

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 2010

together with the Agency's replies

## **INTRODUCTION**

1. The European Agency for Safety and Health at Work (hereinafter "the Agency"), which is located in Bilbao, was established by Council Regulation (EC) No 2062/94 of 18 July 1994<sup>1</sup>. 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 measures<sup>2</sup>.
2. The Agency's 2010 budget amounted to 15,5 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 67 compared with 68 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 accounts<sup>3</sup> of the Agency, which comprise the "financial statements"<sup>4</sup> and the "reports on the implementation of the budget"<sup>5</sup> for the financial year ended 31 December 2010, and the legality and regularity of the transactions underlying those accounts.

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

<sup>2</sup> The ***Annex*** summarises the Agency's competences and activities. It is presented for information purposes.

<sup>3</sup> 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.

<sup>4</sup> 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 a description of the main accounting policies and other explanatory information.

<sup>5</sup> The budget implementation reports comprise the budget outturn account and its annex.

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 1605/2002<sup>6</sup>.

#### 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 the authorised appropriations<sup>7</sup>. The Director is responsible for putting in place<sup>8</sup> the organisational structure and the internal management and control systems and procedures relevant for drawing up final accounts<sup>9</sup> 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.

7. The Court conducted its audit in accordance with the IFAC and ISSAI<sup>10</sup> International Auditing Standards and Codes of Ethics. Those standards require

<sup>6</sup> OJ L 248, 16.9.2002, p. 1.

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

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

<sup>9</sup> 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 (OJ L 181, 10.7.2008, p. 23) and are integrated as such in the Financial Regulation of the Agency.

<sup>10</sup> International Federation of Accountants (IFAC) and International Standards of Supreme Audit Institutions (ISSAI).

the Court to comply with ethical requirements and to plan and perform the audit so as to obtain reasonable assurance as to whether the accounts are free of material misstatement and whether the underlying transactions are legal and regular.

8. The Court's audit involves performing procedures to obtain audit evidence of the amounts and disclosures in the accounts and of the legality and regularity of the transactions underlying them. The procedures selected, including its assessment of the risks of material misstatement of the accounts or of illegal or irregular transactions, whether due to fraud or error, depend on its audit judgement. In making those risk assessments, internal controls relevant to the entity's preparation and presentation of accounts are considered in order to design audit procedures that are appropriate in the circumstances. The Court's audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the 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 Accounts<sup>11</sup> fairly present, in all material respects, its financial position as of 31 December 2010 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of its Financial Regulation.

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<sup>11</sup> The Final Annual Accounts were drawn up on 30 June 2011 and received by the Court on 4 July 2011. 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/>.



**European Agency for Safety and Health at Work (Bilbao)****Competences and activities**

<p><b>Areas of Union competence deriving from the Treaty</b></p> <p><i>(Extracts from Article 151 and 153 of the Treaty on the Functioning of the European Union)</i></p>	<p><u>Social provisions</u></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> <ul style="list-style-type: none"> <li>(a) improvement in particular of the working environment to protect workers' health and safety;</li> <li>(b) working conditions;</li> <li>(e) the information and consultation of workers;</li> <li>(h) the integration of persons excluded from the labour market, without prejudice to Article 166;</li> <li>(i) equality between men and women with regard to labour market opportunities and treatment at work;</li> <li>(j) the combating of social exclusion.</li> </ul>
<p><b>Competences of the Agency as defined in the Council Regulation</b></p> <p><i>(Council Regulation (EC) No 2062 as amended by Council Regulation (EC) No 1112/2005)</i></p>	<p><u>Objectives</u></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><u>Tasks</u></p> <ul style="list-style-type: none"> <li>– To collect, analyse and disseminate information on national and Union priorities and on research;</li> <li>– To promote cooperation and the exchange of information, including information on training programmes;</li> <li>– 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;</li> <li>– To make available information on preventive activities;</li> <li>– To contribute to the development of strategies and Union action programmes;</li> <li>– To set up a network comprising national focal points and topic centres.</li> </ul>
<p><b>Governance</b></p>	<p><u>1 - Governing Board</u></p> <p><u>Composition</u></p> <ul style="list-style-type: none"> <li>– 1 representative of the Government of each Member State;</li> <li>– 1 representative of the employers' organisations of each Member State;</li> <li>– 1 representative of the employees' organisations of each Member State;</li> <li>– 3 representatives of the Commission.</li> </ul> <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><u>Task</u></p> <p>To adopt the Agency's work programme, budget and annual general report.</p>

	<p><b><u>2 – Bureau</u></b></p> <p><i>Composition</i></p> <ul style="list-style-type: none"> <li>– Chair and 3 vice-chairs of the Board;</li> <li>– Coordinators from each of the three interest groups;</li> <li>– 1 additional member from each of the groups and the Commission.</li> </ul> <p><i>Task</i></p> <p>Overseeing the preparation and follow-up of the Board's decisions.</p> <p><b><u>3 – The Director</u></b></p> <p>Appointed by the Governing Board on a proposal from the Commission.</p> <p><b><u>4 – Committees</u></b></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><b><u>5 – External audit</u></b></p> <p>Court of Auditors.</p> <p><b><u>6 – Discharge authority</u></b></p> <p>Parliament, acting on a recommendation from the Council.</p>
<p><b>Resources available to the Agency in 2010 (2009)</b></p>	<p><b><u>Budget</u></b></p> <p>15,5 million euro (15,0 million euro) of which:</p> <ul style="list-style-type: none"> <li>– Union subsidy, DG Employment: 94 % (92,6 %)</li> <li>– Union subsidy, DG Enlargement: 3,4 % (6,5 %)</li> <li>– Other: 2,6 % (0,9 %)</li> </ul> <p><b><u>Staff at 31 December 2010</u></b></p> <p>44 (44) posts provided for in the establishment plan, of which, 41 (42) posts were occupied</p> <p><i>Other staff:</i></p> <ul style="list-style-type: none"> <li>– Seconded National Experts: 0 (1)</li> <li>– Contract staff: 25 (23) (One of which financed by earmarked funds)</li> <li>– Local staff: 1 (1)</li> </ul> <p>Total staff employed: 67 (68)</p> <p><i>Allocated to:</i></p> <ul style="list-style-type: none"> <li>– Operational activities: 49 (50)</li> <li>– Administrative tasks: 10 (9)</li> <li>– Mixed tasks: 8 (9)</li> </ul>
<p><b>Activities and services provided in 2010</b></p>	<p><b><u>Collecting and analysing information</u></b></p> <p><i>European Risk Observatory: anticipating change</i></p> <ul style="list-style-type: none"> <li>– Dissemination of results of the <i>European Survey of Enterprises on New and Emerging Risks (ESENER)</i>: report and summary on the management of psychosocial risks (published in 22 languages);</li> <li>– Publications on: <ul style="list-style-type: none"> <li>- Literature review on Maintenance and statistics on Occupational Safety and Health (OSH);</li> <li>- Report on Musculoskeletal disorders – facts and figures.</li> </ul> </li> <li>– Completed Phase 1 of foresight on 'Safety and health impact of technological innovations in 'green jobs' by 2020'.</li> </ul>



- Development of the 'OSH wiki', collaborative information tool on OSH.
- Experts seminar to consolidate data collected on the safety and health of women at work.

*Working Environment Information: sharing knowledge on good practice at workplace level*

- Provision of OSH expertise to the campaign on safe maintenance, including publication of an information pack, development of website, running of the good practice award competition; organisation of workshops at a Belgian presidency conference; and publication of report and fact sheet on safe maintenance in practice;
- Piloting of the development and diffusion model for the "Online Interactive Risk Assessment Tool" (OiRA) in five Member States;
- Reports on:
  - Mainstreaming OSH into university education;
  - Mental health promotion ;
  - Health promotion among young workers;
  - OSH in road transport;
  - Economic incentive to improve OSH;
  - Mainstreaming OSH into business management.
- Further development of the databases on risk assessment tools; workplace health promotion (on stopping smoking and environmental tobacco smoke); gender and OSH.

Communication, Campaigning and Promotion

- 'Healthy Workplaces Campaign. Good for you. Good for Business.' – European campaign on Safe Maintenance;
- Launch of ESENER findings (with Spanish Presidency);
- Multilingual web-based and printed information, tools and services on occupational safety and health;
- Awareness raising activities: photo competition exhibitions; documentary film award;
- Monitoring and evaluation: real-time evaluation of Healthy Workplace campaign; website survey and benchmarking.

Networking and Coordination

- Further development of focal points network: three focal points meetings;
- Integration of EFTA-EEA states in Agency network;
- Liaison with European and International organizations;
- "Institutional capacity building" in Candidate and Potential Candidate Countries (earmarked funds).

*Source:* Information supplied by the Agency.



## **THE AGENCY'S REPLIES**

1. The Agency has taken note of the Court's report.

