

RESOLUTION (EU) 2019/1516 OF THE EUROPEAN PARLIAMENT**of 26 March 2019****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Foundation for the Improvement of Living and Working Conditions for the financial year 2017**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the European Foundation for the Improvement of Living and Working Conditions for the financial year 2017,
 - having regard to Rule 94 of and Annex IV to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Employment and Social Affairs (A8-0143/2019),
- A. whereas, according to its statement of revenue and expenditure ⁽¹⁾, the final budget of the European Foundation for the Improvement of Living and Working Conditions (the 'Foundation') for the financial year 2017 was EUR 20 480 000 representing a decrease of 1,49 % compared to 2016; whereas the budget from the Foundation derives mainly 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 2017 (the 'Court's report'), has stated that it obtained reasonable assurances 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 the budget monitoring efforts during the financial year 2017 resulted in a budget implementation rate of 100 %, the same as in the 2016; takes note of the fact that the payment appropriations execution rate was 80,7 %, representing a decrease of 4,1 % compared to 2016;

Cancellation of carry-overs

2. Welcomes the fact that the cancellations of carry-overs from 2016 to 2017 amounted to EUR 37 528, representing 1,2 % of the total amount carried over, showing a decrease of 3,7 % in comparison to 2016;

Performance

3. Notes with satisfaction that the Foundation uses certain key performance indicators (KPIs), included in its performance monitoring system, which in addition to the KPIs consists of 'metrics' (other indicators for operational processes) and qualitative assessment and evaluation, to assess the added value, including the outcome and impact, provided by its activities, and to improve its budget management;
4. Acknowledges the fact that the delivery of work programme outputs planned for 2017 reached 90 % of achievement (35 of 39 outputs), whereas four outputs had to be delayed due to unforeseen events and were replanned to be delivered in early 2018, and that the Foundation contributed to 194 policy development Union level events (49 % of them being priority Union-level events);
5. Appreciates that the Foundation's high-quality work in expanding and disseminating knowledge has contributed to the planning and establishment of better living and working conditions in the Union; recognises the Foundation's active role as an essential contributor to policy development and its active role as a source of information for the ongoing EU initiatives, such as the implementation of the European Pillar of Social Rights, work-life balance, access to social protection and improving working conditions; welcomes the Foundation's analysis and policy input as regards trends in quality of life against a background of the changing social and economic profile in the Overview report of the fourth European Quality of Life Survey;
6. Acknowledges the Foundation's progress in completing its four-year programme that identified four specific priority policy areas for the Foundation's future work programme;

⁽¹⁾ OJ C 108, 22.3.2018, p. 207.

7. Notes with satisfaction that the Foundation continued cooperation with other EU Agencies and implemented actions agreed in annual plans with the European Agency for Safety and Health at Work (EU-OSHA), the European Union Fundamental Rights Agency, the European Institute for Gender Equality, the European Training Foundation (ETF) and the European Centre for the Development of Vocational Training (Cedefop), and continued its preparations in collaboration with Cedefop on the fourth European Company Survey, and in the sharing of the survey costs; acknowledges the fact that the Foundation initiated a new inter-agencies framework contract with eight participating agencies for evaluation and feedback services;
8. Observes that the Foundation was the subject of the external 'cross-agencies' evaluation, together with the Cedefop, the EU-OSHA and the ETF, covering the period 2012 to 2016, which focused on the assessment of the Agencies' work regarding relevance, effectiveness, efficiency, coherence and Union added-value, as well as the future of the four Agencies; calls on the Foundation to report to the discharge authority on the results of the final report, particularly as regards to the evaluation on the Union added value provided by the Foundation, and the views on the future of the Foundation;
9. Notes with satisfaction that the Commission's proposal for a new founding regulation includes the obligation of performing an external evaluation every five years;

Staff policy

10. Notes that on 31 December 2017, the establishment plan was 95,70 % executed, with 89 officials or temporary agents appointed out of 93 officials and temporary agents authorised under the Union budget (95 authorised posts in 2016); notes that, in addition, 10 contract agents and one seconded national expert worked for the Foundation in 2017;
11. Welcomes the results of the job screening exercise, carried out in December 2017, showing a relatively high level of stability year on year;
12. Notes the fact that the Foundation has adopted a policy on protecting the dignity of the person and prevention of harassment in 2017, and furthermore that it has a Dignity and Respect Programme in place;
13. Notes from the Court's report that the Foundation reported underpayments and overpayments to thirty members of staff for the period 2005 to 2014 in relation to the transition to the new EU Staff Regulations in 2005; notes that the Foundation corrected all underpayments, but will not recover the overpayments; notes that a full evaluation of the payroll function was implemented and that actions have been taken, but the issue is still ongoing; calls on the Foundation to continue its efforts on resolving the issue and keep the discharge authority updated on the progress;

Procurement

14. Notes that the Foundation's Advisory Committee on Procurement and Contracts (ACPC) examined 30 dossiers in 2017; notes that in addition the ACPC carries out an annual *ex post* verification of randomly selected low-value contracts awarded; welcomes the fact that the ACPC was satisfied overall that the Foundation adhered to the procurement procedures in 2017;
15. Notes from the Court's report that by the end of 2017 the Foundation was not yet using all of the tools launched by the Commission aimed to introduce a single solution for the electronic exchange of information with third parties participating in public procurement procedures (e-procurement); notes from the Foundation's reply that some of the tools are already in place; calls on the Foundation to introduce all of the necessary tools to manage procurement procedures and report to the discharge authority on their implementation;

Prevention and management of conflicts of interest and transparency

16. Notes the Foundation's existing measures and ongoing efforts to secure transparency, prevention and management of conflicts of interests, and whistleblower protection; appreciates that in 2017 the Foundation implemented an ethics code and that the Foundation is committed to informing the discharge authority about any case of alleged or confirmed conflict of interest;
17. Notes from the Court's report that there is a need to strengthen the accounting officer's independence by making him directly responsible to the Foundation's Executive Director and management board; welcomes the steps already taken in order to ensure the accounting officer's independence;

Internal controls

18. Acknowledges the fact that the Foundation adapted the internal control framework focusing on monitoring the performance of the internal control system, in order to make it more suitable for the Foundation's environment;
19. Notes with satisfaction that the implementation of the action plan addressing the Commission's internal audit service (IAS) findings in relation to project management has been finalised and all agreed actions have been introduced;
20. Notes with satisfaction that the Foundation and the IAS agreed to carry out a performance audit on 'Prioritisation of activities and allocation of resources' in 2018; calls on the Foundation to report the results of this audit to the discharge authority;

Other comments

21. Notes the Foundation's preliminary efforts to ensure a cost-effective and environment-friendly working place; points out, however, that the Foundation does not have any additional measures in place to reduce or offset CO₂ emissions;
22. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 26 March 2019 ⁽²⁾ on the performance, financial management and control of the agencies.

⁽²⁾ Texts adopted, P8_TA(2019)0254. See page 361 of this Official Journal.