


Basic information	
<b>2006/2167(DEC)</b> DEC - Discharge procedure 2005 discharge: European Centre for Disease prevention and control ECDC <b>Subject</b> 8.70.03.07 Previous discharges	Procedure completed

Key players				
European Parliament	<b>Committee responsible</b>		<b>Rapporteur</b>	<b>Appointed</b>
	<b>C.ONT</b>	Budgetary Control	HERCZOG Edit (PSE)	20/04/2006
	<b>Committee for opinion</b>		<b>Rapporteur for opinion</b>	<b>Appointed</b>
	<b>ENVI</b>	Environment, Climate and Food Safety	HAUG Jutta (PSE)	14/09/2006
Council of the European Union	<b>Council configuration</b>		<b>Meetings</b>	<b>Date</b>
	Economic and Financial Affairs ECOFIN		2787	2007-02-27
European Commission	<b>Commission DG</b>		<b>Commissioner</b>	
	Budget		KALLAS Siim	

Key events			
Date	Event	Reference	Summary
31/10/2006	Non-legislative basic document published	N6-0035/2006	Summary
29/11/2006	Committee referral announced in Parliament		
26/03/2007	Vote in committee		Summary
02/04/2007	Committee report tabled for plenary	A6-0119/2007	
24/04/2007	Decision by Parliament	T6-0126/2007	Summary
24/04/2007	Results of vote in Parliament		
24/04/2007	Debate in Parliament	CRE link	
24/04/2007	End of procedure in Parliament		
15/07/2008	Final act published in Official Journal		

Technical information	
Procedure reference	2006/2167(DEC)
Procedure type	DEC - Discharge procedure
Legal basis	Rules of Procedure EP 102
Stage reached in procedure	Procedure completed
Committee dossier	CONT/6/42425

Documentation gateway				
<b>European Parliament</b>				
Document type	Committee	Reference	Date	Summary
Committee draft report		<a href="#">PE384.446</a>	09/02/2007	
Committee opinion	<a href="#">ENVI</a>	<a href="#">PE382.440</a>	28/02/2007	
Amendments tabled in committee		<a href="#">PE386.402</a>	08/03/2007	
Committee report tabled for plenary, single reading		<a href="#">A6-0119/2007</a>	02/04/2007	
Text adopted by Parliament, single reading		<a href="#">T6-0126/2007</a>	24/04/2007	<a href="#">Summary</a>
<b>Council of the EU</b>				
Document type		Reference	Date	Summary
Supplementary non-legislative basic document		<a href="#">05711/2007</a>	07/02/2007	<a href="#">Summary</a>
<b>Other institutions and bodies</b>				
Institution/body	Document type	Reference	Date	Summary
OS	Non-legislative basic document	<a href="#">N6-0035/2006</a> <a href="#">OJ C 266 31.10.2006, p. 0031</a>	31/10/2006	<a href="#">Summary</a>
CofA	Court of Auditors: opinion, report	<a href="#">N6-0001/2007</a> <a href="#">OJ C 312 19.12.2006, p. 0001</a>	19/12/2006	<a href="#">Summary</a>

Final act	
<a href="#">Budget 2008/0533</a> <a href="#">OJ L 187 15.07.2008, p. 0170</a>	<a href="#">Summary</a>

## 2005 discharge: European Centre for Disease prevention and control ECDC

2006/2167(DEC) - 24/04/2007 - Final act

PURPOSE: to grant discharge to the European Centre for Disease Prevention and Control for the financial year 2005.

LEGISLATIVE ACT: Decision 2008/533/EC of the European Parliament on the discharge for the implementation of the budget of the European Centre for Disease Prevention and Control for the financial year 2005.

CONTENT: with the present decision, the European Parliament grants discharge to the Executive Director of the European Centre for Disease Prevention and Control for the implementation of the Authority's budget for the financial year 2005.

This decision is in line with the European Parliament's resolution adopted on 24 April 2007 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 24/04/2007).

## **2005 discharge: European Centre for Disease prevention and control ECDC**

2006/2167(DEC) - 19/12/2006

This report from the Court of Auditors concerns the annual accounts of the European Centre for Disease Prevention and Control for the financial year ended 31 December 2005.

The Court is of the opinion that the Centre's accounts for the financial year ended 31 December 2005 are, in all material respects, reliable and the transactions underlying the Centre's annual accounts, taken as a whole, are legal and regular.

The report shows that the appropriations entered in the final budget amount to **EUR 4 852 000** with EUR 4 066 000 committed and EUR 2 603 000 paid. EUR 1 438 000 was carried over to 2006 and EUR 811 000 was cancelled. The outstanding commitments carried over from the previous year amount to EUR 1 754 000 with EUR 1 670 000 being paid.

The Court observes that the implementation of the budget for the financial year 2005 was marked by a low rate of commitment (84 %) and a substantial rate of carry-over (35 % overall and almost 90 % for operating expenditure). This situation was in part due to problems inherent in the Centre's start-up period. In future, the Centre should be vigilant concerning the risk of mobilising resources unnecessarily, in particular by ensuring strict programming of its activities.

The Court noted that no activity-based management had been brought in, despite the Centre's financial regulation making provision for its introduction, on the lines of that applied to the general budget, with a view to improving the monitoring of performance.

Moreover, the Court also noted requests to the Commission for the payment of subsidies should be justified by a forecast of cash needs. The Centre's financial regulation stipulates that the authorising officer should make a budgetary commitment before entering into a legal commitment vis-à-vis third parties. However, no budgetary commitments were made for the Centre's expenditure in 2005 prior to the legal commitment. During the same period, all the Centre's payments were made by the accounting

officer without the authorising officer having issued any payment orders.

Contrary to the provisions of the regulations, the Centre's accounts were not kept by the double-entry method during 2005, thus creating risks of errors. There were shortcomings in the documentation of the

Centre's staff selection procedures (lack of formalisation of decisions on the appointment and composition of selection boards, lack of final report by selection boards on their work).

The Centre responds point by point to the Court's observations and states that the main causes of the relatively low budget execution and the high percentage of the carry-over appropriations were related to the start-up phase of the Centre. ECDC is rapidly progressing and is focusing on its planning for the best possible use of the funds allocated to it during 2006.

The basis for an activity based planning has been established in the second half of 2005. During 2006, the Centre is gradually putting in place the necessary reporting systems and processes to assure reliable and transparent activity based reporting.

The Centre did not have an adequate system for monitoring cash needs during 2005 for reasons relating to its start up phase. As of February 2006, basic projections on cash needs were introduced, and as the Centre further develops its reporting systems the cash flow projections will be further refined.

The situation described by the Court was initially caused by an absence of relevant ICT tools at the disposal of the Centre. The setting up of a financial system was prepared for in 2005 and it became fully operational in early 2006. No automated payment orders could be produced in 2005 due to the absence of ICT budget system. Nevertheless payments were only processed after the assurance that relevant information, authorisations and signatures were in place. From 2006 onwards, payment orders are systematically processed and approved for to all payments.

In the start up period of 2005, ECDC did not dispose of a computerised accounting system. During 2006 the Centre installed all the necessary software and is now operating a fully computerised accounting system.

Following the Court's remark, the recruitment processes are now more extensively documented and consistently formalised. A strong Human Resources recruitment capacity has been prioritised as to assure that, in the build up phase of the Centre, the recruitment process is transparent and rigorous.

## **2005 discharge: European Centre for Disease prevention and control ECDC**

2006/2167(DEC) - 07/02/2007

Having examined the revenue and expenditure account for the financial year 2005, the balance sheet of revenue and expenditure at 31 December 2005 of the European Centre for Disease Prevention and Control, the Council recommends the European Parliament to give a discharge to the Director of the Centre in respect of the implementation of the budget for the financial year 2005.

In doing so, it confirms that EUR 1.4 million in appropriations have been carried forward from the financial year 2005 to the financial year 2006 and EUR 800 000 have been cancelled.

In parallel, the Council makes accompanying comments on the discharge which should be followed up. In particular, it:

•

- calls on the Centre to improve its **expenditure planning**, in order to comply with the principle of annuality and to reduce to a minimum level the rate of carry-over;
- takes note that the Centre has recently brought in an **activity-based planning** and set up a financial system in order to improve the quality of its internal control standards regarding transactions and to respect the requirements of the Centre's Financial Regulation;
- calls on the Centre to take adequate measures to remedy the weaknesses identified in the **recruitment** process.

## 2005 discharge: European Centre for Disease prevention and control ECDC

2006/2167(DEC) - 27/02/2007

The Council, on the basis of intensive preparatory work, approved a recommendation on the discharge to be given to the Directors of the 16 European Union agencies for implementation of their budget for 2005. The recommendation will be submitted to the European Parliament, in accordance with the budgetary discharge procedure.

The Council makes reference to the **Court of Auditors report on translation expenditure** (see summary of the document annexed to the Commission's discharge procedure [DEC/2006/2070](#) dated 8 February 2007 06162/2007). It adopted the following conclusions:

Firstly, it states that it welcomes the Court's special report on translation expenditure - which amounted to EUR 511 million in 2005 - incurred by three institutions in particular as it covers the period of the accession of 10 new Member States, increasing the number of official and working languages to 21. In this context, it underlines the importance of the translation of documents in a European Union **multilingual environment** with equal treatment of the languages of its Member States.

It emphasises that translation demands are to be met in time and in adequate quality, as an essential part of the legislative process keeping the cost under control as well as having adequate procedures to give priority to essential translations which implies efficient and effective management of translation resources. It regrets, however, that in some cases politically important information which should be translated has been included in non translated annexes of documents.

The Council notes with satisfaction that the Court of Auditors stated that the institutions have generally met translation needs in the EU-15 languages in required quality *inter alia* by recourse to freelance translators. It regrets that all three institutions have faced structural difficulties in providing a sufficient volume and acceptable quality into the EU-10 languages. It expects the institutions to further enhance the degree of multilingualism as regards the information provided on their websites.

Moreover, the Council regrets the fact that the institutions, with the exception of the Commission for 2002, have not calculated their total costs or the average cost per page translated and invites them to do so from now on and inform the budgetary authority on a regular basis.

It notes with concern the fact that the productivity of the EU translation services is much lower than in the private sector, partly due to more effective use of IT tools in the private sector, although the quality of internal translation is recognised to be higher. It notes the long term action plan by the Council General Secretariat to increase its productivity by reducing the number of "full-time equivalent" in the EU-15 language units.

**Inter-institutional cooperation:** the Council advocates inter-institutional cooperation being reinforced to all institutions in order to improve the efficiency and the procedures and to reduce the costs in the field of translations. It urges the institutions to set up proper forecasting system and improve the system of workload balancing in order to make better use of spare capacity and to avoid unnecessary outsourcing. In 2005, according to the Court, EUR 11 million of freelance translation costs could have been saved by the Commission and by the Parliament by giving the non-urgent documents to be translated for other institutions. It regrets that it was not possible for the institutions to recruit enough translators in EU-10 languages which has resulted in quality and deadline problems in the EU-10 translations and it recommends that sufficient EU-10 translator resources should be ensured by measures increasing awareness and fostering interest in the Community's translation activity in the EU-10 Member States and other Candidate Countries. It recommends that similar measures be taken for Bulgaria and Romania.

The Council emphasises that future measures are to be taken by the institutions to contain the volume translated including control of the size of documents, without prejudice of equal treatment of EU official and working languages taking into account the operational effectiveness, and adoption of a fit-for-purpose approach for authorised texts for translation and encourages the institutions to improve their work planning and comply with the deadlines for requesting translations.

Lastly, the Council requests the institutions to improve the efficiency of the translation process in particular by intensifying the recourse to IT tools, reduction of secretarial support, working methods based on best practices and teleworking. It also invites the Court to examine also the translation expenditure of the other institutions and bodies.

## 2005 discharge: European Centre for Disease prevention and control ECDC

2006/2167(DEC) - 31/10/2006 - Non-legislative basic document

**PURPOSE:** presentation of the final accounts of the European Centre for Disease Prevention and Control for the financial year 2005.

**CONTENT:** this document published in the Official Journal of the EU sets out a detailed account of the implementation of the 2005 budget, including the revenue and expenditure and the balance sheet for the year concerned.

The European Centre for Disease Prevention and Control was created by Regulation 851/2004/EC of the European Parliament and of the Council of 21 April 2004. Its main tasks are to collect and disseminate data on the prevention and control of human disease and to provide scientific opinions on this subject. It is also required to coordinate the European networking of bodies operating in this field.

The Centre became autonomous as of the second half of 2005.

According to this document, the final budget amounted to **EUR 4.85 million** including a Community subsidy of 98%.

As regards the staffing policy, the Centre, (which is temporarily based in Stockholm) officially set out 29 posts in its establishment plan. 22 posts are currently occupied + 20 other posts totalling 42 posts assigned to operational and administrative duties.

Staff expenditure amounted to EUR 2.5 million in 2005.

The activities carried out in 2005 are as follows:

- protocols developed for evaluating networks;
- planning document prepared for future strategy for surveillance activities in Europe;
- scientific panels established for all 6 disease groups listed in Decision 2119/98/EC;
- expert opinions and guidelines prepared on avian influenza;
- responsibility for the EWRS (102 public health events reported and reviewed);
- protocols and guidelines developed for mobilising outbreak assistance teams;
- 2 outbreak assistance missions;
- procedure for coordination of public health threats defined and in place (Commission, Member States, WHO);
- 21 weekly epidemiological reports disseminated through the Eurosurveillance journal.

The complete version of the final accounts may be found at the following address:

[www.ecdc.europa.eu](http://www.ecdc.europa.eu)

## 2005 discharge: European Centre for Disease prevention and control ECDC

2006/2167(DEC) - 24/04/2007 - Text adopted by Parliament, single reading

The European Parliament adopted a resolution drafted by Edit **HERCZOG** (PSE, HU), and granted the executive director of the European Centre for Disease Prevention and Control discharge for the implementation of the Centre's budget for the financial year 2005. It then approved the closing of the accounts of the Centre for the financial year 2005.

The Parliamentary resolution is divided into two parts. The first contained general points, and concerned the majority of EU Agencies requiring individual discharge. The second part contained specific points relating to the Agency.

**General points:** Parliament considers that the ever-growing number of Community Agencies and the activities of certain of them do not seem to form part of an overall policy framework, and that the remits of some Agencies do not always reflect the real needs of the Union. Accordingly, it invites the Commission to define an overall policy framework for the setting up of new Community Agencies and to present a cost-benefit study before the setting up of any new agency, while being careful to avoid any overlap of activities between Agencies or with the remits of other European organisations. Parliament calls on the Court of Auditors to give its opinion on this cost-benefit study before Parliament takes its decision, and it asks the Commission to present every five years a study on the added value of every existing Agency. ; invites all relevant institutions In the case of a negative evaluation of the added value of an Agency, all relevant institutions are asked to take the necessary steps by reformulating the mandate of that Agency or by closing it.

In view of the constantly increasing number of Agencies, Parliament feels that the Directorates-General of the Commission charged with the setting up and monitoring of Agencies must develop a common approach to the Agencies. It also asks the Commission to improve administrative and technical support to the Agencies. Parliament regretted that the negotiations on the draft interinstitutional agreement on the operating framework for the European regulatory agencies have not yet been concluded, and calls on the Commission, in consultation with the Court of Auditors, to do their utmost to ensure that the agreement is brought to a rapid conclusion. Noting that the Commission's budgetary responsibility calls for closer linking of the Agencies to the Commission, Parliament calls on the Commission and the Council to take all necessary steps to give the Commission a blocking minority in the supervisory bodies of the regulatory Agencies by 31 December 2007 and to provide for such a minority from the outset when new Agencies are set up. It invites the Court of Auditors to create an additional chapter in its Annual Report, devoted to all Agencies to be discharged under the Commission's accounts in order to have a much clearer picture of the use of EU funds by Agencies.

Parliament goes on to ask the Commission to come up with a proposal to harmonise the format of the annual reporting by the Agencies and to develop performance indicators which would allow a comparison of their efficiency. The Commission is urged to monitor and direct the management of the Agencies, especially in relation to the proper application of tender procedures, transparency of recruitment procedures, sound financial management and, most importantly, the proper application of the rules concerning the internal control framework.

**Specific points concerning the Centre:** Parliament noted that the implementation of the budget for the financial year 2005 was marked by a low rate of commitment (84 %) and a substantial rate of carry-overs (35 % overall and almost 90 % for operating expenditure), and that this situation was in part due to problems inherent in the Centre's start-up period. It also noted that the Centre's establishment phase was given a further boost by the global concern over a potential influenza pandemic, and congratulated the Centre on its ability to consolidate its position in the field of surveillance of communicable diseases in a very short time.

Furthermore, Parliament noted that no activity-based management had been brought in, and insisted that requests to the Commission for the payment of subsidies should be justified by a forecast of cash needs. It regretted that the Centre had no such system for producing forecasts. No budgetary commitments were made for the Centre's expenditure in 2005 prior to legal commitments, contrary to requirements, and for the same period, all the Centre's payments were made by the accounting officer without the authorising officer having issued any payment orders. The Centre's accounts were not kept in accordance with the double-entry method during 2005, thus creating the risk of errors, and Parliament insisted that this should be rectified as soon as possible.

Lastly, Parliament insisted on a strict application of staff selection procedures, noting that there were shortcomings in the documentation of the Centre's staff selection procedures (lack of formalisation of decisions on the appointment and composition of selection boards, lack of final report by selection boards on their work).