2015 discharge: European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)

2016/2164(DEC) - 13/09/2016 - Court of Auditors: opinion, report

PURPOSE: presentation of the EU Court of Auditors' report on the annual accounts of the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2015, together with the Centre's reply.

CONTENT: in accordance with the tasks conferred on the Court of Auditors by the Treaty on the Functioning of the European Union, the Court presents to the European Parliament and to the Council, in the context of the discharge procedure, a Statement of Assurance as to the reliability of the annual accounts of each institution, body or agency of the EU, and the legality and regularity of the transactions underlying them, on the basis of an independent external audit.

This audit concerned, amongst others, the annual accounts of the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA). In brief, the Centre's main task is to collect, analyse and disseminate information as regards drugs and drug addiction in order to prepare and publish information at European level.

Statement of assurance: pursuant to the provisions of Article 287 of the Treaty on the Functioning of the European Union (TFEU), the Court has audited:

- the annual accounts of the Agency, which comprise the financial statements and the reports on the implementation of the budget for the financial year ended 31 December 2015; and
- the legality and regularity of the transactions underlying those accounts.

Opinion on the reliability of the accounts: in the Court's opinion, the Centre's annual accounts present fairly, in all material respects, its financial position as at 31 December 2015 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of its Financial Regulation and the accounting rules adopted by the Commission's accounting officer.

Opinion on the legality and regularity of the transactions underlying the accounts: in the Court's opinion, the transactions underlying the annual accounts for the year ended 31 December 2015 are legal and regular in all material respects.

The report also makes a series of observations on the budgetary and financial management of the Centre, accompanied by the latter's response. The main observations may be summarised as follows:

The Court's observations:

- **budgetary management**: the Centre noted that in 2012 it signed a framework contract with a maximum amount for signing specific contracts of EUR 250 000, which was specified in the contract notice. However, the Centre did not respect this ceiling. By the end of 2015 the total payments made under this contract amounted to EUR 382 181; i.e. exceeded it by 50 %. The payments made above the ceiling indicate that the Centre's procedure for monitoring framework contracts should be improved.

The Centre's replies:

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budgetary management: the Centre stated that the referred amount was mentioned as an estimate in the contract notice published for the purpose of the procurement at stake. The framework contract concluded pursuant to this process neither mentioned this amount nor did it refer to any maximum threshold. The EMCDDA has terminated this contract and launched a new procurement procedure for the concerned services.

Lastly, the Court of Auditors' report contains a summary of the **Centre's key figures in 2015**:

- **Budget**: EUR 18.5 million (in payment appropriations).
- **Staff**: 100 including officials, temporary and contract staff and seconded national experts.