



# Procedure file

Basic information		
DEC - Discharge procedure	<a href="#">2005/2110(DEC)</a>	Procedure completed
2004 discharge: European Monitoring Centre for Drugs and Drug Addiction		
Subject 8.70.03.07 Previous discharges		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<b>CONT</b> Budgetary Control		
	Committee for opinion	Rapporteur for opinion	Appointed
	<b>LIBE</b> Civil Liberties, Justice and Home Affairs	ALDE <a href="#">DEPREZ Gérard</a>	13/06/2005
Council of the European Union	Council configuration	Meeting	Date
	<a href="#">Economic and Financial Affairs ECOFIN</a>	<a href="#">2716</a>	14/03/2006
European Commission	Commission DG	Commissioner	
	<a href="#">Budget</a>		

Key events			
01/03/2005	Non-legislative basic document published	<a href="#">N6-0005/2005</a>	Summary
19/01/2006	Committee referral announced in Parliament		
21/03/2006	Vote in committee		Summary
27/03/2006	Committee report tabled for plenary	<a href="#">A6-0097/2006</a>	
26/04/2006	Debate in Parliament		
27/04/2006	Results of vote in Parliament		
27/04/2006	Decision by Parliament	<a href="#">T6-0171/2006</a>	Summary
27/04/2006	End of procedure in Parliament		
06/12/2006	Final act published in Official Journal		

Technical information	
Procedure reference	2005/2110(DEC)
Procedure type	DEC - Discharge procedure

Legal basis	Rules of Procedure EP 100
Stage reached in procedure	Procedure completed
Committee dossier	CONT/6/28443

## Documentation gateway

Non-legislative basic document		<a href="#">N6-0005/2005</a> <a href="#">OJ C 269 28.10.2005, p. 0044</a>	01/03/2005	OS	Summary
Court of Auditors: opinion, report		<a href="#">N6-0013/2006</a> <a href="#">OJ C 332 28.12.2005, p. 0089-0096</a>	05/10/2005	CofA	Summary
Committee draft report		<a href="#">PE367.984</a>	03/02/2006	EP	
Supplementary non-legislative basic document		<a href="#">05972/2006</a>	06/02/2006	CSL	Summary
Committee opinion	LIBE	<a href="#">PE367.662</a>	24/02/2006	EP	
Amendments tabled in committee		<a href="#">PE370.232</a>	28/02/2006	EP	
Committee report tabled for plenary, single reading		<a href="#">A6-0097/2006</a>	27/03/2006	EP	
Text adopted by Parliament, single reading		<a href="#">T6-0171/2006</a>	27/04/2006	EP	Summary
Commission response to text adopted in plenary		<a href="#">SP(2006)2095</a>	11/05/2006	EC	

## Final act

[Budget 2006/828](#)  
[OJ L 340 06.12.2006, p. 0085-0085](#) Summary

## 2004 discharge: European Monitoring Centre for Drugs and Drug Addiction

**PURPOSE** : presentation of the final accounts of the European Monitoring Centre for Drugs and Drug Addiction.

**CONTENT** : this document published in the Official Journal of the EU sets out a detailed account of the implementation of the 2004 budget, including the revenue and expenditure and the balance sheet for the year concerned.

According to this document, the final budget amounted to EUR 12,2 million (compared to EUR 10,5 million in 2003) including a 96% Community subsidy.

As regards the staffing policy, the Monitoring Centre, whose headquarters is based in Lisbon (Portugal), officially set out 77 posts in its establishment plan. 61 posts are currently occupied + 22 other staff (auxiliary contracts, contract staff and employment-agency staff) totalling 83 staff assigned to operational, administrative and IT support tasks and mixed duties. Staff expenditure amounted to EUR 5,8 million.

Its main task is to collect data on drugs and drug addiction in order to prepare and publish information that is objective, reliable and comparable at European level. The information is intended to provide a basis for analysing demand for drugs and ways of reducing both it and drug-market-related events in general. The Monitoring Centre runs a computerised network for the collection and exchange of information called the "European Information Network on Drugs and Drugs Addiction" (Reitox);

this network connects the national drug information networks, the specialist centres in the Member States and the information systems of international organisations working with the Monitoring Centre. In 2004, it published :

- an annual report on the state of the drug problem in the European Union (20 language versions, publication and interactive website);
- bulletin of statistics and interactive website containing over 100 tables;
- a general report of activities (annual, EN);
- newsletter, Drugnet Europe (4 issues in five languages, 20 products);
- policy briefings, Drugs in Focus (3 issues, 21 languages, 63 products);
- country situation summaries - for the 25 Member States (interactive website);
- publications in the EMCDDA series: 1 Monograph, 2 Risk assessments, 1 Insights;

- Snapshot 2004 - report and 10 thematic papers - publication and website;
- 20 scientific studies;
- presentation brochure (in the ten new languages);
- complete restructuring of main website.

The total operational expenditure amounted to roughly EUR 3,5 million. A positive balance of EUR 1,9 million was presented for the financial year 2004.

The complete version of the final accounts may be found at the following address:

<http://www.emcdda.eu.int/?nnodeid=6465>

## 2004 discharge: European Monitoring Centre for Drugs and Drug Addiction

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This report from the Court of Auditors concerns the results of the audit carried out by the Court on the annual accounts of the European Monitoring Centre for Drugs and Drug Addiction for the financial year ended 31 December 2004.

The Court states that its audit was planned and performed to obtain reasonable assurance that the accounts are reliable and the underlying transactions are legal and regular. The Agency's accounts for the financial year ended 31 December 2004 are, in all material respects, reliable. The transactions underlying the Agency's annual accounts, taken as a whole, are legal and regular.

The report shows that the appropriations entered in the final budget amount to EUR 12 244 000 with EUR 11 951 000 committed and EUR 9 262 000 paid. EUR 1 737 000 was carried over to 2005, and EUR 1 245 000 cancelled. The outstanding commitments carried over from the previous financial year were EUR 2 039 000.

The Court makes the following observations:

- more than a hundred transfers of appropriations were made during the financial year 2004; the transfers made from certain items were compensated for by transfers in the opposite direction. Amendments on this scale make the management of the Monitoring Centre very cumbersome and show that the necessary rigour is not being applied to compliance with the budgetary principle of specification;
- the checks carried out on the implementation of contracts revealed a number of anomalies. Although, considered individually, these anomalies do not call into question the regularity of the transactions concerned, their frequency should induce the Monitoring Centre to strengthen its internal control system;
- no reconciliations between bank balances and the accounts are carried out and the errors in the amounts to be paid are not always detected. Moreover, the accounting officer's instructions to the bank are not countersigned by a second person. As this is a high-risk area, internal control procedures should be strengthened without delay;
- the data concerning fixed assets are compiled with the aid of electronic calculation sheets, which does not guarantee the integrity of the data recorded. A reliable computer system must be used to monitor the fixed assets;

The Monitoring Centre responds point by point to the Court's observations:

- the final budget was adopted only in May 2004 owing to enlargement. Therefore, it was necessary to make numerous transfers in order to ensure the implementation of the work programme;
- the Monitoring Centre has implemented the following measures in order to improve the management of its contracts: a more precise procurement planning in terms of defining requirements; training for managers; the development of standard contract forms; the clarification of the internal procedures used for commitments; and the introduction of checklists for payments and other budgetary operations;
- in order to take account of the Court's observation, the Monitoring Centre put in place a monthly reconciliation procedure in September 2005, providing for the signature of the Accounting Officer and submission to the Authorising Officer. It will implement a countersigning system as soon as possible;
- the implementation of a new, more effective, inventory system made it necessary to use calculation sheets in order to ensure continuity of management. The closure of inventory 2005 will be based on this new system.

## 2004 discharge: European Monitoring Centre for Drugs and Drug Addiction

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The committee adopted the report by Umberto GUIDONI (GUE/NGL, IT) recommending that Parliament should grant discharge for the implementation of the budget of the European Monitoring Centre for Drugs and Drug Addiction for 2004.

In their accompanying comments, MEPs regretted the very high level of transfers made and urged the Centre to "respect more closely the budget originally set by the budgetary authority". They also made a number of general remarks applicable to all the Community agencies:

- EU enlargement in 2004 had affected the structures and operating arrangements of the agencies in many ways, and the Commission should assess the real or supposed problems encountered and recommend the regulatory changes required;
- the agencies should spend the money available to them as efficiently and effectively as possible;
- the agencies should avoid duplication as far as possible and clarify measures for improving transparency and communication with the public, to overcome their often negative image which many of them did not deserve;
- the Commission should help harmonise the activity reports of the agencies - which differed significantly in terms of content - by informing them of the common indicators that they must provide;

- there was a need for improved cooperation between the agencies, particularly in such common areas as training, the use of the latest management systems and solving problems relating to sound management of the budget.

## 2004 discharge: European Monitoring Centre for Drugs and Drug Addiction

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The European Parliament adopted a resolution drafted by Umberto GUIDONI (GUE/NGL, IT) and granted 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 2004. In its accompanying comments, Parliament regretted the very high level of transfers made, and urged the Centre to respect more closely the budget originally set by the budgetary authority. It noted the Court of Auditors' finding of a number of anomalies in the management of contracts, and welcomed the steps taken by the Centre to improve the management of contracts.

Parliament also made a series of general remarks on the agencies. As well as spending money properly, agencies should also strive to spend money as efficiently and effectively as possible. The Court of Auditors was asked to consider the possibility of extending its specific annual reports on the agencies to include an examination of performance and achievement of objectives. The following aspects should be taken into account: duplication of work among the agencies must be avoided as much as possible and measures designed to improve transparency and communication with the public must be clarified, along with Community affirmative action measures at all levels of recruitment, training and the assignment of responsibilities.

Parliament noted that Community agencies did not always have a good image or good press and that many of them did not deserve such a negative image. EU citizens should be made aware of this, and Parliament called on the Commission to act accordingly, using whatever means it considers necessary.

Furthermore, the enlargement of the European Union in 2004 had affected the structures and operating arrangements of the Community agencies in many ways, and several of the agencies draw attention to these effects in their activity reports, focusing in particular on the increase in the number of administrators. The Commission needed to assess the problems encountered and recommend the regulatory changes required.

The Commission had made a commitment to harmonising the way in which activity reports concerning its directorates-general were presented. Parliament called for a similar approach to be taken in respect of the activity reports of the Communities' agencies, which differed significantly in terms of content. The Commission should point out to the agencies the information and activity indicators that they must provide.

Finally, Parliament asked the Commission to improve synergies between agencies by making cooperation more effective, avoiding duplication of work and addressing shortcomings, in particular as regards common areas such as training, the implementation of Community policies across the board, the use of the latest management systems and solving problems relating to sound management of the budget.

## 2004 discharge: European Monitoring Centre for Drugs and Drug Addiction

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**PURPOSE:** to grant discharge to the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2004.

**LEGISLATIVE ACTS:** Decisions 2006/828/EC and 2006/829/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 2004 and closure of accounts for the year in question.

**CONTENT:** with the present decisions, 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 2004 and approves the closure of the accounts.

This decision is in line with the European Parliament's resolution adopted on 27 April 2006 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 27/04/2006).