

DECISION OF THE EUROPEAN PARLIAMENT**of 4 April 2001****concerning discharge to the Management Board of the European Centre for the Development of Vocational Training in respect of the implementation of its budget for the 1999 financial year**

(2001/448/EC)

THE EUROPEAN PARLIAMENT,

Having regard to the report of the Court of Auditors on the statements and management of the European Centre for the Development of Vocational Training (Cedefop — Thessaloniki) for the financial year ended 31 December 1999 (C5-0687/2000) ⁽¹⁾,

Having regard to the Council recommendation of 12 March 2001 (C5-0127/2001),

Having regard to the EC Treaty and in particular Article 276 thereof,

Having regard to Rule 93 and Annex V of its Rules of Procedure,

Having regard to the report of the Committee on Budgetary Control (A5-0108/2001),

Whereas:

- A. The Thessaloniki Centre pursues its mission of promotion and development of vocational education and training at Community level by compiling and disseminating documentation, conducting research and providing a discussion forum.
- B. The existing cooperation memorandum aims at clarifying the responsibilities and ensuring complementarity between the work of the Centre in candidate countries and the activities of the European Training Foundation, based in Turin, during the transition period of the Union's enlargement.
- C. In accordance with the Code of Conduct of 14 July 1998, the Committee on Employment and Social Affairs is charged with monitoring the Thessaloniki Centre which received an annual subsidy of EUR 12,4 million and the Turin Foundation which received an annual subsidy of EUR 19,9 million.
- D. Parliament gave discharge to the Management Board on 13 April 2000 ⁽²⁾ for the financial year 1998 calling on:
 - (i) the Centre to launch an external evaluation and report on progress in following recommendations made in its last evaluation of February 1995;
 - (ii) the Centre to replace the old and complex system for drawing up its budget and balance sheets before 1 July 2000 and reduce its reliance on the imprest accounts;
 - (iii) the Court of Auditors to follow up systematically decisions of the discharge authority and to produce a comprehensive analysis of the audits of all Agencies;
 - (iv) the Centre and Court of Auditors to reduce the duration of the contradictory procedure to ensure that the annual report can be presented to Parliament before 15 July of the year following the financial year in question,
- E. The Centre only launched an evaluation in December 2000, following delays by the Commission to select the external consultants, whereas this evaluation on the external impact and internal management will be finished in April 2001.

⁽¹⁾ OJ C 373, 27.12.2000, p. 27.

⁽²⁾ OJ C 40, 7.2.2001, p. 387.

- F. The Court of Auditors has tended to conduct financial rather than performance appraisals, has not carried out a comprehensive analysis of the results of all Agency audits and has not reduced the length of the contradictory procedure in order to allow Parliament to take its findings into consideration before voting on the budget for the subsequent year.
- G. The Court of Auditors has obtained reasonable assurance that the annual accounts for the financial year ended 31 December 1999 are reliable and the underlying transactions are, as a whole, legal and regular, subject to a reservation on the carry-over of commitments,
1. Notes the following figures for the accounts of the European Centre for the Development of Vocational Training:

1999 financial year

(EUR thousands)

(a) Revenue	12 717
1. Subsidy from the Commission	12 415
2. Miscellaneous revenue	150
3. Earmarked revenue	152
(b) Expenditure	14 596
<i>Title I — Staff expenditure</i>	
1. Payments for the year	6 226
2. Appropriations carried over	395
<i>Title II — Administrative expenditure</i>	
1. Payments for the year	1 658
2. Appropriations carried over	1 058
<i>Title III — Operating expenditure</i>	
1. Payments for the year	3 021
2. Appropriations carried over	2 238
Balance for the year	– 520
Out-turn for the year ((a) – (b))	– 1 879
Balance carried over from the previous year	697
Appropriations carried over from the previous year which lapsed	760
Exchange differences for the year	– 98

Thessaloniki Centre

2. Takes note of the external evaluation that was launched in December 2000; calls for the presentation of an action plan, in the light of the evaluation, before the end of 2001; requests that the evaluation assess how key stakeholders, including the Parliament, Commission, Member States, industry and academia, rate the Centre;
3. Points out that there is perhaps a danger of overlap between the work of the European Centre for the Development of Vocational Training and the European Training Foundation; recalls that the work of the European Training Foundation has been financed, to an important degree, through PHARE, TACIS and Tempus programmes; calls for the evaluation to assess the existing cooperation between the agencies and to analyse the advantages and disadvantages of a merger between the European Centre for the Development of Vocational Training and the European Training Foundation, takes the view, however, that before examining the possible merger of the European Centre for the Development of Vocational Training and the European Training Foundation, the Commission must first have at its disposal and study the conclusions and proposals of the external evaluation of both agencies, a procedure which is still underway;
4. Recalls that the Centre expended scarce resources in 1997, 1998 and 1999 to develop a tailor-made computer system to manage its budget and accounts, rather than employ a decentralised application developed by the Commission, SI2, which is used by nine other Agencies; welcomes that the old system was fully replaced before 1 July 2000 and vetted by the Commission;

5. Regrets weaknesses in the management of contracts of electronic media projects including the lack of consultation with the Centre's own informatics departments and a failure to follow administrative and financial procedures for invitations to tender; expects the newly created contracts management unit will ensure that problems do not re-occur;
6. Acknowledges efforts to reduce further its reliance on imprest accounts for payments from 47 % in 1997 (EUR 6,6 million), 46 % in 1998 (EUR 5,9 million) to 21 % in 1999 (EUR 3,1 million);
7. Congratulates the Centre on savings of EUR 1,2 million in the construction of its seat; notes that this is due to concerted action with the Greek Government and Commission; calls on the Greek authorities to finalise the formal transfer of the property and to change their plans for highway construction immediately in front of Cedefop building, which would be damaging and contravene the written promises given in 1995 to Cedefop;

Parliament

8. Calls on its specialised committees to monitor closely the activities and impact of the Thessaloniki Centre and Turin Foundation to assess how well they fulfil their respective mandates;

Court of Auditors

9. Invites the Court of Auditors to submit individual audits before 15 July of each year following the financial year in question; calls on the Court to report findings of a horizontal nature in the subheading on decentralised agencies in the chapter on administrative expenditure in its Annual report; would welcome a shift of emphasis from purely financial audits to performance audits, whereby the Court would address the following questions:
 - (i) added-value of the agency: including an assessment of the timeliness of the output and an evaluation of its quality and overall impact;
 - (ii) effectiveness: including an investigation into how efficiently and effectively the agency goes about fulfilling its mission;
 - (iii) comparative advantage: including suggestions of ways to avoid any possible overlap or duplication between various agencies;

Discharge decision

10. Gives discharge to the Management Board of the European Centre for the Development for Vocational Training in respect of the implementation of its budget for the 1999 financial year;
11. Instructs its President to forward this Decision to the Management Board of the European Centre for the Development for Vocational Training, the Council, the Commission and the Court of Auditors and the Greek Government and to have it published in the Official Journal (L series).

The Secretary-General
Julian PRIESTLEY

The President
Nicole FONTAINE