. CEPOL will continue to implement staff retention and business continuity measures, however as long as the Agency cannot positively amend the grades, the **staff turnover may keep its high trend**.

Lastly, the Court of Auditors' report also contained a **summary of the College's key figures in 2016**:

- **Budget**: EUR 10.3 million.
- **Staff**: 41 including officials, temporary and contract staff and seconded national experts.

2016 discharge: European Union Agency for Law Enforcement Training (CEPOL)

2017/2163(DEC) - 09/02/2018 - Supplementary non-legislative basic document

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 of the **European Police College (CEPOL)**, as well as the Court of Auditors' report on the annual accounts of the Agency for the financial year 2016, accompanied by the Agency's replies to the Court's observations, the Council recommended the European Parliament to **give a discharge** to the Executive Director of the Agency in respect of the implementation of the budget for the financial year 2016.

The Council welcomed the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2016 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Agency's Financial Regulation, and that the underlying transactions for 2016 are legal and regular in all material respects.

The Council made the following observations:

- **recruitment**: while noting the high staff turnover in the Agency and acknowledging that the **relocation of the Agency from the United Kingdom** can have an influence in the attractiveness of the Agency as a workplace, the Council stressed the importance of recruiting staff on as wide a geographical basis as possible. It encouraged the Agency to continue implementing staff retention measures;
- **financial programming**: the Agency is called on to continue improving its financial programming in order to reduce the level of commitments carried over to the next financial year to the minimum strictly necessary, in line with the budgetary principle of annuality.

2016 discharge: European Union Agency for Law Enforcement Training (CEPOL)

2017/2163(DEC) - 26/06/2017 - Non-legislative basic document

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2016, as part of the 2016 discharge procedure.

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

CONTENT: the organisational governance of the EU consists of institutions, agencies and other EU bodies whose expenditure is included in the general budget of the Union.

This Commission document concerns the EU's consolidated accounts for the year 2016 and details how spending by the EU institutions and bodies was carried out. The consolidated annual accounts of the EU provide financial information on the activities of the institutions, agencies and other bodies of the EU from an accrual accounting and budgetary perspective.

It is the responsibility of the Commission's Accounting Officer to prepare the EU's consolidated annual accounts and ensure that they present fairly, in all material aspects, the financial position, the result of the operations and the cash flows of the EU institutions and bodies, including the **European Police College** (CEPOL), with a view to granting discharge.

Discharge procedure: the final step of a budget lifecycle is the discharge of the budget for a given financial year. It represents the political aspect of the external control of budget implementation and is the decision by which the European Parliament, acting on a Council recommendation, "**releases**" the Commission (and other EU bodies) from its responsibility for management of a given budget by marking the end of that budget's existence. The European Parliament is the discharge authority within the EU.

The discharge procedure may produce three outcomes: (i) the granting; (ii) postponement or; (iii) the refusal of the discharge.

The final discharge report including specific recommendations to the Commission for action is adopted in plenary by the European Parliament and are subject to an annual follow up report in which the Commission outlines the concrete actions it has taken to implement the recommendations made.

Each agency is subject to its own discharge procedure, including **CEPOL**.

CEPOL: CEPOL which is located in Budapest (HU) since October 2014 was established by Council Decision 2005/681/JHA. It supports, develops, implements and coordinates training for law enforcement officials, while putting particular emphasis on the protection of human rights in the context of law enforcement, in particular in the areas of prevention of and fight against serious crime affecting two or more Member States and terrorism.

As regards CEPOL's accounts, these are presented in detail in the document on the consolidated annual accounts of the European Union for 2016:

Commitment appropriations:

- available: EUR 10 million;
- made: EUR 9 million.

Payment appropriations:

- available: EUR 11 million;
- made: EUR 9 million.

For further details on expenditure, please refer to the final accounts of CEPOL.

2016 discharge: European Union Agency for Law Enforcement Training (CEPOL)

2017/2163(DEC) - 18/04/2018 - Text adopted by Parliament, single reading

The European Parliament decided to **grant discharge** to the Executive Director of the European Union Agency for Law Enforcement Training (CEPOL) in regard to the implementation of the agency's budget for the 2016 financial year and to approve the closure of the accounts for the financial year in question.

Noting that the Court of Auditors has stated that it has obtained reasonable assurances that the agency's annual accounts for the financial year 2016 are reliable and that the underlying transactions are **legal and regular**, Parliament adopted by 554 votes to 126 with 9 abstentions, a resolution containing a series of recommendations, which form an integral part of the decision on discharge and which add to the general recommendations set out in the resolution on performance, financial management and control of EU agencies:

- **College's financial statements:** the final budget of the European Police College for the financial year 2016 was EUR 10 291 700, representing an increase of 17.34 % compared to 2015 due to the grant agreement with the Commission on the EU/MENA Counter-Terrorism Training Partnership. The entire budget of the College derives from the Union budget.
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on EU/MENA Counter-Terrorism Training Partnership, a budget of EUR 2 490 504 was agreed, out of which a second instalment of EUR 1 243 891 became available for commitments and payments. 89 % of the available credits have been committed and 48 % of the available credits have been paid.

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- **Conflicts of interest:** the **declarations of interest** of senior management and of the Management Board Members have been published on the College's website. Members called on the College to report to the discharge authority on the measures taken to publish the declarations of interest on the conflicts of interest and the confidentiality of **external remunerated experts**. They noted with satisfaction that rules on fraud reporting and the protection of **whistleblowers** are embedded in the College's anti-fraud strategy.

Members also made a series of observations regarding transfers, procurement, the prevention and management of conflicts of interests and internal audits and controls.

On **performance**, Members noted with satisfaction that for the sixth year in a row **the outreach of the College has increased**, resulting in the College training 18 009 law enforcement professionals in 2016 compared to 12 992 in 2015, representing an increase of over 38 %.

Members noted that the five-year external evaluation of the College (2011-2015) was completed by the external evaluator in January 2016. It was concluded that the College is efficient. However, there is a clear need for a significant reinforcement of the College with both human and financial resources and improve the online visibility of the College.

Lastly, Members noted with concern that for the time being the College does not have sufficient information to allow a thorough preparation for carrying out future activities after Brexit.

Brexit will limit the College's access to United Kingdom law enforcement expertise and its ability to organise training with United Kingdom officials. These aspects might negatively impact the development of common practices, information exchange and ultimately cross-border cooperation on fighting and prevention of crime. Members recommended that measures be implemented to maintain - at the least - the current level of cooperation.