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ΕΥΡΩΠΑΪΚΟ ΕΛΕΓΚΤΙΚΟ ΣΥΝΕΔΡΙΟ
EUROPEAN COURT OF AUDITORS
COUR DES COMPTES EUROPÉENNE
CÚIRT INIÚCHÓIRÍ NA HEORPA



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Report on the annual accounts of
the European Centre for Disease Prevention and Control
for the financial year 2008

together with the Centre's replies

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INTRODUCTION

1. The European Centre for Disease Prevention and Control (hereinafter "the Centre"), located in Stockholm, was set up by Regulation (EC) No 851/2004 of the European Parliament and of the Council of 21 April 2004¹. Its 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 field².
2. The Centre's 2008 budget amounted to 40,6 million euro compared with 28,9 million euro the previous year. The number of staff employed by the Centre at the end of the year was 154 as compared with 122 the previous year.

STATEMENT OF ASSURANCE

3. Pursuant to the provisions of Article 248 of the Treaty the Court has audited the annual accounts³ of the Centre, which comprise the "financial statements"⁴ and the "reports on implementation of the budget"⁵ for the financial year ended 31 December 2008 and the legality and regularity of the transactions underlying those accounts.

¹ OJ L 142, 30.4.2004, p. 1.

² The ***Table*** summarises the Centre's competences and activities. It is presented for information purposes.

³ 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.

⁴ 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 the description of the significant accounting policies and other explanatory information.

⁵ 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 1605/2002⁶.

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 Center under her own responsibility and within the limits of authorised appropriations⁷. The Director is responsible for putting in place⁸ the organisational structure and the internal management and control systems and procedures relevant for drawing up final accounts⁹ 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 Centre and the legality and regularity of the transactions underlying them.

⁶ OJ L 248, 16.9.2002, p. 1.

⁷ Article 33 of Commission Regulation (EC, Euratom) No 2343/2002 of 23 December 2002 (OJ L 357, 31.12.2002, p. 80).

⁸ Article 38 of Commission Regulation (EC, Euratom) No 2343/2002 of 23 December 2002 (OJ L 357, 31.12.2002, p. 80).

⁹ The rules concerning the presentation of the accounts and accounting by the Agencies are laid down in chapter 1 of Title VII of Commission Regulation (EC, Euratom) No 2343/2002 of 23 December 2002 (OJ L 357, 31.12.2002, p. 87) as last amended by Commission Regulation (EC, Euratom) No 652/2008 of 9 July 2008 (OJ L 181, 10.7.2008, p. 23) and are integrated as such in the Financial Regulation of the Centre.

7. The Court conducted its audit in accordance with the IFAC and ISSAI¹⁰ International Auditing Standards and Codes of Ethics. Those standards require that the Court complies with ethical requirements and plans and performs the audit to obtain reasonable assurance about whether the accounts are free from material misstatement and whether the underlying transactions are legal and regular.

8. The Court's audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the accounts and about the legality and regularity of the transactions underlying them. The procedures selected depend on its audit judgement including the assessment of the risks of material misstatement of the accounts or of illegal or irregular transactions, whether due to fraud or error. In making those risk assessments internal control relevant to the entity's preparation and presentation of accounts is considered in order to design audit procedures that are appropriate in the circumstances. The Court's audit also includes evaluating the appropriateness of accounting policies used and, the reasonableness of 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 Centre's Annual Accounts¹¹ present fairly, in all material respects, its financial position as of 31 December 2008 and the results

¹⁰ International Federation of Accountants (IFAC) and International Standards of Supreme Audit Institutions (ISSAI).

¹¹ The Final Annual Accounts were drawn up on 27 April 2009 and received by the Court on 6 July 2009. 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://ecdc.europa.eu/en/aboutus/Pages/AboutUs_KeyDocuments.aspx .

of its operations and its cash flows for the year then ended, in accordance with the provisions of its Financial Regulation.

Opinion on the legality and the regularity of the transactions underlying the accounts

11. In the Court's opinion, the transactions underlying the annual accounts of the Centre for the financial year ended 31 December 2008 are, in all material respects, legal and regular.

12. The comments which follow do not call the Court's opinions into question.

COMMENTS ON THE BUDGETARY AND FINANCIAL MANAGEMENT

13. The Centre carried forward 16,2 million euro of which approximately 2,9 million euro concerned services and works that, although legally contracted in 2008, were to be fully executed in 2009. This situation is at odds with the principle of annuality.

OTHER MATTERS

14. The 2008 establishment plan contained 130 posts. At year-end 2008 only 101 of the 130 authorised posts had been filled. This situation creates a risk of downsizing the Centre's activities due to a lack of staff and indicates weaknesses in the planning of recruitment procedures.

15. At 31 December 2008 there was still no seat agreement between the Centre and the Swedish government as there were still many outstanding issues that needed further negotiations. One of these issues was that the Centre's staff were not issued a Swedish personal identification number ("personnummer"). This situation limits their access to various public and private services. The current situation may affect the Centre's capacity to recruit and keep staff.

This report was adopted by the Court of Auditors in Luxembourg at its meeting of 8 October 2009.

For the Court of Auditors

Vitor Manuel da Silva Caldeira
President

Table - European Centre for Disease Prevention and Control (Stockholm)

Areas of Community competence deriving from the Treaty	Competences of the Centre as specified in Council Regulation (EC) No 851/2004		Governance	Resources made available to the Centre In 2008 (Data for 2007)	Products and services supplied in 2008
<p>A high level of human health protection shall be ensured in the definition and implementation of all Community policies and activities. Community action, which shall complement national policies, shall be directed towards improving public health, preventing human illness and diseases, and obviating sources of danger to human health. Such action shall cover the fight against the major health scourges, by promoting research into their causes, their transmission and their prevention, as well as health information and education.</p> <p>(Article 152 of the Treaty)</p>	<p>Objectives</p> <ul style="list-style-type: none"> - Strengthen Europe's defences against infectious diseases; specifically, to identify, assess and communicate current and emerging threats to human health from communicable diseases. - Therefore the Centre shall operate dedicated surveillance networks, provide scientific opinions, operate the early warning and response system (EWRS) and provide scientific and technical assistance and training. 	<p>Tasks</p> <ul style="list-style-type: none"> - Operate dedicated disease surveillance networks and enhance networking activities. The Centre has a specific role in data collection, validation, analysis and dissemination. - Provide authoritative expert advice and scientific opinions and studies on communicable diseases. - Operate the Early Warning and Response System. Develop procedures for identifying emerging health threats. - Strengthen Member States' capacity in preparedness planning and in training. - Inform the general public and interested parties of its work. 	<p>1. Management Board <i>Composition</i> One member designated by each Member State, two members designated by the European Parliament and three representatives of the Commission.</p> <p><i>Tasks</i> The Board adopts the Centre's annual programme and budget and monitors their implementation.</p> <p>2. Director Appointed by the Management Board on the basis of a list of candidates proposed by the Commission.</p> <p>3. Advisory Forum <i>Composition</i> A representative of each Member State and three non-voting representatives of the Commission.</p> <p><i>Tasks</i> The Forum is to assure the scientific excellence of the work and the independence of the activities and opinions of the Centre.</p> <p>4. External audit Court of Auditors.</p> <p>5. Discharge Authority Parliament acting on recommendation by the Council.</p>	<p>Budget</p> <p>40,7 million euro (28 million euro)</p> <p>Staff at 31 December 2008</p> <p>Authorised: 130 (90) Occupied: 101 (80) Other posts: 53 (42) TOTAL: 154 (122) assigned to the following duties:</p> <ul style="list-style-type: none"> - operational tasks: 91 (75) - administrative and support tasks: 63 (47) 	<ul style="list-style-type: none"> - 251 threats monitored using the Threat Tracking Tool (TTT); - a weekly communicable diseases threat report and a weekly epidemiological bulletin published; - Support to epidemic intelligence for two large mass-gathering events in Europe; - Preparation of 31 original threat assessments; - Organization of two simulation exercises; - 41 fellows coached through the European Programme for Intervention Epidemiology Training (EPIET); - 250 public health experts from 30 EU-EEA countries participated in ECDC short training modules; - Organisation of the second European Scientific Conference on Applied Infectious Disease Epidemiology (ESCAIDE) in November 2008 in Berlin; - Support to 4 Member States in conducting assessments of their training needs and resources - 21 scientific documents published in 2008; - Organisation of the first European Antibiotic Awareness Day with participation of 32 countries; - Produced scientific guidance: <i>Guidance for the introduction of HPV vaccines in EU countries, Guidance on priority risk groups for influenza vaccination</i>; - Conducted survey and built database of public health microbiology reference laboratories in EU; - 2nd Annual epidemiological report published.

Source: information supplied by the Centre.

THE CENTRE'S REPLIES

13. The Centre agrees with the Court that the level of carry forward is high. Nevertheless it wishes to highlight that more than 80% relates to operational activities already initiated in 2008 and for which implementation goes through 2009. The management is focusing on concluding most of the procurement and contracting activities early in the year in order to improve the budget implementation and lower the level of carry forward.

14. The Centre agrees that there were delays in the recruitment of temporary agents and this is partly due to the fact that recruitment in some areas proved to be longer and more difficult than expected and implied the re-advertisement of some posts (in 2008 there were 16 re-advertisements).

The Centre has taken measures to improve the situation through broader dissemination of vacancy notices and a faster implementation of the recruitment plan with most 2009 posts being published by April.

15. Discussion on the seat agreement and in particular the issue of the "personnummer" has been a recurrent item on the agenda of the Centre's Management Board. A new legislation was finally adopted by the Swedish Parliament in March 2009 entering into force in July 2009 and providing for allocation of a personnummer to ECDC staff. The Centre will closely monitor the outcome of its implementation and it is expected it should improve and facilitate staff access to services.