Basic information

2007/2050(DEC) DEC - Discharge procedure	Procedure completed
2006 discharge: European Monitoring Centre for Drugs and Drug Addiction EMCDDA **Subject** 8.70.03.07 Previous discharges	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	MARTIN Hans-Peter (NI)	27/03/2007

Committee for opinion	Rapporteur for opinion	Appointed
LIBE Civil Liberties, Justice and Home Affairs	DÜHRKOP DÜHRKOP Bárbara (PSE)	05/11/2007

Council of the European Union

Council configuration	Meetings	Date
Economic and Financial Affairs ECOFIN	2847	2008-02-12

European Commission

Commission DG	Commissioner
Budget	KALLAS Siim

Key events

Date	Event	Reference	Summary
30/03/2007	Non-legislative basic document published	SEC(2007)1055	Summary
25/10/2007	Committee referral announced in Parliament		
26/03/2008	Vote in committee		Summary
03/04/2008	Committee report tabled for plenary	A6-0116/2008	
22/04/2008	Decision by Parliament	T6-0147/2008	Summary
22/04/2008	Results of vote in Parliament		

22/04/2008	Debate in Parliament		
22/04/2008	End of procedure in Parliament		
31/03/2009	Final act published in Official Journal		

Technical information

Procedure reference	2007/2050(DEC)
Procedure type	DEC - Discharge procedure
Legal basis	Rules of Procedure EP 102
Stage reached in procedure	Procedure completed
Committee dossier	CONT/6/53863

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE396.692	13/02/2008	
Committee opinion	LIBE	PE400.460	28/02/2008	
Amendments tabled in committee		PE402.805	06/03/2008	
Committee report tabled for plenary, single reading		A6-0116/2008	03/04/2008	
Text adopted by Parliament, single reading		T6-0147/2008	22/04/2008	Summary

Council of the EU

Document type	Reference	Date	Summary
Supplementary non-legislative basic document	05843/2008	29/01/2008	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	SEC(2007)1055	30/03/2007	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofA	Court of Auditors: opinion, report	N6-0004/2008 OJ C 309 19.12.2007, p. 0001	15/11/2007	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act
Budget 2009/0207 OJ L 088 31.03.2009, p. 0134 Summary

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

2007/2050(DEC) - 22/04/2008 - Text adopted by Parliament, single reading

The European Parliament adopted, by 626 votes in favour, 17 against and 41 abstentions, a Decision to grant the Director of the European Monitoring Centre for Drugs and Drug Addiction discharge in respect of the implementation of its budget for the financial year 2006. The decision to grant discharge also constitutes closure of the accounts of this EU agency.

At the same time, the Parliament adopted, by 627 votes in favour, 16 against and 41 abstentions, a Resolution containing the comments which form part of the decision giving discharge. The report had been tabled for plenary by Hans-Peter **MARTIN** (NI, AT) on behalf of the Committee on Budgetary Control.

As is the case for all EU agencies, the Parliament's Resolution is divided into two parts: part one contains general comments on EU agencies, while part two focuses on the specific case of the Agency.

1) General comments on the majority of EU agencies: the Parliament notes that the budgets of the 24 agencies and other satellite bodies audited by the Court of Auditors totalled **more than EUR 1 billion** and that the number of agencies is constantly increasing. The number of agencies subject to the discharge procedure evolved from 8 in 2000 to 20 in 2006. It concludes therefore that the auditing/discharge process has become cumbersome and disproportionate compared to the relative size of the agencies and that, in the future, this type of procedure should be simplified and rationalised for decentralised agencies.

On the basis of the financial analysis, the Parliament is of the following opinion:

Fundamental considerations: given the constantly increasing number of agencies, the Parliament requests that, before the creation of a new agency, the Commission provide clear explanations regarding agency type, objectives of the agency, internal governance structure, products, services, clients and stakeholders of the agency, formal relationship with external actors, budget responsibility, financial planning, and personnel and staffing policy. It also requests that each agency be governed by a yearly performance agreement which should contain the main objectives for the coming year and that the performance of the agencies be regularly audited by the Court of Auditors (and extend the financial analysis of expenditure to also cover administrative efficiency and effectiveness). More generally, the Parliament takes the view that, in the case of agencies, which are continually overestimating their respective budget needs, technical abatement should be made on the basis of vacant posts in order to reduce the assigned revenue for the agencies and therefore also lower administrative costs of the EU. It recalls that it is a serious problem that a number of agencies is criticised for not following rules on public procurement, the Financial Regulation, the Staff Regulations etc., and consider that the principal reason for this is that most regulations and the Financial Regulation are designed for bigger institutions rather than for small agencies. Therefore, it is necessary to seek a rapid solution in order to enhance the effectiveness of the legislation by grouping the administrative functions of various agencies together or by establishing implementing rules which are better adapted to the agencies. The Parliament also insists that the Commission, when drafting the Preliminary Draft Budget, take into consideration the results of budget implementation by the individual agencies in former years and revise the budget requested by the particular agency accordingly. If the Commission does not undertake this revision, the Parliament invites the **competent committee to revise, itself, the budget in question to a realistic level**. At the same time, the Parliament recalls that it expects the Commission to present every five years a study on the added value of every existing agency and to not hesitate to close an agency if it is deemed useless by the analysis. Such an assessment is expected as soon as possible given that this type of assessment has yet to be presented. Furthermore, the Parliament insists that recommendations of the Court of Auditors should be promptly implemented and the level of subsidies paid to the agencies should be aligned with their real cash requirements.

Presentation of reporting data: noting that there is no standard approach among the agencies with regard to the presentation of information, the Parliament recalls that it already invited the directors of the agencies to accompany their annual activity report with a declaration of assurance concerning the legality and regularity of operations, similar to the declarations signed by the Directors General of the Commission. It therefore asks the Commission to amend its standing instructions to the agencies and to produce a harmonised model for presenting information, including: i) an annual report intended for a general readership on the body's operations, work and achievements; ii) financial statements and a report on implementation of the agency’s budget; iii) an activity report of the Directors of the agency (as requested by the Parliament since 2005); iv) a declaration of assurance signed by the body's director.

General findings by the Court of Auditors: the Parliament refers to certain recurring findings by the Court, including the disbursement of subsidies paid by the Commission (not sufficiently justified estimates of the agencies' cash requirements), the non implementation of the ABAC accounting system by some agencies or the accrued charges for untaken leave which are accounted for by some agencies. It calls for rapid measures in these areas as well as improvements to the internal audit procedures of the agencies. The Parliament also calls on the agencies to consider an inter-agency disciplinary board, as some individual agencies have difficulty in setting up their own disciplinary boards due to their size.

Draft inter-institutional agreement: the Parliament recalls the Commission's draft Interinstitutional agreement on the operating framework for the European regulatory agencies (see ACI/2005/2035), which was intended to create a framework for the creation, structure, operation, evaluation and control of the European regulatory agencies and awaits its adoption as soon as possible. It particularly welcomes the Commission's commitment to bring forward a Communication on the future of the regulatory agencies during the course of 2008.

2)Specific points concerning the European Monitoring Centre for Drugs and Drug Addiction: overall, the Parliament welcomes the efforts by the Centre to improve the implementation of its budget even though the level of carry-overs is still too high. It also welcomes the fact that an evaluation of the Centre’s operations was carried out in 2007 and that a management plan is envisaged for 2008 and 2009.

This plan aims to implement the recent recommendations of the Commission's Internal Audit Service, as well as:

- developing ex-post control of financial transactions;
- developing an internal capacity for risk assessment and internal audit;
- developing tools and procedures for integrated resources management (particularly with the European Maritime Safety Agency (EMSA), also based in Lisbon);
- implementing a more structured and effective human resources policy;
- successfully completing the move to its new headquarters in Lisbon.

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

2007/2050(DEC) - 30/03/2007 - Non-legislative basic document

PURPOSE: presentation of the final accounts of the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) for the 2006 financial year.

CONTENT: this document sets out a detailed account of the implementation of the EMCDDA’s 2006 budget. It indicates that EMCDDA’s final budget amounted to 13.12 million EUR in 2006 (compared with 12.8 million EUR in 2005) 92% of which is derived from a Community subsidy.

In terms of personnel, the EMCDDA, whose headquarters are in Lisbon (Portugal) had 77 posts in its establishment plan 68 of which are occupied and 23 others (auxiliary contracts, contract staff and temporary replacements) amounting to 91 posts undertaking operational, administrative or mixed tasks. Expenditure on personnel in 2006 represented 6.373 million EUR.

The main task of the EMCDDA is to provide the Union and its Member States with information regarding illegal drugs in the Union and their effects on Europeans. In particular, it collects data, carries out surveys, disseminates information, improves the coordination between national and Community actions in this field and promotes the integration of information on drugs in international programmes.

In 2006, the EMCDDA’s activities mainly focused on:

The REITOX network: the Observatory manages a computerised network for the collection and exchange of information called Reitox (the European Information Network on Drugs and Drug Addiction); this network links together the national drugs information networks, specialised centres in Member States and the information systems of international organisations cooperating with the Observatory.

Publications:

- Annual Report on the state of the drugs problem in Europe (23 language versions, publication and interactive website web),
- Annual report ‘Selected issues’ (EN, publication and interactive website),
- Statistical bulletin and interactive website including more than 250 tables, 150 illustrations and PDF files,
- General activity report (annual, EN),
- ‘Drugnet Europe’ newsletter (4 issues - 2 in five languages, 2 in English),
- Studies/technical and scientific articles (21),
- Scientific articles and summaries (16);
- Other websites: creation/updating/development of content:
- Country situation summaries;
- Country data profiles;
- Drug treatment overviews;
- European legal database on drugs;
- Evaluation instruments bank;
- Exchange on drug demand reduction action;
- Promotional brochures: 4 prepared ;
- Media products: 174 products of various kinds;
- Participation in 162 international conferences/meetings ;
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- Organisation of 27 technical and scientific meetings.

The Observatory's full accounts are available from the following address:

http://www.emcdda.europa.eu/index.cfm?fuseaction=public.Content&nnodeid=6465&sLanguageiso=EN

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

2007/2050(DEC) - 22/04/2008 - Final act

PURPOSE: to grant discharge to the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2006.

LEGISLATIVE ACT: Decision 2009/207/EC of the European Parliament on the discharge for the implementation of the budget of the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2006.

CONTENT: with the present decision, the European Parliament grants discharge to the Director of the European Monitoring Centre for Drugs and Drug Addiction for the implementation of the Centre's budget for the financial year 2006.

This decision is in line with the European Parliament's resolution adopted on 22 April 2008 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 22/04/2008).

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.

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

2007/2050(DEC) - 29/01/2008

Based on the observations contained in the revenue and expenditure account and the balance sheet of the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2006, as well as on the Court of Auditor's report and the Centre's replies to the Court's observations, the Council recommends that the Parliament grant the Director of the Centre discharge in respect of the implementation of the budget for the financial year 2006.

In doing so, the Council confirms that EUR 0.9 million (84%) of the appropriations carried over from 2005 to 2006 (EUR 1.1 million) was used, that appropriations carried over from 2006 to 2007 amount to EUR 1 million and that EUR 0.5 million was cancelled.

Recalling that the Court of Auditors was able to obtain reasonable assurance that the Centre's annual accounts were, in all material aspects, reliable, the Council believes that there is a certain number of observations that must be taken into consideration when providing the discharge on the implementation of the 2006 budget, particularly regarding the following points:

- **Carry-overs:** while noting the Centre's efforts to increase its utilisation rate of commitment appropriationsand the corresponding rate for payment, the Council invites the Centre to take appropriate measures to continue to improve the implementation of the budget, by reducing the level of carry-overs, in order to comply in full with the principle of annuality. It also emphasises the importance of observing the timetables for making the payments to the national focal points of Reitox (European Information Network on Drugs and Drug Addiction) under the grant agreements, in line with the provisions of the contracts;
- **Recruitment procedure:** the Council regrets that the shortcomings already noted by the Court last year concerning the proper application of staff rules remain in 2006. Once again, it invites the Centre to use all instruments made available by the relevant Regulations to rectify the aforementioned situation.