2010 discharge: European Police College (CEPOL)

2011/2230(DEC) - 04/04/2012 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Monica Luisa MACOVEI (EPP, RO) on discharge in respect of the implementation of the budget of the European Police College (CEPOL) and called on the European Parliament to grant the Director of CEPOL discharge in respect of the implementation of the College's budget for the financial year 2010.

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts for the financial year 2010 are reliable and that the underlying transactions are legal and regular, Members approve the closure of the accounts of the Colleges accounts.

However, they make a number of recommendations that need 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:

- Budget and financial management: Members note the College's claim that the financial year 2010 was characterised by a lack of sufficient financial resources with a cut of EUR 1 000 000 in the Union contribution to the College's budget. They are surprised by this view, particularly in this time of crisis, as good management ensures correct and cost-efficient spending of the budget available and considering that 31.6 % of the College's 2010 budget was carried over to 2011.
- They also take note from the College's final annual accounts for the financial year 2010 that some deficiencies occurred in the preparation of individual budgets and commitments for courses and seminars which resulted in 2010 appropriations having been committed and paid to cover 2009 expenditure. This is at odds with the principle of annuality. Members note in 2010 a rate of spent payment appropriations of only 59.12%. They draw attention to the fact that the rules on reimbursement for the activities of the College have been revised to a large extent and that different measures have been clarified for the strict implementation of the financial regulations. Members deplore the fact that before the adoption of Decision 34/2010/GB of the Governing Board of the College of 29 September 2010, the cut-off dates for reimbursement of costs were not enforced, so that there was no substantial improvement in adhering to these cut-off dates.
- Carryover appropriations: the committee notes that 31.6 % of the College's 2010 budget, were carried forward to 2011, which is at odds with the principle of annuality. It is concerned that even though the Court of Auditors has been able to obtain reasonable assurances that the annual accounts of the College for the 2010 financial year are, in all material aspects, reliable, the Court of Auditors observed that more than EUR 1 600 000, equivalent to 48 % of the appropriations carried over from 2009, had to be cancelled in 2010. It awaits action on this, particularly in terms of better programming.
- The Colleges activities: Members note that expenditure for organising courses and seminars represents a significant part of the Colleges budget. There was a lack of rigour in the Colleges process for approving cost claims related to such activities, particularly with regard to the completeness of supporting evidence.
- Appropriations used to finance private expenditure: the committee also note that an external ex-post check on appropriations used to finance private expenditure during 2007 and 2008 has been carried out and that the external reviewers considered that no further funds are recoverable in respect of this matter. It notes that the Recovery Order requiring the former Director to return funds was cashed in December 2011.
- The College's MAP for 2010-2014: Members take note of the IAS statement that the description of some items in the MAP lack clarity and that the progress reporting is not always accurate enough to allow a clear understanding of what the individual milestones imply in terms of concrete actions. They call on the IAS to confirm that the updated progress report on the College's MAP reflects adequately their recommendations.
- Internal audit: Members note that the very important recommendation on the completeness of the internal recording of mission expenses has been reported as implemented by the College and is currently under the IAS review. They call on the College and the IAS to inform the discharge authority of the results of the review.
- Single location for CEPOL and EUROPOL: the committee notes that the College and Europol are two Union bodies evolving in similar fields of intervention and are performing complementary activities. It believes that if these activities were brought together under a common agency unnecessary additional costs would be avoided. It calls on the Commission to prepare a comprehensive impact assessment by March 2013 regarding a potential merger of these two agencies setting out the costs and benefits. Members are convinced that the merger will engender greater rationality and efficiency in expenditure. They welcome, therefore, the Commission's proposal that Europol could take over the training role of the College, and regret that Member States rejected this proposal. Members believe that a merger would enable the College to benefit directly from Europol's expertise regarding international organised crime and terrorism in order to fulfil its mission of providing training for senior police officers.