

2016 discharge: European Centre for Disease Prevention and Control (ECDC)

2017/2160(DEC) - 19/09/2017 - 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 2016, 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 2016, 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 2016 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 2016 are legal and regular in all material respects. However, while acknowledging the Centre's ongoing efforts to strengthen its internal procurement controls, there are still **significant weaknesses** in the **procurement process**. The IAS concluded that the planning and the monitoring of procurements are weak and that procurements are not always covered by the Annual Work Programme or financing decision.

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 as in previous years carry-overs of committed appropriations were high for operating expenditure at EUR 7.9 million. The carry-overs mainly relate to multiannual projects in the areas of scientific advice, surveillance, public health training and public health IT. The Centre may consider introducing differentiated budget appropriations to better reflect the multi annual nature of operations and unavoidable delays between the signature of contracts, deliveries and payments.

Centre's replies:

- **budgetary management:** the Centre noted that a standardized procedure has been put in place for internal approval of new procurements. It is also following up on the general recommendations of the IAS by reviewing its internal procedures and guidance materials. The Centre will carefully analyse the advantages/disadvantages of introducing differentiated budget appropriations, including the risks of added complexity and additional resources needed.

Lastly, the Court of Auditors' report contains a summary of **the Centre's key figures in 2016:**

- **Budget:** EUR 58.2 million.
- **Staff:** 260 including officials, temporary and contract staff and seconded national experts.