2015 discharge: European Centre for Disease Prevention and Control (ECDC)

2016/2175(DEC) - 13/09/2016 - Court of Auditors: opinion, report

PURPOSE: presentation of the EU Court of Auditors' report on the annual accounts of the European Centre for Disease Prevention and Control (ECDC) for the year 2015, together with the Centre's reply.

CONTENT: in accordance with the tasks conferred on the Court of Auditors by the Treaty on the Functioning of the European Union, the Court presents to the European Parliament and to the Council, in the context of the discharge procedure, a Statement of Assurance as to the reliability of the annual accounts of each institution, body or agency of the EU, and the legality and regularity of the transactions underlying them, on the basis of an independent external audit.

This audit concerned, amongst others, the annual accounts of the ECDC. The Centre's main tasks are to collect and disseminate data on the prevention and control of human diseases and to provide scientific opinions on this subject. It is also required to coordinate the European network of bodies operating in this field.

Statement of assurance: pursuant to the provisions of Article 287 of the Treaty on the Functioning of the European Union (TFEU), the Court has audited:

- the annual accounts of the Centre, which comprise the financial statements and the reports on the implementation of the budget for the financial year ended 31 December 2015, and
- the legality and regularity of the transactions underlying those accounts.

Opinion on the reliability of the accounts: in the Court's opinion, the Centre's annual accounts present fairly, in all material respects, its financial position as at 31 December 2015 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of its Financial Regulation and the accounting rules adopted by the Commission's accounting officer.

Opinion on the legality and regularity of the transactions underlying the accounts: in the Court's opinion, the transactions underlying the annual accounts for the year ended 31 December 2015 are legal and regular in all material respects. However, it did reveal **various weaknesses** affecting the transparency of the audited **procurement procedures**, such as lack of a clear link with the Centre's annual work programme, insufficient substantiation of the estimated contract value or absence of a financial benchmark (threshold) to assess the tenderer's financial capacity.

The report also makes a series of observations on the budgetary and financial management of the Centre, accompanied by the latter's response. The main observations may be summarised as follows:

The Court's observations:

- **budgetary management**: the Court noted that carry-overs of committed appropriations were high for administrative expenditure at EUR 1.6 million mainly due to the procurement of IT hard- and software, as well as for real estate consultancy services for new premises for which payments are only due in 2016. Carry-overs of committed appropriations were high for operational expenditure at EUR 7.5 million due to multiannual projects and IT support for operational activities which were provided and paid as planned.

Centre's replies:

- **budgetary management**: the Centre took note of the Court's comments. As regards **public procurement**, it stated that it has now made clearer the link between the procurement procedures and the annual work programme through the full implementation of a new version of the ECDC procurement monitoring application in 2016. The substantiation of estimated contract values is now requested prior to the launch of any procurement procedure above 25 000 euros. The financial threshold to assess financial capacity was introduced in 2016.

Lastly, the Court of Auditors' report contains a summary of **the Centre's key figures in 2015**:

- **Budget**: EUR 58.5 million.
- **Staff**: 260 including officials, temporary and contract staff and seconded national experts.