



Audit of the organisation and use of funds for occupational safety Federal Coordination Commission for Occupational Safety

Key points

The Federal Coordination Commission for Occupational Safety (FCOS) is tasked with outlining the implementation areas and monitoring the uniform application of the provisions on preventing accidents and occupational diseases. It has close to CHF 110 million at its disposal annually to finance its activities and those of the different implementing bodies. This sum is gathered from each insurer, which contributes an additional premium collected from accident insurance premiums. In its audit, the Swiss Federal Audit Office (SFAO) highlighted the significant entanglement between the FCOS and SUVA, which threatens the practical and obvious independence of the Commission.

The FCOS's mission and activities are set in the context of a legislative dichotomy between occupational safety and health protection. The activities of the Commission and the implementing bodies are subject to supervision by two offices, the Federal Office of Public Health (FOPH) and the State Secretariat for Economic Affairs (SECO). However, the SFAO noted that these two entities have very different supervisory means, particularly in terms of human resources.

SUVA is the main player in the FCOS

SUVA has a dominant position in the organisation and activities of the Commission. The law allocates an extensive role to SUVA in the management of the FCOS's activities. It provides the chair and the secretariat; these appointees are employed by SUVA and are thus subject to its personnel policy. Moreover, it collects the contributions from the other accident insurers, keeps the accounts and compiles the accounts of the FCOS and submits them to the FOPH.

SUVA is the most important contributor to the FCOS, with a share of 82%. The level of financing is regarded as appropriate for performing the tasks envisaged. At the end of 2014, the financial assets of the FCOS totalled CHF 41 million and were deposited in their entirety with SUVA. The investment strategy generated an attractive return of around 2% to 3% in recent years, taking into account the low risk levels desired and the liquidity needed.

Risk of conflicts of interest and lack of transparency in the use of funds

The FCOS allocates 87% of payments to SUVA, which makes it the main implementing body for occupational safety. These payments are in line with an agreement that links the two institutions. Contrary to agreements signed with other implementing bodies, this document sets lump-sum targets. Moreover, the achievement of the targets by SUVA is not verified by the FCOS. The statements drawn up by SUVA are not in line with the provisions of the Ordinance. Therefore, they do not allow the Commission to find out the specific use of funds.

The SFAO believes the organisation of the FCOS is in line with the statutory requirements but no longer meets the current principles of good governance. The constellation of roles and the overlapping functions lead to an increased risk of conflicts of interest between SUVA and the FCOS. The SFAO recommends adapting the legal provisions and the good governance rules so as to



ensure the independence and decision-making autonomy of the FCOS secretariat, and to specify the roles, responsibilities and obligations of SUVA in relation to the FCOS, particularly in relation to statements.

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