

# Procedure file

| Basic information                                  |                                |                     |
|--|--------------------------------|---------------------|
| DEC - Discharge procedure                          | <a href="#">2018/2187(DEC)</a> | Procedure completed |
| 2017 discharge: European Training Foundation (ETF) |                                |                     |
| Subject<br>8.70.03.02 2017 discharge               |                                |                     |

| Key players         |   |  |            |
|---------------------|---|--|------------|
| European Parliament | Committee responsible   | Rapporteur   | Appointed  |
|                     |  Budgetary Control               |  <a href="#">SARVAMAA Petri</a>    | 26/07/2018 |
|                     |   | Shadow rapporteur  |            |
|                     |   |  <a href="#">KADENBACH Karin</a>   |            |
|                     |   |  <a href="#">CZARNECKI Ryszard</a> |            |
|                     |   |  <a href="#">ALI Nedzhmi</a>     |            |
|                     |   |  <a href="#">STAES Bart</a>      |            |
|                     |   |  <a href="#">KAPPEL Barbara</a>  |            |
|                     | Committee for opinion   | Rapporteur for opinion   | Appointed  |
|                     |  Employment and Social Affairs |  <a href="#">HARKIN Marian</a>   | 09/10/2018 |
| European Commission | Commission DG<br><a href="#">Budget</a>   | Commissioner<br>OETTINGER Günther  |            |

| Key events |  |                               |         |
|------------|--|-------------------------------|---------|
| 28/06/2018 | Non-legislative basic document published   | <a href="#">COM(2018)0521</a> | Summary |
| 11/09/2018 | Committee referral announced in Parliament |                               |         |
| 20/02/2019 | Vote in committee                          |                               |         |
| 01/03/2019 | Committee report tabled for plenary        | <a href="#">A8-0131/2019</a>  | Summary |
|            |  |                               |         |

|            |   |   |         |
|------------|---|---|---------|
| 26/03/2019 | Results of vote in Parliament           |    |         |
| 26/03/2019 | Debate in Parliament                    |  |         |
| 26/03/2019 | Decision by Parliament                  | <a href="#">T8-0277/2019</a>  | Summary |
| 26/03/2019 | End of procedure in Parliament          |   |         |
| 27/09/2019 | Final act published in Official Journal |   |         |

### Technical information

|                            |                           |
|----------------------------|---------------------------|
| Procedure reference        | 2018/2187(DEC)            |
| Procedure type             | DEC - Discharge procedure |
| Other legal basis          | Rules of Procedure EP 159 |
| Stage reached in procedure | Procedure completed       |
| Committee dossier          | CONT/8/14291              |

### Documentation gateway

|   |             |  |            |      |         |
|---|-------------|--|------------|------|---------|
| Non-legislative basic document                      |             | <a href="#">COM(2018)0521</a>  | 28/06/2018 | EC   | Summary |
| Court of Auditors: opinion, report                  |             | <a href="#">N8-0012/2019</a><br><a href="#">OJ C 434 30.11.2018, p. 0001</a> | 18/09/2018 | CofA | Summary |
| Committee draft report                              |             | <a href="#">PE626.805</a>  | 10/12/2018 | EP   |         |
| Committee opinion                                   | <b>EMPL</b> | <a href="#">PE629.764</a>  | 25/01/2019 | EP   |         |
| Supplementary non-legislative basic document        |             | <a href="#">05825/2019</a>   | 31/01/2019 | CSL  | Summary |
| Amendments tabled in committee                      |             | <a href="#">PE634.511</a>  | 31/01/2019 | EP   |         |
| Committee report tabled for plenary, single reading |             | <a href="#">A8-0131/2019</a>   | 01/03/2019 | EP   | Summary |
| Text adopted by Parliament, single reading          |             | <a href="#">T8-0277/2019</a>   | 26/03/2019 | EP   | Summary |

### Final act

Budget 2019/1503  
[OJ L 249 27.09.2019, p. 0263](#)

## 2017 discharge: European Training Foundation (ETF)

URPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2017, as part of the 2017 discharge procedure.

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

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 2017 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 with a view to granting discharge.

Discharge procedure: the final step of a budget lifecycle is the discharge. It is the decision by which the European Parliament releases the

Commission from its responsibility for management of a given budget by marking the end of that budget's existence. It is granted by the European Parliament on the recommendation of the Council.

The decision is based in particular on the European Court of Auditors reports, in particular its annual report, in which the Court provides a Statement of Assurance (DAS) on the legality and regularity of transactions (payments and commitments).

The procedure results in the granting, postponement or refusal of 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.

All EU institutions and other agencies, bodies and joint undertakings are subject to their own discharge procedures.

European Training Foundation: the Foundation, which is located in Turin (IT), 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. It aims in particular to provide advice on human capital development issues in the partner countries and promote knowledge and analysis of skills needs in national and local labour markets.

As regards the EFTs accounts, these are presented in detail in the document on the consolidated annual accounts of the European Union for 2017:

Commitment appropriations:

- available: EUR 20 million;
- made: EUR 20 million.

Payment appropriations:

- available: EUR 21 million;
- made: EUR 20 million.

For further details on expenditure, please refer to the [final accounts of the Foundation](#).

## 2017 discharge: European Training Foundation (ETF)

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Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 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 2017, accompanied by the Foundation's replies to the Court's observations, the Council recommended 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 2017.

The Council welcomed the fact that the observations in the Court of Auditors' report in relation to the financial year 2017 did not call for any comments.

## 2017 discharge: European Training Foundation (ETF)

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The Committee on Budgetary Control adopted the report by Petri SARVAMAA (EPP, FI) on discharge in respect of the implementation of the budget of the European Training Foundation (ETF) for the financial year 2017.

The committee called on the European Parliament to grant the Director of the Foundation discharge in respect of the implementation of the agency's budget for the financial year 2017.

Noting that the Court of Auditors stated that it had obtained reasonable assurance that the annual accounts of the Foundation for the financial year 2017 were reliable and that the underlying transactions were legal and regular, Members called on Parliament to approve the closure of the Foundations 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](#):

Foundations financial statements

The final budget of the Foundation for the financial year 2017 was EUR 20 144 089, representing a decrease of 3.62 % compared to 2016.

Budget and financial management

Budget monitoring efforts during the financial year 2017 resulted in a high budget implementation rate of 99.93 %, representing a slight decrease of 0.06 % compared to 2016. Payment appropriations execution rate was 97.97 %, representing an increase of 0.31 % compared to the previous year.

Members noted with concern that the Foundations level of cancellations of carry-overs from 2016 to 2017 amounted to at EUR 42 925, still representing 9.16 % of the total amount carried over, despite of a significant decrease of 8.42 % in comparison to 2016.

Members also made a series of observations regarding performance, staff policy and internal controls.

In particular, they noted that:

- the Foundation achieved a 93 % activity completion rate with a timely completion rate of 88 %, that it launched the forum for quality in vocational education and training (VET);

- on 31 December 2017, the establishment plan was 96.6 % executed, with 85 temporary agents appointed out of 88 temporary agents authorised under the Union budget;
- adequate staff and financial resources should be ensured in order to allow the Foundation to implement its tasks;
- an independent disclosure, advice and referral body for whistle-blowers was established by appointing the Foundations legal advisor as the Foundations ethics and integrity correspondent;
- the Foundation revised its internal control framework in 2017 and that the Governing Board adopted the Internal Control Principles;
- concerns related to the premises in Villa Gualino have been overcome and their presence in the current facilities is secure for the foreseeable future.

## 2017 discharge: European Training Foundation (ETF)

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The European Parliament decided to grant discharge to the Director of the European Training Foundation (ETF) for the financial year 2017 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 2017 are reliable and that the underlying transactions are legal and regular, Parliament adopted by 512 votes to 120 with 2 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 [draft resolution on performance, financial management and control of EU agencies](#):

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In particular, they noted that:

- the Foundation achieved a 93 % activity completion rate with a timely completion rate of 88 %, that it launched the forum for quality in vocational education and training (VET);
- on 31 December 2017, the establishment plan was 96.6 % executed, with 85 temporary agents appointed out of 88 temporary agents authorised under the Union budget;
- adequate staff and financial resources should be ensured in order to allow the Foundation to implement its tasks;
- the Foundation launched an obligatory on-line anti-fraud awareness exercise among its existing staff, as well as among its new staff in the form of an obligatory induction exercise;
- an independent disclosure, advice and referral body for whistle-blowers was established by appointing the Foundations legal advisor as the Foundations ethics and integrity correspondent;
- the Foundation revised its internal control framework in 2017 and that the Governing Board adopted the Internal Control Principles;
- concerns related to the premises in Villa Gualino have been overcome and their presence in the current facilities is secure for the foreseeable future.