

2017 discharge: European Agency for Safety and Health at Work (EU-OSHA)

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PURPOSE: presentation of the EU Court of Auditors' report on the annual accounts of the European Agency for Safety and Health at Work for the financial year 2017, together with the Agency's replies.

CONTENT: the Court of Auditors carried out the audit on the annual accounts of the European Agency for Safety and Health at Work (EU-OSHA).

In brief, 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.

Statement of assurance and reliability of the accounts

The Court considered that:

- the Agency's annual accounts present fairly, in all material respects, its financial position as at 31 December 2017 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;
- the transactions underlying the annual accounts for the year ended 31 December 2017 are legal and regular in all material respects.

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

The Court's observations

Budgetary management

Carry-overs for Title II (administrative expenditure) and Title III (operational expenditure) were high with 40 % for each title or EUR 3.5 million in total, which is in contradiction with the budgetary principle of annuality. There is no evidence that these carry-overs are related to expenditure planned during the budgeting process.

Financial management and performance

Agencies should introduce a single solution for the electronic exchange and storage of information with third parties participating in public procurement procedures (e-procurement). As the same requirement exists for all EU Institutions, the Commission is developing a comprehensive IT solution covering all phases of public procurement procedures. The Commission launched tools for electronic invoicing (e-invoicing), for the electronic publication of documents related to contract notices (e-tendering) and for the electronic submission of tenders (e-submission). By the end of 2017, the Agency had not introduced any of these tools.

On 29 March 2017, the United Kingdom notified the European Council of its decision to withdraw from the European Union (Brexit). Unlike most other agencies, the Agency did not carry out a comprehensive analysis of the likely Brexit impact on its organisation, operations and accounts.

The Agency's replies

Budgetary management

Carry-overs for Title III mainly concern large scale research projects with a duration of more than one year and are related to the 2017 annual work programme. In respect of Title II, carry-overs mainly concern services that are contracted for a period covering two calendar years.

Financial management and performance

The Agency stated that since the end of 2016, the Agency has been giving electronic access via its website to all the procedures launched (*ex ante* publicity for low and medium value contracts and contract notice publication), providing additionally specific email addresses for procurement.

In 2018, target date October, the Agency will introduce e-tendering for the phase of publication and management of information requests until the date of submission of tenders.

In the meantime, the Agency has carried out an analysis of the likely Brexit impact on its organisation, operations and accounts.

Lastly, the Court of Auditors' report contains a summary of the Agency's key figures in 2017:

Budget

EUR 15 million.

Staff

64 including officials, temporary and contract staff and seconded national experts.