Basic information

2018/2181(DEC) DEC - Discharge procedure	Procedure completed
2017 discharge: European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) **Subject** 8.70.03.02 2017 discharge	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	SARVAMAA Petri (PPE)	26/07/2018
	Shadow rapporteur KADENBACH Karin (S&D) CZARNECKI Ryszard (ECR) ALI Nedzhmi (ALDE) DE JONG Dennis (GUE/NGL) STAES Bart (Verts/ALE) 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	FRANZ Romeo (Verts/ALE)	18/10/2018

European Commission

Commission DG	Commissioner
Budget	OETTINGER Günther

Key events

Date	Event	Reference	Summary
28/06/2018	Non-legislative basic document published	COM(2018)0521	Summary

11/09/2018	Committee referral announced in Parliament		
20/02/2019	Vote in committee		
01/03/2019	Committee report tabled for plenary	A8-0139/2019	Summary
26/03/2019	Decision by Parliament	T8-0272/2019	Summary
26/03/2019	Results of vote in Parliament		
26/03/2019	Debate in Parliament		
26/03/2019	End of procedure in Parliament		
27/09/2019	Final act published in Official Journal		

Technical information

Procedure reference	2018/2181(DEC)
Procedure type	DEC - Discharge procedure
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/14278

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE626.800	10/12/2018	
Committee opinion	LIBE	PE630.587	17/01/2019	
Amendments tabled in committee		PE634.506	01/02/2019	
Committee report tabled for plenary, single reading		A8-0139/2019	01/03/2019	Summary
Text adopted by Parliament, single reading		T8-0272/2019	26/03/2019	Summary

Council of the EU

Document type	Reference	Date	Summary
Supplementary non-legislative basic document	05825/2019	31/01/2019	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2018)0521	28/06/2018	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofA	Court of Auditors: opinion, report	N8-0012/2019 OJ C 434 30.11.2018, p. 0001	18/09/2018	Summary

Additional information		
Source	**Document**	**Date**
European Commission	EUR-Lex	

Final act
Budget 2019/1488 OJ L 249 27.09.2019, p. 0239

2017 discharge: European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)

2018/2181(DEC) - 28/06/2018 - Non-legislative basic document

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2017, as part of the 2017 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 2017** 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 cash flows of the EU institutions and bodies with a view to granting discharge.

Discharge procedure: **the final step of a budget lifecycle is the discharge**. It is the decision by which the European Parliament '**releases**' the Commission from its responsibility for management of a given budget by marking the end of that budget's existence. It is granted by the European Parliament on the recommendation of the Council.

The decision is based in particular on the European Court of Auditors reports, in particular its annual report, in which the Court provides a Statement of Assurance (DAS) on the legality and regularity of transactions (payments and commitments).

The procedure results in the granting, postponement or refusal of 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.

All EU institutions and other agencies, bodies and joint undertakings are subject to their own discharge procedures.

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 2017:

Commitment appropriations:

- available: EUR 17 million;

- made: EUR 16 million.

Payment appropriations:

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

For further details, please refer to the 2017 final accounts of the Monitoring Centre.

2017 discharge: European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)

2018/2181(DEC) - 26/03/2019 - 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 (EMCDDA) for the financial year 2017 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 2017 are reliable and that the underlying transactions are legal and regular, Parliament adopted by 513 votes to 121 with 2 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 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 2017 was EUR 15 828 389, representing an increase of 2.64 % compared to 2016.

Budget and financial management

The budget monitoring efforts during the financial year 2017 resulted in a budget implementation rate of 100 %, representing a slight increase of 0.05 % compared to 2016. Payment appropriations execution rate was 94.70 %, representing a decrease of 0.94 % compared to the previous year. The cancellations of carry-overs from 2016 to 2017 amounted to EUR 18 245, representing 3.90 % of the total amount carried forward, showing an increase of 0.15 % compared to 2016.

Members also made a series of observations regarding performance, procurement and internal controls.

In particular, they noted that:

- the Centre has reached 90 % of the annual targets set for 2017 and that it successfully implemented the first year of its Strategy 2025;

- on 31 December 2017, the establishment plan was 93.51 % executed, with 72 officials or temporary agents appointed out of 77 officials and temporary agents authorised under the Union budget;

- the Centre put in place a procurement plan which was successfully executed in close collaboration with all units;

- the Centre was not yet using any of the tools launched by the Commission aimed at introducing a single solution for the electronic exchange of information with third parties participating in public procurement procedures (e-procurement);

- there is a need to strengthen the accounting officer's independence by making him directly responsible to the Centre's Director and management board.

2017 discharge: European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)

2018/2181(DEC) - 31/01/2019 - Supplementary non-legislative basic document

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 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 2017, 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 2017.

The Council welcomed the Court's opinion that the Centre's annual accounts present fairly its financial position as at 31 December 2017 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 2017 are legal and regular in all material respects.

Nevertheless, the following observations were made:

- ***accounting***: the Council regretted the deficiencies found by the Court in the Centre's accounting environment. It calls on the Centre to take appropriate actions mainly to ensure the accounting officer's independence;

- ***procurement***: the Council called on the Centre to ensure the full implementation without unjustified delay of electronic public procurement, whilst acknowledging the actions already taken by the Centre.

2017 discharge: European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)

2018/2181(DEC) - 01/03/2019 - 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 2017.

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 2017.

Noting that the Court of Auditors stated that it had obtained reasonable assurance that the annual accounts of the Centre for the financial year 2017 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 2017 was EUR 15 828 389, representing an increase of 2.64 % compared to 2016.

Budget and financial management

The budget monitoring efforts during the financial year 2017 resulted in a budget implementation rate of 100 %, representing a slight increase of 0.05 % compared to 2016. Payment appropriations execution rate was 94.70 %, representing a decrease of 0.94 % compared to the previous year.

The cancellations of carry-overs from 2016 to 2017 amounted to EUR 18 245, representing 3.90 % of the total amount carried forward, showing an increase of 0.15 % compared to 2016.

Members also made a series of observations regarding performance, procurement and internal controls.

In particular, they noted that:

- the Centre has reached 90 % of the annual targets set for 2017 and that it successfully implemented the first year of its Strategy 2025;

- on 31 December 2017, the establishment plan was 93.51 % executed, with 72 officials or temporary agents appointed out of 77 officials and temporary agents authorised under the Union budget;

- the Centre put in place a procurement plan which was successfully executed in close collaboration with all units;

- the Centre was not yet using any of the tools launched by the Commission aimed at introducing a single solution for the electronic exchange of information with third parties participating in public procurement procedures (e-procurement);

- there is a need to strengthen the accounting officer's independence by making him directly responsible to the Centre's Director and management board.

2017 discharge: European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)

2018/2181(DEC) - 18/09/2018

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 2017, together with the Centre's reply.

CONTENT: the Court of Auditors carried out the audit on the annual accounts of the European Monitoring Centre for Drugs and Drug Addiction (EMCDD).

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 and reliability of the accounts

The Court considered that:

- the Centre’s annual accounts present fairly, in all material respects, its financial position as at 31 December 2017 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;

- the transactions underlying the annual accounts for the year ended 31 December 2017 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

Financial management

Agencies should introduce a single solution for the electronic exchange and storage of information with third parties participating in public procurement procedures (e-procurement). As the same requirement exists for all EU Institutions, the Commission is developing a comprehensive IT solution covering all phases of public procurement procedures. The Commission launched tools for electronic invoicing (e-invoicing), for the electronic publication of documents related to contract notices (e-tendering) and for the electronic submission of tenders (e-submission). By the end of 2017, the Centre was not yet using any of these tools.

The Centre's replies

Financial management

The EMCDDA is complying with the ‘e-procurement’ related requirements in accordance with the relevant EU legal framework and the timetable established in this context for the rollout of ‘e-procurement’ in the EU. Since 2017, it has planned the preparatory operations required to be able to use ‘e-tendering’ and ‘e-submission’ from October 2018. The execution of this plan is in progress and the EMCDDA expects to meet this deadline with no major problems.

Lastly, the Court of Auditors’ report contains a summary of the Centre’s key figures in 2017:

Budget

EUR 16 million (in payment appropriations).

Staff

111 including officials, temporary and contract staff and seconded national experts.