2006 discharge: European Monitoring Centre for Drugs and Drug Addiction EMCDDA

2007/2050(DEC) - 15/11/2007

PURPOSE: presentation of the report from the Court of Auditors on the 2006 annual accounts of the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA).

CONTENT: the report indicates that the appropriations entered in the EMCDDA's budget for the financial year in question are **EUR 13.121 million**, EUR 12.66 million was committed and EUR 11.641 million was paid (in a system of differentiated appropriations). Of this overall amount, EUR 972 000 was carried over to 2007 and EUR 508 000 was cancelled (in payment appropriations in a system of differentiated appropriations).

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

Analysis of the accounts by the Court: the Court indicates that the utilisation rate of commitment appropriations (including assigned revenue) was 95% in 2006 (compared to 94% in 2005), and the utilisation rate for payment appropriations improved to 87% (85% in 2005). The Centre also reduced the level of carryovers to 25% in 2006 (40% in 2005). The Court notes, however, that in 9 of 13 cases examined, and contrary to the provisions of the contracts, there were **delays in making the payments** to the national focal points of the European Information Network on Drugs and Drug Addiction (REITOX) under the grant agreements.

In its report on the annual accounts of the Centre for 2005 (see DEC/2006/2157), the Court made an observation in respect of a member of staff who had been sent on a long-term mission to Brussels and who, after the end of the mission, had been seconded to the Commission. Since the end of the secondment, this staff member continued to be paid by the Centre without having resumed work in Lisbon. The situation remained unchanged in 2006. In 2007, this agent was declared able to work anywhere, except specifically in Lisbon.

The Centre's replies: the Centre replies to all of the criticisms one by one and indicates that it will continue its efforts to maintain the high rate of execution of its budget and, if possible, to improve it.

The Centre also indicates that it has taken various measures in order to improve the payment process, by:

- improving the communication/notification process to the National Focal Points (NFP);
- providing guidelines and specific training for NFPs on financial procedures;
- reinforcing the operating capacity for the financial and administrative management of the grants;
- streamlining the internal control processes.

The secondment of the staff member concerned ended on 30 September 2006. As from 1 October 2006, the staff member was reinstated in the EMCDDA services. However, the staff member took sick leave, providing evidence (by means of regular medical certificates) of inability to carry out duties due to illness. The EMCDDA requested the medical service of the European Commission twice to carry out a medical examination to verify the grounds for the referred sick leave. The examinations confirmed the existence of reasons justifying the absence for sickness. The EMCDDA indicates that it will continue to use all instruments provided by the relevant regulations to manage the referred case.