2016 discharge: European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)

2017/2150(DEC) - 17/10/2017 - 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 2016, 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 2016; 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 2016 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 2016 are legal and regular in all material respects.

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

The Court's observations:

- **internal control**: the Court noted that for two framework contracts with maximum values of EUR 135 000 and EUR 650 000 one of the Centre's employees acted as Authorising Officer by delegation when appointing the evaluation committee, taking the award decisions and signing the contracts. However, the delegation granted by the Authorising Officer was limited to EUR 130 000 and did not explicitly refer to framework contracts.

The Centre's reply:

- **internal controls**: the Centre stated that the maximum values of the two framework contracts just indicated the total cumulative amount of the specific contracts likely to be concluded for their execution. That being said, the EMCDDA will adjust its decision on the delegation of the Authorising Officer's powers in order to set out more explicitly the acts covered by this delegation.

Lastly, the Court of Auditors' report contains a summary of the **Centre's key figures in 2016**:

Budget: EUR 15.4 million (in payment appropriations).

Staff: 101 including officials, temporary and contract staff and seconded national experts.