

2014 discharge: EU general budget, Economic and Social Committee

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PURPOSE: presentation of the Report of the Court of Auditors on the 2014 budget - Analysis of the accounts of the Economic and Social Committee.

CONTENT: the Court of Auditors published its 38th Annual Report on the implementation of the EU budget for the 2014 financial year.

In accordance with the tasks and objectives conferred on the Court of Auditors by the Treaty on the Functioning of the European Union, it provides under the discharge procedure, for both the European Parliament and Council, a statement of assurance (“DAS”) about the reliability of the accounts and the legality and regularity of the transactions of each institution, body or agency of the EU, based on an independent external audit.

The audit also focuses on the budget implementation of the Economic and Social Committee.

Overall, audit evidence indicates that spending on ‘Administration’ is **not affected by a material level of error**. For this MFF heading area, testing of transactions indicates that the estimated level of error present in the population is **0.5 %**.

The main risks regarding administrative and other expenditure are:

- the non-compliance with the procedures for procurement;
- the implementation of contracts;
- recruitment issues;
- the calculation of salaries and allowances.

The Court makes a certain number of particular observations as regards each EU institution or body of the European Union. This institution should improve its monitoring systems for the timely updating of the personal situation of staff members which may have an impact on the calculation of family allowances.

However, in the specific case of the audit of the Economic and Social Committee, **the Court noted weaknesses regarding procurement procedures**. It noted that in certain cases, the EESC did not properly assess whether the tenders complied with the required specifications and made clerical mistakes in valuing the tenderers’ bids.

In another case, the EESC did not appropriately apply the exclusion criteria for the awarding of the contract.

Therefore, the Court called on the EESC to improve the design, coordination and conduct of procurement procedures through appropriate checks and better guidance.