RESOLUTION (EU) 2021/1591 OF THE EUROPEAN PARLIAMENT

of 29 April 2021

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Training Foundation for the financial year 2019

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European Training Foundation for the financial year 2019,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Employment and Social Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0089/2021),

A. whereas, according to its statement of revenue and expenditure [1], the final budget of the European Training Foundation (the 'Foundation') for the financial year 2019 was EUR 20 546 000, representing an increase of 2,00 % compared to 2018; whereas the Foundation's budget derives entirely from the Union budget;

B. whereas the Court of Auditors (the 'Court'), in its report on the Foundation's annual accounts for the financial year 2019 (the 'Court's report'), states that it has obtained reasonable assurance that the Foundation's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes with satisfaction that budget monitoring efforts during the financial year 2019 resulted in a high budget implementation rate of 99,96 %, representing a slight increase of 0,03 % compared to 2018; takes note of the fact that the payment appropriations execution rate was 95,91 %, representing a decrease of 2,16 % compared to 2018;

Performance

2. Notes that the Foundation uses certain measures as key performance indicators (KPIs) to assess the added value provided by its activities and other measures to improve its budget management, such as stakeholder engagement, country policy development progress and timely payments;

3. Reminds the Foundation to regularly review and update its performance measurement system and KPIs to ensure its efficient contribution and expertise at Union level; encourages the Foundation to carefully analyse its outcomes and to use them to improve the planning of its strategies and activities;

4. Welcomes the work of the Foundation in supporting the reform of vocational training in the Union neighbouring countries, enlargement countries and central Asian countries by assisting the Commission in the implementation of various vocational training programmes; welcomes in particular the Foundation's initiative 'Skills for Enterprise Development' addressing the need for skills adaptation and enhancement enabling enterprises to respond and manage challenges, including those resulting from the COVID-19 pandemic, and contribute to greener, more inclusive and more innovative societies, and its focus on achieving social inclusion through education and learning, in particular its working paper on training and support for women's entrepreneurship in line with the Gender Action Plan III for 2021-2025 set out in the Commission's joint communication of 25 November 2020;

5. Appreciates the fact that the Foundation is the only Union agency with a mandate to work outside the Union in supporting the Union external action in the area of education, vocational training, skills and labour market systems and human capital development in the Union's partner countries, for the purpose of improving the employability and employment prospects of the citizens of those countries; in that context, highlights the need of ensuring adequate human and financial resources allowing the Foundation to continue to implement its work programme with a very high activity completion rate;

[1] OJ C 120, 29.3.2019, p. 20.

6. Notes that the Foundation achieved a 91 % activity completion rate with a timely completion rate of 85 %, and that it succeeded in reaching its targets for 14 out of 15 KPIs;

7. Notes that in 2019, the governing board adopted a new strategy that defines a vision that maximises the utilisation of the Foundation's knowledge and experience in the context of the Union's external relations' policies to improve human capital development with a focus on delivering the United Nation's 2030 Sustainable Development Agenda and the Union's external relations priorities;

8. Welcomes the good collaboration with the European Centre for the Development of Vocational Training (Cedefop), the European Foundation for the Improvement of Living and Working Conditions (Eurofound) and the European Agency for Safety and Health at Work (EU-OSHA); encourages the Foundation to continue and to actively seek further and broader cooperation to develop its synergies, share knowledge and exchange good practices with other Union agencies with a view to improving efficiency (human resources, building management, IT services and security);

9. Stresses the importance of increasing the digitalisation of the Foundation in terms of internal operations and management procedures; stresses the need of the Foundation to continue to be proactive in that regard in order to avoid a digital gap between the Union agencies; draws attention, however, to the need to take all the necessary security measures to avoid any risk to the online security of the information processed;

Staff policy

10. Notes that, on 31 December 2019, the establishment plan was 100 % implemented, with 86 temporary agents appointed out of 86 temporary agents authorised under the Union budget (compared to 86 authorised posts in 2018); notes that, in addition, 41 contract agents worked for the Foundation in 2019 and that there were no seconded national experts;

11. Notes with satisfaction that the Foundation has reported almost a gender balance among the senior management (3 men and 2 women) and the governing board (13 men and 15 women);

12. Welcomes the fact that the Foundation has several anti-harassment measures in place and that the Foundation adopted a new policy on protecting staff dignity in 2019;

13. Urges the Foundation to enhance the geographical balance of its staff, including at middle and senior management level, in order to have a proper representation of nationals from all Member States, reflecting the diversity of the Union, as indicated in Article 27 of the Staff Regulations of Officials;

14. Encourages the Foundation to pursue the development of a long-term human resources policy framework which addresses work-life balance, lifelong guidance and career development, gender balance, teleworking, geographical balance and the recruitment and integration of people with disabilities;

Prevention and management of conflicts of interest and transparency

15. Notes the Foundation's existing measures and ongoing efforts to secure transparency, prevent and manage conflicts of interest, and protect whistleblowers; notes with satisfaction that the declarations of interest and CVs of the governing board and senior management are published on the Foundation's website; notes that the Foundation identified a potential conflict of interest within a selection procedure in 2019 and that the director took the decision to modify the composition of the selection assessment board accordingly; notes that the Foundation has one ongoing whistleblowing case and that consequential actions are being undertaken in the context of a disciplinary procedure; calls on the Foundation to report to the discharge authority on progress made;

16. Notes the continuation of steps taken in order to enhance the transparency of the Foundation's activities by reporting the meetings that the Foundation's staff has with external stakeholders, in particular the director's meetings with organisations and self-employed individuals, and their availability on the Foundation's website;

Procurement

17. Is satisfied that the Foundation has acted upon the majority of the observations made by the discharge authority in the framework of the 2018 discharge procedure but draws attention to the fact that it still has to take action to respond to Court's observations as regards non-competitive price elements in award criteria; notes that there was no evidence that the procurement procedure through which five interim workers worked for the Foundation led to the award of the best value for money contract; endorses the Court's observation in that regard that the Foundation should use award criteria which focus on competitive price elements; notes that in its reply, the Foundation's fully acknowledges the issue and aims for the next procurement procedure for interim workers to include competitive price elements in the award criteria;

Internal controls

18. Notes that the internal audit service (IAS) issued one very important and five important recommendations in 2019, as a result of the IAS audit on 'HR management and ethics in the ETF'; notes that two recommendations were formally closed by the IAS in February 2020 and September 2020; notes in that regard that the Foundation has implemented a recommendation ranked as 'very important' and actions to address the remaining recommendations, pending the IAS's review and formal closure;

19. Notes that 2018 was the first full year of implementation of the Foundation's 17 internal control principles; notes that the results of the annual assessment of the internal control principles for 2019 were positive, with 16 out of the 17 principles being assessed as functioning well or needing only minor improvements; calls on the Foundation to further report to the discharge authority on the measures taken in order to improve the situation;

20. Notes, regarding the follow-up actions to Parliament's comments in the context of the 2018 discharge, that an external evaluation of the Union agencies under the remit of the Commission's Directorate-General for Employment, Social Affairs and Inclusion (DG EMPL), namely the Foundation, Cedefop, Eurofound and EU-OSHA, was carried out in 2018 on behalf of the Commission with regard to their relevance, effectiveness, efficiency, coherence and added value at Union level, concluding that the approach of risk management in the Foundation is in line with other agencies and enables a comprehensive and consistent control over the potential risks; notes that all open actions are planned to be completed by March 2021; calls on the Foundation to report to the discharge authority on progress made;

21. Notes that the Foundation has increased its social media presence targeting general public on different media channels and that it also introduced a new knowledge-sharing platform which helps to achieve strategic objective of being a global knowledge hub for skills and employment policies in developing and transition countries; recalls the importance of continuing to develop greater visibility in the media, internet, and social media in order to make its work known;

22. Notes that the cross-cutting evaluation of the Union agencies under the remit of DG EMPL suggested a number of recommendations for each of the agencies, but that none of them would have required legislative changes or the merging or co-locating of the agencies;

23. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 29 April 2021 ([2]) on the performance, financial management and control of the agencies.

([2]) Texts adopted, P9_TA(2021)0215.