2013 discharge: European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)

2014/2090(DEC) - 30/03/2015 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Ryszard CZARNECKI (ECR, PL) on discharge in respect of the implementation of the budget of the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) for the financial year 2013.

It called on the European Parliament to grant the Director of the Centre discharge in respect of the implementation of the Centre's budget for the financial year 2013.

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts of the Centre for the financial year 2013 are reliable, and that the underlying transactions are legal and regular, Members called on the Parliament to approve the closure of the Centre's accounts. They made, however, a number of recommendations that needed to be taken into account when the discharge is granted, in addition to the general recommendations that appear in the draft resolution on performance, financial management and control of EU agencies.

- **Agency's financial statements**: Members noted that the final budget of the Centre for the financial year 2013 was EUR 16 308 171.83 representing a decrease of 0.05 % compared to 2012. The overall contribution of the Union to the Centre's budget for 2013 amounted to EUR 15.55 million, representing a decrease of 0.01% compared to 2012.
- **Commitments and carry-overs**: Members noted that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 99.73% and that the payment appropriations execution rate was 97.71%, representing a slight decrease of 0.1% compared to 2012. They took note of the Centre's compliance with the principle of annuality and the timely execution of its budget.

Members also made a series of observations on the prevention and management of conflicts of interest as well as internal audits.

As regards the **reliability of accounts**, Members noted that the Centre launched a **procurement procedure** to rent office equipment over a four year period and that the technical requirements were subject to a significant modification during the course of the procedure. They regretted that the information published on the contract's price structure was not sufficiently clear, which led to a misinterpretation by one bidder who therefore had a smaller chance of being awarded the contract. They called on the Centre to nonetheless improve its procurement processes and to report to the discharge authority on the measures taken.

Lastly, Members noted that negotiations for a **short-term lease** are currently ongoing with an offer well below the renting costs endured by the Centre and that it is negotiating with the building's landlord for a possible reduction of the rent in order to neutralise rental costs as much as possible. They called on the Centre to inform the discharge authority about future developments once more information is available.