

ЕВРОПЕЙСКА СМЕТНА ПАЛАТА
TRIBUNAL DE CUENTAS EUROPEO
EVROPSKÝ ÚČETNÍ DVŮR
DEN EUROPÆISKE REVISIONSRET
EUROPÄISCHER RECHNUNGSHOF
EUROOPA KONTROLLIKODA
ΕΥΡΩΠΑΪΚΟ ΕΛΕΓΚΤΙΚΟ ΣΥΝΕΔΡΙΟ
EUROPEAN COURT OF AUDITORS
COUR DES COMPTES EUROPÉENNE
CÚIRT INIÚCHÓIRÍ NA HEORPA



CORTE DEI CONTI EUROPEA
EIROPAS REVĪZIJAS PALĀTA
EUROPOS AUDITO RŪMAI

EURÓPAI SZÁMVEVŐSZÉK
IL-QORTI EWROPEA TAL-AWDITURI
EUROPESE REKENKAMER
EUROPEJSKI TRYBUNAŁ OBRACHUNKOWY
TRIBUNAL DE CONTAS EUROPEU
CURTEA DE CONTURI EUROPEANĂ
EURÓPSKY DVOR AUDÍTOROV
EVROPSKO RAČUNSKO SODIŠČE
EUROOPAN TILINTARKASTUSTUOMIOISTUIN
EUROPEISKA REVISIONSRÄTTEN

Report on the annual accounts of
the European Agency for Safety and Health at Work
for the financial year 2009

together with the Agency's replies

CONTENTS

	Paragraph
Introduction	1 - 2
Statement of assurance	3 - 12
Comments on the budgetary and financial management	13 - 14
Table	
The Agency's replies	

INTRODUCTION

1. The European Agency for Safety and Health at Work (hereinafter "the Agency"), located in Bilbao, was established by Council Regulation (EC) No 2062/94 of 18 July 1994¹. The Agency's task is to collect and disseminate information on national and Union priorities in the field of health and safety at work, to support national and Union organisations involved in policymaking and implementation and provide information on preventive measures².
2. The Agency's 2009 budget amounted to 15 million euro, approximately the same amount as the previous year. The number of staff employed by the Agency at the end of the year was 68, as compared with 64 in the previous year.

STATEMENT OF ASSURANCE

3. Pursuant to the provisions of Article 287(1), second subparagraph of the Treaty on the Functioning of the European Union, the Court has audited the annual accounts³ of the Agency, which comprise the "financial statements"⁴ and the "reports on implementation of the budget"⁵ for the financial year ended

¹ OJ L 216, 20.8.1994, p. 1. The Regulation was last amended by Council Regulation (EC) No 1112/2005 of 24 June 2005 (OJ L 184, 15.7.2005, p. 5).

² The **Table** summarises the Agency's competences and activities. It is presented for information purposes.

³ These accounts are accompanied by a report on the budgetary and financial management during the year which gives *inter alia* an account of the rate of implementation of the appropriations with summary information on the transfers of appropriations among the various budget items.

⁴ The financial statements include the balance sheet and the economic outturn account, the cash-flow table, the statement of changes in capital and the annex to the financial statements which includes the description of the significant accounting policies and other explanatory information.

⁵ The budget implementation reports comprise the budget outturn account and its annex.

31 December 2009 and the legality and regularity of the transactions underlying those accounts.

4. This Statement of Assurance is addressed to the European Parliament and the Council in accordance with Article 185(2) of Council Regulation (EC, Euratom) No 1605/2002⁶.

The Director's responsibility

5. As authorising officer, the Director implements the revenue and expenditure of the budget in accordance with the financial rules of the Agency under his own responsibility and within the limits of authorised appropriations⁷. The Director is responsible for putting in place⁸ the organisational structure and the internal management and control systems and procedures relevant for drawing up final accounts⁹ that are free from material misstatement, whether due to fraud or error, and for ensuring that the transactions underlying those accounts are legal and regular.

The Court's responsibility

6. The Court's responsibility is to provide, on the basis of its audit, a statement of assurance as to the reliability of the annual accounts of the Agency and the legality and regularity of the transactions underlying them.

⁶ OJ L 248, 16.9.2002, p. 1.

⁷ Article 33 of Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 (OJ L 357, 31.12.2002, p. 80).

⁸ Article 38 of Regulation (EC, Euratom) No 2343/2002.

⁹ The rules concerning the presentation of the accounts and accounting by the Agencies are laid down in chapter 1 of Title VII of Regulation (EC, Euratom) No 2343/2002 as last amended by Regulation (EC, Euratom) No 652/2008 of 9 July 2008 (OJ L 181, 10.7.2008, p. 23) and are integrated as such in the Financial Regulation of the Agency.

7. The Court conducted its audit in accordance with the IFAC and ISSAI¹⁰ International Auditing Standards and Codes of Ethics. Those standards require that the Court complies with ethical requirements and plans and performs the audit to obtain reasonable assurance about whether the accounts are free from material misstatement and whether the underlying transactions are legal and regular.

8. The Court's audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the accounts and about the legality and regularity of the transactions underlying them. The procedures selected depend on its audit judgement including the assessment of the risks of material misstatement of the accounts or of illegal or irregular transactions, whether due to fraud or error. In making those risk assessments internal control relevant to the entity's preparation and presentation of accounts is considered in order to design audit procedures that are appropriate in the circumstances. The Court's audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the accounts.

9. The Court believes that the audit evidence obtained is sufficient and appropriate to provide a basis for the opinions set out below.

Opinion on the reliability of the accounts

10. In the Court's opinion, the Agency's Annual Accounts¹¹ present fairly, in all material respects, its financial position as of 31 December 2009 and the results of

¹⁰ International Federation of Accountants (IFAC) and International Standards of Supreme Audit Institutions (ISSAI).

¹¹ The Final Annual Accounts were drawn up on 17 June 2010 and received by the Court on 22 June 2010. The Final Annual Accounts, consolidated with those of the Commission, are published in the Official Journal of the European Union by 15 November of the following year. These can be found on the following website <http://eca.europa.eu> or <http://osha.europa.eu/en/about/finance/>.

its operations and its cash flows for the year then ended, in accordance with the provisions of its Financial Regulation.

Opinion on the legality and the regularity of the transactions underlying the accounts

11. In the Court's opinion, the transactions underlying the annual accounts of the Agency for the financial year ended 31 December 2009 are, in all material respects, legal and regular.

12. The comments which follow do not call the Court's opinions into question.

COMMENTS ON THE BUDGETARY AND FINANCIAL MANAGEMENT

13. For Title III – Operational activities, 3,5 million euro, 47 % of the commitments made, were carried forward to the budgetary year 2010. According to the accounting information, approximately two million euro of the appropriations carried forward correspond to activities not yet implemented at the year end. This situation indicated delays in the implementation of the activities financed from Title III of the Agency's budget and was at odds with the budgetary principle of annuality.

14. Appropriations carried over from 2008 amounting to 0,7 million euro, or 18 % (compared to 10 % in 2008), had to be cancelled. The increased cancellation rate again indicates the need for stricter application of the annuality principle by the Agency.

This Report was adopted by Chamber IV, headed by Mr Igors LUDBORŽS,
Member of the Court of Auditors, in Luxembourg at its meeting of 14 and
16 September 2010.



For the Court of Auditors

Wm

Vítor Manuel da SILVA CALDEIRA
President

Table - European Agency for Safety and Health at Work (Bilbao)

Areas of Union competence deriving from the Treaty	Competences of the Agency as defined in the Council Regulation (Council Regulation (EC) No 2062/94 of 18 July 1994 as amended by Council Regulation (EC) No 1112/2005 of 24 June 2005)	Governance	Resources available to the Agency in 2009 (Data for 2008)	Products and services provided during 2009
<p>Social provisions</p> <p>The Union and the Member States ... shall have as their objectives the promotion of employment, improved living and working conditions, so as to make possible their harmonisation while the improvement is being maintained, proper social protection, dialogue between management and labour, the development of human resources with a view to lasting high employment and the combating of exclusion.</p> <p>With a view to achieving the objectives of Article 151, the Union shall support and complement the activities of the Member States in the following fields:</p> <p>(a) improvement in environment to protect workers' health and safety;</p> <p>(b) working conditions;</p> <p>(c) the information and consultation of workers;</p> <p>(d) the integration of persons excluded from the labour market, without prejudice to Article 166;</p> <p>(e) equality between men and women with regard to labour market opportunities and treatment at work;</p> <p>(f) the combating of social exclusion;</p> <p>(Extracts from Article 151 and 153 TFEU)</p>	<p>Objectives</p> <p>In order to improve the working environment, as regards the protection of the safety and health of workers as provided for in the Treaty and successive strategies and action programs concerning health and safety at the workplace, the aim of the Agency shall be to provide the Union and the Member States, the social partners and those involved in the field with technical, scientific and economic information of use in the field of safety and health at work.</p> <p>Tasks</p> <ul style="list-style-type: none"> - To collect, analyse and disseminate information on national and Union priorities and on research. - To promote cooperation and the exchange of information, including information on training programmes. - To supply the Union bodies and the Member States with the information they require for formulating and implementing policies, in particular as regards the impact on small and medium-sized enterprises. - To make available information on preventive activities. - To contribute to the development of strategies and Union action programmes. - To set up a network comprising national focal points and topic centres. 	<p>1 - Governing Board</p> <p>Composition</p> <ul style="list-style-type: none"> - 1 representative of the Government of each Member State. - 1 representative of the employers' organisations of each Member State. - 1 representative of the employees' organisations of each Member State. - 3 representatives of the Commission. <p>Members and alternate members from the first three categories shall be appointed from the members and alternate members of the Advisory Committee on Safety and Health at Work</p> <p>Task</p> <p>To adopt the Agency's work programme, budget and annual general report.</p> <p>2 - Bureau</p> <p>Composition</p> <ul style="list-style-type: none"> - Chair and 3 vice-chairs of the Board - Coordinators from each of the three interest groups - 1 additional member from each of the groups and the Commission <p>Task</p> <p>Overseeing the preparation and follow-up of the Board's decisions</p> <p>3 - The Director</p> <p>Appointed by the Governing Board on a proposal from the Commission.</p> <p>4 - Committees</p> <p>Obligatory consultation of the Commission and the Advisory Committee on Safety and Health at Work in respect of the work program and budget.</p> <p>5 - External audit</p> <p>Court of Auditors.</p> <p>6 - Discharge authority</p> <p>Parliament, acting on a recommendation from the Council.</p>	<p>Budget</p> <ul style="list-style-type: none"> - 15,0 million euro (14,9 million euro) including : - Union subsidy, DG Employment: 82,6 % (96,5 %) - Union subsidy, DG Enlargement: 6,5 % (2,4 %) - Other: 0,9 % (1,1 %) <p>Staff at 31 December 2009</p> <p>44 (44) posts in the establishment plan, of which, posts filled : 42 (41)</p> <p>Posts vacant: 2 (3)</p> <p>26 (23) other posts (contract staff -- or which one financed by earmarked funds -, seconded national experts, local staff and trainees).</p> <p>Total staff : 68 (64) assigned to operational tasks : 50 (45) administrative tasks : 9 (10) mixed tasks : 9 (9)</p>	<p>European Risk Observatory (ERO):</p> <ul style="list-style-type: none"> - Completion of fieldwork of the European Survey of Enterprises on New and Emerging Risks (ESENER): 31 countries, 36,000 interviews. First results presented at Board meeting. - Publications on: Emerging chemical risks. Nanoparticles. Stress: facts and figures. Biological agents and pandemics. Labour inspectors' strategic planning. Occupational safety and health of cleaning workers. The human-machine interface as an emerging risk. Exploratory Survey of Occupational Exposure Limits for Carcinogens, Mutagens and Reprotoxic substances at EU Member States level. - Launched foresight on safety and health impact of technological innovations in 'green jobs' by 2020 - Data collection on safety and health of women at work. - Seminars on emerging chemical risks, and violence and harassment. <p>Working Environment Information:</p> <ul style="list-style-type: none"> - Data collection and risk assessment (RA) tools database on the Agency's website. - Publication of two reports and fact sheets on RA. - Development of the Online Interactive Risk Assessment Tool (OIRA) - Continued development of a network of European organizations which can provide OSH economic incentives and preparation of a report on the topic. - Seminar and publication of a report on preventing harm to cleaning workers. - Publication of a report on OSH in the school curriculum and activities in Member States. - Publication of a report on preventing risks to young workers: policy, programmes and working practices. - Collection of case studies on mental health promotion and workplace health promotion for young workers under the Occupational Health Promotion project. - Revision and development of the Agency's website Legislation area. - Participation in seminars, conferences and other events. <p>Communication, Campaigning and Promotion:</p> <ul style="list-style-type: none"> - 'Healthy Workplaces Campaign. Good for you. Good for Business.' - European campaign on risk assessment: good practice awards event (with Czech Presidency); closing summit (with Swedish Presidency). - Multilingual web-based and printed information products, tools and services on occupational safety and health. - Awareness raising activities: promotion of results of OSH opinion poll; photo competition; documentary film award. - Monitoring and evaluation: real-time evaluation of Healthy Workplace campaign; website survey and benchmarking. <p>Networking and Coordination:</p> <ul style="list-style-type: none"> - Further development of focal point network - Liaison with European and international organizations - Institutional capacity building in Candidate and Potential Candidate Countries

Source: Information supplied by the Agency.

THE AGENCY'S REPLIES

13. The Agency acknowledges the necessity to reduce the carry forward to the minimum taking into account the implementation period of the Agency's projects. This should lead to a reduction in the level of cancelled credit appropriations.

With this in mind, the management put in place, early in 2010, a monthly reporting mechanism to monitor the implementation of the activities foreseen in its annual work programme and the corresponding budgetary aspects.

Particular attention will be paid to the commitments still open at year-end with a view to de-committing the amounts not needed to cover subsequent financial and legal obligations.

