Basic information

2017/2150(DEC) DEC - Discharge procedure	Procedure completed
2016 discharge: European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) **Subject** 8.70.03.06 2016 discharge	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	STAES Bart (Verts/ALE)	14/09/2017
	Shadow rapporteur SARVAMAA Petri (PPE) LIBERADZKI Bogusław (S&D) FITTO Raffaele (ECR) ALI Nedzhmi (ALDE) DE JONG Dennis (GUE/NGL) VALLI Marco (EFDD) KAPPEL Barbara (ENF)	

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	CHRYSOGONOS Kostas (GUE/NGL)	19/10/2017

European Commission

Commission DG	Commissioner
Budget	OETTINGER Günther

Key events

Date	Event	Reference	Summary

26/06/2017	Non-legislative basic document published	COM(2017)0365	Summary
13/09/2017	Committee referral announced in Parliament		
20/03/2018	Vote in committee		
23/03/2018	Committee report tabled for plenary	A8-0081/2018	Summary
18/04/2018	Decision by Parliament	T8-0151/2018	Summary
18/04/2018	Results of vote in Parliament		
18/04/2018	Debate in Parliament		
18/04/2018	End of procedure in Parliament		
03/10/2018	Final act published in Official Journal		

Technical information

Procedure reference	2017/2150(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/10779

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE613.462	25/01/2018	
Committee opinion	LIBE	PE613.652	07/02/2018	
Amendments tabled in committee		PE618.256	02/03/2018	
Committee report tabled for plenary, single reading		A8-0081/2018	23/03/2018	Summary
Text adopted by Parliament, single reading		T8-0151/2018	18/04/2018	Summary

Council of the EU

Document type	Reference	Date	Summary
Supplementary non-legislative basic document	05941/2018	09/02/2018	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2017)0365	26/06/2017	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofA	Court of Auditors: opinion, report	N8-0029/2018 OJ C 417 06.12.2017, p. 0150	17/10/2017	Summary

Additional information		
Source	Document	Date
European Commission	EUR-Lex	

Final act	
Budget 2018/1391 OJ L 248 03.10.2018, p. 0266	Summary

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

2017/2150(DEC) - 03/10/2018 - Final act

PURPOSE: to grant discharge to the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) for the financial year 2016.

NON-LEGISLATIVE ACT: Decision (EU) 2018/1391 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 2016.

CONTENT: the European Parliament decided to **grant discharge** to the Director of the Centre for the implementation of its budget for the financial year 2016.

This decision is accompanied by a resolution of the European Parliament containing the observations which form an integral part of the discharge decision in respect of the implementation of the general budget of the European Union for the financial year 2016 (*please refer to the summary dated 18.4.2018*).

In this resolution, Parliament welcomed the Centre's 2016 achievement of adopting its first **long-term plan**: the EMCDDA Strategy 2025.

It encouraged the commitment of the Centre to provide improved access to its data to interested third parties, given that one of its main objectives is the dissemination of data and information on the state of the drugs problem, including data on relevant new trends. It expects such a commitment to result in effective corresponding actions being taken.

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

2017/2150(DEC) - 23/03/2018 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Bart STAES (Greens/EFA, BE) on discharge in respect of the implementation of the budget of the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2016.

The committee called on the European Parliament to grant the Centre's Director discharge in respect of the implementation of the Centre's budget for the financial year 2016.

Noting that the Court of Auditors stated that it had obtained reasonable assurance that the annual accounts of the Centre for the financial year 2016 were reliable and that the underlying transactions were legal and regular, Members called on 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:

- **Centre's financial statements**: the final budget of the Centre for the financial year 2016 was EUR 15 421 357, representing a decrease of 16.73 % compared to 2015.
- **Budget and financial management**: budget monitoring efforts during the financial year 2016 resulted in a **budget implementation rate of 99.95 %,** representing an increase of 0.12 % compared to 2015, and that the payment appropriations execution rate was 95.64 %, representing a decrease of 1.71 % compared to 2015. Members noted with satisfaction that the high overall level of committed appropriations indicated that the commitments were made in a timely manner.
- **Commitments and carry-overs**: the level of committed appropriations carried over for 2016 amounts to EUR 671 266 (4.36%). Carry-overs are often justified and do not necessarily indicate weaknesses in budget planning and implementation.

Members also made a series of observations regarding procurement and staff policy, the prevention and management of conflicts of interests and internal audits and controls.

They noted that the Centre put in place a new procurement plan which was successfully executed in close collaboration with all units.

Members stressed the need for the Centre to improve the management of IT projects.

Lastly, Members encouraged the commitment of the Centre to provide improved access to its data to interested third parties, given that one of its main objectives is the dissemination of data and information on the state of the drugs problem, including data on relevant new trends.

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.

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

2017/2150(DEC) - 09/02/2018 - Supplementary non-legislative basic document

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 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 2016, accompanied by the Centre's replies to the Court's observations, the Council recommended the European Parliament to give a discharge to the Director of the Monitoring Centre in respect of the implementation of the budget for the financial year 2016.

The Council welcomed the Court's opinion that the Centre's annual accounts present fairly 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 the Centre's Financial Regulation, and that the underlying transactions for 2016 are legal and regular in all material respects.

Nevertheless, the following observations were made:

- **procurement**: the Council welcomed the fact that the Centre continues to follow-up last year's observation in relation to the improvement of the Centre's central planning and monitoring of its procurements;
- **IT issues**: the Council called on the Centre to improve the management and long-term outlook of its IT projects, since shortcomings in this area could affect the Centre's core operational processes. It welcomed the fact that a plan to remedy the situation has already been agreed upon and encourages it being put into practice.

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

2017/2150(DEC) - 18/04/2018 - Text adopted by Parliament, single reading

The European Parliament decided to **grant discharge** to the Director of the European Monitoring Centre for Drugs and Drug Addiction in regard to the implementation of the Centre’s budget for the 2016 financial year and to approve the closure of the accounts for the financial year in question.

Noting that the Court of Auditors has stated that it has obtained reasonable assurances that the Centre’s annual accounts for the financial year 2016 are reliable and that the underlying transactions are **legal and regular**, Parliament adopted by 561 votes to 123 with 10 abstentions, a resolution containing a series of recommendations, which form an integral part of the decision on discharge and which add to the general recommendations set out in the resolution on performance, financial management and control of EU agencies:

- **Centre’s financial statements:** the final budget of the Centre for the financial year 2016 was EUR 15 421 357, representing a decrease of 16.73 % compared to 2015.
- **Budget and financial management:** budget monitoring efforts during the financial year 2016 resulted in a budget implementation rate of 99.95 %,representing an increase of 0.12 % compared to 2015, and that the payment appropriations execution rate was 95.64 %, representing a decrease of 1.71 % compared to 2015. Members noted with satisfaction that the **high overall level of committed appropriations** indicated that the commitments were made in a timely manner.
- **Commitments and carry-overs:** the level of committed appropriations carried over for 2016 amounts to EUR 671 266 (4.36%). Carry-overs are often justified and do not necessarily indicate weaknesses in budget planning and implementation.

Members also made a series of observations regarding procurement and staff policy, the prevention and management of conflicts of interests and internal audits and controls.

The Centre put in place a **new procurement plan** which was successfully executed in close collaboration with all units. Members stressed the need for the Centre to improve the management of IT projects.

Parliament welcomed the fact that the gender balance target had been met (since the ratio is 53.47 % female to 46.53 % male) and that the Centre had adopted a policy on protecting dignity of the person and **preventing harassment**. It also emphasised the need to establish an independent body with sufficient budgetary resources to support **whistleblowers** wishing to disclose information on possible irregularities negatively impacting on the Union’s financial interests, while ensuring their confidentiality is protected.

Lastly, Members encouraged the Centre’s commitment to providing **improved access to its data** to interested third parties, given that one of its main objectives is the dissemination of data and information on the state of the drugs problem, including data on relevant new trends.

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

2017/2150(DEC) - 26/06/2017 - Non-legislative basic document

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2016, as part of the 2016 discharge procedure.

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

CONTENT: the organisational governance of the EU consists of institutions, agencies and other EU bodies whose expenditure is included in the general budget of the Union.

This Commission document concerns the EU's consolidated accounts for the year 2016 and details how spending by the EU institutions and bodies was carried out. The consolidated annual accounts of the EU provide financial information on the activities of the institutions, agencies and other bodies of the EU from an accrual accounting and budgetary perspective.

It is the responsibility of the Commission's Accounting Officer to prepare the EU's consolidated annual accounts and ensure that they present fairly, in all material aspects, the financial position, the result of the operations and the cashflows of the EU institutions and bodies, including the **European Monitoring Centre for Drugs and Drug Addiction** (EMCDDA), with a view to granting discharge.

Discharge procedure: the final step of a budget lifecycle is the discharge of the budget for a given financial year. It represents the political aspect of the external control of budget implementation and is the decision by which the European Parliament, acting on a Council recommendation, "**releases**" the Commission (and other EU bodies) from its responsibility for management of a given budget by marking the end of that budget's existence. The European Parliament is the discharge authority within the EU.

The discharge procedure may produce three outcomes: (i) the granting; (ii) postponement or; (iii) the refusal of the discharge.

The final discharge report including specific recommendations to the Commission for action is adopted in plenary by the European Parliament and are subject to an annual follow up report in which the Commission outlines the concrete actions it has taken to implement the recommendations made.

Each agency is subject to its own discharge procedure, including the **EMCDDA**.

The European Monitoring Centre for Drugs and Drug Addiction: the Monitoring Centre, which is located in Lisbon (PT), 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.

As regards the Centre's accounts, these are presented in detail in the document on the consolidated annual accounts of the European Union for 2016:

Commitment appropriations:

- available: EUR 16 million;
- made: EUR 16 million.

Payment appropriations:

- available: EUR 17 million;
- made: EUR 16 million.

For further details on expenditure, please refer to the 2016 final accounts of the Monitoring Centre.