Basic information

2013/2211(DEC) DEC - Discharge procedure	Procedure completed
2012 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	SARVAMAA Petri (PPE)	10/10/2013
	Shadow rapporteur KADENBACH Karin (S&D) GERBRANDY Gerben-Jan (ALDE) STAES Bart (Verts/ALE) ANDREASEN Marta (ECR) DE JONG Dennis (GUE/NGL) VANHECKE Frank (EFD) EHRENHAUSER Martin (NI)	

Committee for opinion	Rapporteur for opinion	Appointed
ENVI Environment, Public Health and Food Safety	The committee decided not to give an opinion.	
LIBE Civil Liberties, Justice and Home Affairs	ROITHOVÁ Zuzana (PPE)	04/11/2013

European Commission

Commission DG	Commissioner
Budget	ŠEMETA Algirdas

Key events

Date	Event	Reference	Summary

26/07/2013	Non-legislative basic document published	COM(2013)0570	Summary
22/10/2013	Committee referral announced in Parliament		
17/03/2014	Vote in committee		
20/03/2014	Committee report tabled for plenary	A7-0185/2014	Summary
02/04/2014	Debate in Parliament		
03/04/2014	Decision by Parliament	T7-0317/2014	Summary
03/04/2014	Results of vote in Parliament		
03/04/2014	End of procedure in Parliament		
05/09/2014	Final act published in Official Journal		

Technical information

Procedure reference	2013/2211(DEC)
Procedure type	DEC - Discharge procedure
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	CONT/7/13852

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE521.680	23/01/2014	
Amendments tabled in committee		PE521.806	25/02/2014	
Committee opinion	LIBE	PE524.739	26/02/2014	
Committee report tabled for plenary, single reading		A7-0185/2014	20/03/2014	Summary
Text adopted by Parliament, single reading		T7-0317/2014	03/04/2014	Summary

Council of the EU

Document type	Reference	Date	Summary
Document attached to the procedure	05849/2014	05/02/2014	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2013)0570	26/07/2013	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofA	Court of Auditors: opinion, report	N7-0029/2014 OJ C 365 13.12.2013, p. 0158	10/09/2013	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Budget 2014/0593
OJ L 266 05.09.2014, p. 0242 Summary

2012 discharge: European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)

2013/2211(DEC) - 03/04/2014 - Text adopted by Parliament, single reading

The European Parliament adopted a decision concerning the discharge to be granted to the Director of the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) in respect of the implementation of the budget of the for the financial year 2012. The vote on the discharge decision approved the closure of the accounts (in accordance with Annex VI, Article 5(1) of the Rules of Procedure of the European Parliament.

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts of the Centre for the financial year 2012 are reliable, and that the underlying transactions are legal and regular, Parliament adopted by 503 votes to 66, with 13 abstentions, a resolution containing a series of recommendations that form an integral part of the discharge decision and as well as the general recommendations that appear in the draft resolution on performance, financial management and control of EU agencies.

These recommendations are summarised as follows:

- **Financing, budget and financial management**: Parliament recalled that the budget of the Centre for the financial year 2012 was EUR 16.3 million. It noted at the same time that the budget monitoring efforts during the financial year 2012 resulted in a budget implementation rate of 99.74 %.
- **Carryovers**: it commended the Centre for adhering to the principle of annuality and for the timely execution of its budget.
- **Seat**: Parliament noted with concern from the Court of Auditors' annual audit report that the Centre currently bears the annual cost of about EUR 200 000 for unused office space in its former building and in the new headquarters. It called on the Centre, as a matter of priority, to seek adequate solutions for this unused office space, and to report to the discharge authority, within the framework of the 2012 discharge follow-up, on the steps taken.
- **Performance**: Parliament requested that the Centre communicate the results and impact its work has on European citizens in an accessible way, mainly through its website.

Parliament also made a series of observations on transfers, procurement and recruitment procedures as well as comments on internal controls.

Lastly, it acknowledged that the Centre will review its policy on the prevention and management of conflicts of interests on the basis of the Commission's Guidelines on the Prevention and Management of Conflict of Interest in EU Decentralised Agencies. It called on the Centre to inform the discharge authority on the assessment results once available.

2012 discharge: European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)

2013/2211(DEC) - 26/07/2013 - Non-legislative basic document

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2012 as part of the 2012 discharge procedure.

Analysis of the accounts of the **European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)**.

CONTENT: this Commission document sets out the consolidated annual accounts of the European Union for the financial year 2012 as prepared on the basis of the information presented by the institutions, organisations and bodies of the EU, in accordance with Article 129 (2) of the Financial Regulation applicable to the EU's General Budget, including the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA).

In 2012, the tasks and budget of this agency were as follows:

- **description of the Centre's tasks**: the European Monitoring Centre for Drugs and Drug Addiction, which is located in Lisbon, was established by Council Regulation (EEC) No 302/93 and its main task is to collect data on drugs and drug addiction in order to prepare and publish information at European level that is objective, reliable and comparable. The Monitoring Centre is to focus on the following priority areas: (i) monitoring the state of the drugs problem, and emerging trends, in particular those involving multi-drug use; (ii) monitoring the solutions and providing information on best practices;
- **the Centre's budget for the financial year 2012**: the Centre's budget for 2012, as presented in the Commission document on the consolidated annual accounts of the European Union, gives the following figures:

  § **Commitment appropriations** :

  - **committed** : EUR 17 million;

  - **paid** : EUR 16 million;

  - **carried-over** : 0.

  § **Payment appropriations** :

  - **committed** : EUR 17 million;

  - **paid** : EUR 16 million;

  - **carried-over** : 0.

Please refer also to the final accounts of the Monitoring Centre.

2012 discharge: European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)

2013/2211(DEC) - 10/09/2013 - 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 2012, 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 the Court's opinion, the **Centre's Annual Accounts fairly present, in all material respects, its financial position as of 31 December 2012** and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of its financial rules and the accounting rules adopted by the Commission's accounting officer.

The Court also considers that the **transactions underlying the annual accounts** of the Centre for the financial year ended 31 December 2012 are, in all material respects, **legal and regular**.

The report confirms that the Centre's 2012 budget amounted to EUR 16.32 million.

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:

- internal controls: in 2012, the Centre gave grants to Member States' national drug monitoring centres (beneficiaries) in order to support cooperation under the REITOX network. Total grant expenditure in 2012 was EUR 2.6 million, representing 16 % of total operating expenditure. The Centre does not usually obtain from beneficiaries any documents to substantiate the eligibility and accuracy of the costs claimed. Ex post on-the-spot verifications of costs at beneficiary level are rare. Existing controls therefore provide only limited assurance to the

Centre's management as to the eligibility and accuracy of the costs claimed by beneficiaries. For the transactions audited by the Court supporting documentation was obtained by the Centre on the Court's behalf which provided reasonable assurance as to their legality and regularity. Improvements are needed in this area;

- headquarters: the Centre currently bears the annual cost of about 200 000 euro for unused office space in its former building and in the new Headquarters. The Centre should continue, in cooperation with the Commission and National Authorities, to seek adequate solutions for this unused office space.

The Centre's replies:

- audit: the Agency states that the EMCDDA has put in place and implemented several processes to ensure adequate ex ante and ex post verifications taking into account the risks at stake. In this context, grant beneficiaries are requested to send a full overview of their expenses (statement of expenses) as well as final financial and activity reports which allow EMCDDA to check the eligibility and accuracy of the costs claimed. In order to further improve the system in place, EMCDDA has taken measures to improve the audit methodology;
- headquarters: EMCDDA continues actively to look for an adequate solution to sell or lease the premises concerned as well as rationalising and reducing the maintenance costs for the Mascarenhas building, namely by revising the security settings and some patterns for consumption of utilities.

Lastly, the Court of Auditors' report contains a summary of the Centre's activities in 2012. This is focused on the following:

- running a computerised network for the collection and exchange of information called the 'European Information Network on Drugs and Drug Addiction' (Reitox);
- various publications (e.g. annual report on the state of the drug problem in Europe; publication on selected issues; statistical bulletin and interactive website);
- setting-up/updating/content development of public EMCDDA website;
- publication of promotional brochures, media products, press releases and fact sheets;
- taking part in international conferences and organising scientific and technical meetings.

2012 discharge: European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)

2013/2211(DEC) - 20/03/2014 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Petri SARVAMAA (EPP, FI) 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 2012, and 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 2012.

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts of the Centre for the financial year 2012 are reliable, and that the underlying transactions are legal and regular, Members approved 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.

- **Financing, budget and financial management**: Members recalled that the budget of the Centre for the financial year 2012 was EUR 16 .3 million. They noted at the same time that that the budget monitoring efforts during the financial year 2012 resulted in a budget implementation rate of 99.74 %.

- **Carryovers:** they commended the Centre for adhering to the principle of annuality and for the timely execution of its budget.

Members also made a series of observations on transfers, procurement and recruitment procedures as well as comments on internal controls.

They noted with concern from the Court of Auditors' annual audit report that the Centre currently bears the annual cost of about EUR 200 000 for unused office space in its former building and in the new headquarters. Members called on the Centre, as a matter of priority, to seek adequate solutions for this unused office space, and to report to the discharge authority, within the framework of the 2012 discharge follow-up, on the steps taken.

Lastly, they asked the Centre to strengthen transparency and prevent conflicts of interests, as well as make publicly available the Declarations of Interests of certain members.

2012 discharge: European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)

2013/2211(DEC) - 05/02/2014

Having examined the revenue and expenditure accounts for the financial year 2012 and the balance sheet at 31 December 2012 of the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA), as well as the Court of Auditors' report on the annual accounts of the Centre for the financial year 2012, accompanied by the Centre's replies to the Court's observations, the Council recommends the European Parliament to give a discharge to the Director of the Centre in respect of the implementation of the budget for the financial year 2012.

The observations in the Court of Auditors' report call for certain comments by the Council which can be summarised as follows:

- in general, the Council welcomes the Court's opinion that, in all material respects, the Centre's annual accounts present fairly its financial position as at 31 December 2012 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Centre's Financial Regulation and that the underlying transactions for that financial year are legal and regular.
- **Carry-overs of appropriations**: notwithstanding this favourable finding, the Council calls on the Centre to strengthen its internal control systems in order to reinforce both its ex-ante and ex-post verifications.
- **Headquarters**: the Council is concerned about the annual costs borne by the Centre for unused office space available in its former building and in its new headquarters. It invites the Centre to address this issue in cooperation with the European Commission and National Authorities. The Council also encourages the Centre to pursue efforts in order to timely adopt a complete Business Continuity and Disaster Recovery Plan.

2012 discharge: European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)

2013/2211(DEC) - 03/04/2014 - Final act

PURPOSE: to grant discharge to the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) for the financial year 2012.

NON-LEGISLATIVE ACT: Decision 2014/593/EU of the European Parliament on discharge in respect of the implementation of the budget of the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2012.

CONTENT: with the present decision, the European Parliament grants discharge to the Director of the Centre for the implementation of its budget for the financial year 2012.

This decision is in line with the European Parliament's resolution adopted on 3 April 2014 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 3 April 2014).

Amongst the main observations made, Parliament noted the problems in the Monitoring Centre’s audit and in particular in the **accuracy of the costs claimed in relation to grants for supporting cooperation under the Reitox network**.