Basic information

2007/2052(DEC) DEC - Discharge procedure	Procedure completed
2006 discharge: European Agency for Safety and Health at Work OSHA **Subject** 8.70.03.07 Previous discharges	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	MARTIN Hans-Peter (NI)	27/03/2007

Committee for opinion	Rapporteur for opinion	Appointed
EMPL Employment and Social Affairs	MADEIRA Jamila (PSE)	17/12/2007

Council of the European Union

Council configuration	Meetings	Date
Economic and Financial Affairs ECOFIN	2847	2008-02-12

European Commission

Commission DG	Commissioner
Budget	KALLAS Siim

Key events

Date	Event	Reference	Summary
30/03/2007	Non-legislative basic document published	SEC(2007)1055	Summary
25/10/2007	Committee referral announced in Parliament		
26/03/2008	Vote in committee		Summary
03/04/2008	Committee report tabled for plenary	A6-0128/2008	
22/04/2008	Decision by Parliament	T6-0151/2008	Summary
22/04/2008	Results of vote in Parliament		
22/04/2008	Debate in Parliament		

22/04/2008	End of procedure in Parliament		
31/03/2009	Final act published in Official Journal		

Technical information

Procedure reference	2007/2052(DEC)
Procedure type	DEC - Discharge procedure
Legal basis	Rules of Procedure EP 102
Stage reached in procedure	Procedure completed
Committee dossier	CONT/6/53867

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE396.694	13/02/2008	
Committee opinion	EMPL	PE400.442	28/02/2008	
Amendments tabled in committee		PE402.807	06/03/2008	
Committee report tabled for plenary, single reading		A6-0128/2008	03/04/2008	
Text adopted by Parliament, single reading		T6-0151/2008	22/04/2008	Summary

Council of the EU

Document type	Reference	Date	Summary
Supplementary non-legislative basic document	05843/2008	29/01/2008	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	SEC(2007)1055	30/03/2007	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofA	Court of Auditors: opinion, report	N6-0004/2008 OJ C 309 19.12.2007, p. 0001	15/11/2007	Summary

Additional information

Source	Document	Date

European Commission	EUR-Lex	

Final act
Budget 2009/0215 OJ L 088 31.03.2009, p. 0167 Summary

2006 discharge: European Agency for Safety and Health at Work OSHA

2007/2052(DEC) - 29/01/2008

Based on the observations contained in the revenue and expenditure account and the balance sheet of the European Agency for Safety and Health at Work for the financial year 2006, as well as on the Court of Auditor's report and the Agency's replies to the Court's observations, the Council recommends that the Parliament grant the Director of the Agency discharge in respect of the implementation of the budget for the financial year 2006.

In doing so, the Council confirms that EUR 2.2 million (76%) of the appropriations carried over from 2005 to 2006 (EUR 2.8 million) was used, that appropriations carried over from 2006 to 2007 amount to EUR 2.7 million and that EUR 1 million was cancelled.

Recalling that the Court of Auditors was able to obtain reasonable assurance that the Agency's annual accounts were, in all material aspects, reliable, the Council believes that there is a certain number of observations that must be taken into consideration when providing the discharge on the implementation of the 2006 budget, particularly regarding the following points:

- **Transfers of appropriations**: the Council recalls that certain factors, notably a high number of transfers, a high rate of carry-overs for operating expenditure (Title III) and a high number of vacant positions in the establishment plan, call for more necessary improvements to the management of the financial, budgetary and human resources of the Agency, and it invites the Agency to rectify this short-term situation;
- **Presentation of the budget**: the Council notes its satisfaction at the improved transparency in terms of establishing reports, due to the separate mention of assigned revenue in the presentation of the implementation of the budget.

2006 discharge: European Agency for Safety and Health at Work OSHA

2007/2052(DEC) - 22/04/2008 - Final act

PURPOSE: to grant discharge to the European Agency for Safety and Health at work for the financial year 2006.

LEGISLATIVE ACT: Decision 2009/215/EC of the European Parliament on the discharge for the implementation of the budget of the European Agency for Safety and Health at Work for the financial year 2006.

CONTENT: with the present decision, the European Parliament grants discharge to the Director of the European Environment Agency for the implementation of the Agency's budget for the financial year 2006.

This decision is in line with the European Parliament's resolution adopted on 22 April 2008 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 22/04/2008).

2006 discharge: European Agency for Safety and Health at Work OSHA

2007/2052(DEC) - 22/04/2008 - Text adopted by Parliament, single reading

The European Parliament adopted, by 611 votes in favour, 18 against and 41 abstentions, a Decision to grant the Director of the European Agency for Safety and Health at Work discharge in respect of the implementation of its budget for the financial year 2006. The decision to grant discharge also constitutes closure of the accounts of this EU agency.

At the same time, the Parliament adopted, by 614 votes in favour, 20 against and 39 abstentions, a Resolution containing the comments which form part of the decision giving discharge. The report had been tabled for plenary by Hans-Peter **MARTIN** (NI, AT) on behalf of the Committee on Budgetary Control.

As is the case for all EU agencies, the Parliament's Resolution is divided into two parts: part one contains general comments on EU agencies, while part two focuses on the specific case of the Agency.

1) General comments on the majority of EU agencies: the Parliament notes that the budgets of the 24 agencies and other satellite bodies audited by the Court of Auditors totalled **more than EUR 1 billion** and that the number of agencies is constantly increasing. The number of agencies subject to the

discharge procedure evolved from 8 in 2000 to 20 in 2006. It concludes therefore that the auditing/discharge process has become cumbersome and disproportionate compared to the relative size of the agencies and that, in the future, this type of procedure should be simplified and rationalised for decentralised agencies.

On the basis of the financial analysis, the Parliament is of the following opinion:

- **Fundamental considerations**: given the constantly increasing number of agencies, the Parliament requests that, before the creation of a new agency, the Commission provide clear explanations regarding agency type, objectives of the agency, internal governance structure, products, services, clients and stakeholders of the agency, formal relationship with external actors, budget responsibility, financial planning, and personnel and staffing policy. It also requests that each agency be governed by a yearly performance agreement which should contain the main objectives for the coming year and that the performance of the agencies be regularly audited by the Court of Auditors (and extend the financial analysis of expenditure to also cover administrative efficiency and effectiveness). More generally, the Parliament takes the view that, in the case of agencies, which are continually overestimating their respective budget needs, technical abatement should be made on the basis of vacant posts in order to reduce the assigned revenue for the agencies and therefore also lower administrative costs of the EU. It recalls that it is a serious problem that a number of agencies is criticised for not following rules on public procurement, the Financial Regulation, the Staff Regulations etc., and consider that the principal reason for this is that most regulations and the Financial Regulation are designed for bigger institutions rather than for small agencies. Therefore, it is necessary to seek a rapid solution in order to enhance the effectiveness of the legislation by grouping the administrative functions of various agencies together or by establishing implementing rules which are better adapted to the agencies. The Parliament also insists that the Commission, when drafting the Preliminary Draft Budget, take into consideration the results of budget implementation by the individual agencies in former years and revise the budget requested by the particular agency accordingly. If the Commission does not undertake this revision, the Parliament invites the **competent committee to revise, itself, the budget in question to a realistic level**. At the same time, the Parliament recalls that it expects the Commission to present every five years a study on the added value of every existing agency and to not hesitate to close an agency if it is deemed useless by the analysis. Such an assessment is expected as soon as possible given that this type of assessment has yet to be presented. Furthermore, the Parliament insists that recommendations of the Court of Auditors should be promptly implemented and the level of subsidies paid to the agencies should be aligned with their real cash requirements.

- **Presentation of reporting data**: noting that there is no standard approach among the agencies with regard to the presentation of information, the Parliament recalls that it already invited the directors of the agencies to accompany their annual activity report with a declaration of assurance concerning the legality and regularity of operations, similar to the declarations signed by the Directors General of the Commission. It therefore asks the Commission to amend its standing instructions to the agencies and to produce a harmonised model for presenting information, including: i) an annual report intended for a general readership on the body's operations, work and achievements; ii) financial statements and a report on implementation of the agency's budget; iii) an activity report of the Directors of the agency (as requested by the Parliament since 2005); iv) a declaration of assurance signed by the body's director.

- **General findings by the Court of Auditors**: the Parliament refers to certain recurring findings by the Court, including the disbursement of subsidies paid by the Commission (not sufficiently justified estimates of the agencies' cash requirements), the non implementation of the ABAC accounting system by some agencies or the accrued charges for untaken leave which are accounted for by some agencies. It calls for rapid measures in these areas as well as improvements to the internal audit procedures of the agencies. The Parliament also calls on the agencies to consider an inter-agency disciplinary board, as some individual agencies have difficulty in setting up their own disciplinary boards due to their size.
- **Draft inter-institutional agreement**: the Parliament recalls the Commission's draft Interinstitutional agreement on the operating framework for the European regulatory agencies (see ACI/2005/2035), which was intended to create a framework for the creation, structure, operation, evaluation and control of the European regulatory agencies and awaits its adoption as soon as possible. It particularly welcomes the Commission's commitment to bring forward a Communication on the future of the regulatory agencies during the course of 2008.

2) Specific points concerning the European Agency for Safety and Health at Work: the Parliament criticises the Agency's practices that authorised multiple budgetary transfers between articles and chapters of the budget (for a combined total of EUR 880 000), which is not in line with the budgetary principle of specification. It notes that in 2006, the Agency had an accumulated surplus of EUR 1 820 135. Moreover, the Parliament notes that, of the total staff of 59 people employed by the Agency, 26 were of the same nationality.

Nevertheless, the Parliament largely commends the Agency for its work and for the role it has played in disseminating best prevention practices in the area of occupational safety and health in the EU.

2006 discharge: European Agency for Safety and Health at Work OSHA

2007/2052(DEC) - 30/03/2007 - Non-legislative basic document

PURPOSE: presentation of the final accounts of the European Agency for Safety and Health for the financial year 2006.

CONTENT: this document sets out a detailed account of the implementation of the 2006 budget, including the revenue and expenditure and the balance sheet for the year concerned.

According to this document, the final budget amounted to **EUR 14.1 million** (compared to EUR 13.7 million in 2005) of which 93.5% stems from a Community subsidy (DG Employment) and 4.5% from DG Enlargement. The remaining 2% emanates from miscellaneous revenue.

As regards the staffing policy, the Agency whose head office is based in Bilbao (Spain), set out 40 posts in its establishment plan of which 33 are currently occupied. 26 other posts (auxiliary contracts, seconded national experts and local staff) are also occupied totalling 59 posts assigned to operational, administrative and mixed tasks. 7 posts were vacant. In 2006, staffing expenditure represented EUR 3.831 million.

As regards the Agency's activities in 2006, these covered:

Building the links — Networking:

- Strengthening of tri-partism in the Agency networks;
- Institutional capacity building in Accession and Candidate Countries (Phare programmes).

Communicating Information:

- Safe Start! — European Week 2006 campaign on young workers;
- Healthy Workplace Initiative — SME targeted campaign in EU 10, Romania and Bulgaria;
- Multilingual web-based and printed information services on occupational safety and health;

Developing knowledge:

- Information products for national and European Week campaign 2006 (on Young People) and 2007 (MSDs);
- Information products on Ageing Workers, OSH & Economic Performance, and the HORECA Sector;
- Risk Observatory information products including reports on OSH research priorities, biological agents and ultraviolet radiation; data collection on stress, vibration and skin problems, and on young workers and musculoskeletal disorders for the European Weeks 2006 and 2007, feasibility study for a company survey.

The complete version of the final accounts may be found at the following address: http://osha.europa.eu/about/finance/2006/2006_annual_accounts.pdf

2006 discharge: European Agency for Safety and Health at Work OSHA

2007/2052(DEC) - 15/11/2007

PURPOSE: presentation of the report by the Court of Auditors on the 2006 annual accounts of the European Agency for Safety and Health at Work.

CONTENT: the report shows that the appropriations entered in the Agency's budget for the financial year in question are **EUR 13.965 million**, EUR 12.993 million were committed and EUR 10.298 million paid. Of this overall amount, EUR 2.663 million were carried over to 2007 and EUR 1.005 million were cancelled.

The Court notes that the annual accounts are reliable in all material respects and that the underlying transactions of the Agency's accounts, taken as a whole, are legal and regular.

Financial analysis by the Court: the Court made one observation relating to a significant number of budgetary transfers between articles within chapters. The Court indicates, in effect, that the Agency's Director signed 19 decisions authorising budgetary transfers, with a total approximate value of EUR 880 000, from article to article. In addition, contrary to the Financial Regulation, the Agency's Governing Board did not receive the required information. Thus, the **budgetary principle of specification** was not strictly observed.

The Agency's replies: the Agency accepts the observation and indicates that as from July 2007, the Agency's Governing Board will be notified of any transfer decisions made by the Director.