

Procedure file

Basic information		
DEC - Discharge procedure	2015/2167(DEC)	Procedure completed
2014 discharge: European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)		
Subject 8.70.03.04 2014 discharge		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 Budgetary Control	 VAUGHAN Derek	19/08/2015
		Shadow rapporteur	
		 DEUTSCH Tamás	
		 VISTISEN Anders	
		 ALI Nedzhami	
		 JÁVOR Benedek	
		 VALLI Marco	
		 KAPPEL Barbara	
		Committee for opinion	Rapporteur for opinion
 Environment, Public Health and Food Safety	The committee decided not to give an opinion.		
 Civil Liberties, Justice and Home Affairs			19/11/2015
	 MACOVEI Monica		
European Commission	Commission DG Budget	Commissioner GEORGIEVA Kristalina	

Key events			
23/07/2015	Non-legislative basic document published	COM(2015)0377	Summary
05/10/2015	Committee referral announced in		

	Parliament		
04/04/2016	Vote in committee		
07/04/2016	Committee report tabled for plenary	A8-0105/2016	Summary
27/04/2016	Debate in Parliament		
28/04/2016	Results of vote in Parliament		
28/04/2016	Decision by Parliament	T8-0177/2016	Summary
28/04/2016	End of procedure in Parliament		
14/09/2016	Final act published in Official Journal		

Technical information

Procedure reference	2015/2167(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/04171

Documentation gateway

Non-legislative basic document		COM(2015)0377	23/07/2015	EC	Summary
Court of Auditors: opinion, report		N8-0138/2015 OJ C 409 09.12.2015, p. 0206	08/09/2015	CofA	Summary
Supplementary non-legislative basic document		05584/2016	27/01/2016	CSL	Summary
Committee draft report		PE569.755	01/02/2016	EP	
Committee opinion	LIBE	PE575.098	19/02/2016	EP	
Amendments tabled in committee		PE576.948	04/03/2016	EP	
Committee report tabled for plenary, single reading		A8-0105/2016	07/04/2016	EP	Summary
Text adopted by Parliament, single reading		T8-0177/2016	28/04/2016	EP	Summary

Final act

Budget 2016/1537
[OJ L 246 14.09.2016, p. 0289](#) Summary

2014 discharge: European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2014 as part of the 2014 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 2014 as prepared on the basis of the information presented by the institutions, organisations and bodies of the EU, in accordance with Article 148 (2) of the Financial Regulation applicable to the EU's General Budget, including the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA).

The document contains the figures on which the discharge procedure is based.

On this basis, the Financial Controller of the European Commission ensures the certification of the consolidated accounts as declared by the institutions, agencies and bodies of the European Union.

Discharge procedure of the EU agencies: the EU Budget finances a wide range of policies and programmes throughout the EU. In accordance with the priorities set by the European Parliament and the Council in the multi-annual financial framework (MFF), the European Commission carries out specific programmes, activities and projects in the field with the technical support of some specialised agencies.

The consolidated annual accounts of the EU provide information on the activities of the institutions, agencies and other bodies of the EU from a budgetary and accrual accounting perspective.

The consolidated reports on the implementation of the general budget of the EU include the budget implementation of all Institutions. Agencies do not have a separate budget inside the EU budget; and they are partially financed by a Commission budget subsidy.

This document sets out how the Agencies spent and implemented their budget in 2014. Each agency is subject to its own discharge procedure.

EMCDDA: in 2014, 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 (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;
- the Centre's budget for the financial year 2014: the Centre's budget for 2014, as presented in the Commission document on the consolidated annual accounts of the European Union, gives the following figures:

Commitment appropriations :

- committed : EUR 16 million;
- paid : EUR 16 million;
- carried-over : 0.

Payment appropriations :

- committed : EUR 16 million;
- paid : EUR 15 million;
- carried-over : EUR 1 million.

Please refer also to the [final accounts of the Monitoring Centre](#).

2014 discharge: European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)

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 2014, together with the Centres 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).

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 2014; and
- the legality and regularity of the transactions underlying those accounts.

Opinion on the reliability of the accounts: in the Courts opinion, the Centres annual accounts present fairly, in all material respects, its financial position as at 31 December 2014 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 Commissions accounting officer.

Opinion on the legality and regularity of the transactions underlying the accounts: in the Courts opinion, the transactions underlying the annual accounts for the year ended 31 December 2014 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 latters response. The main observations may be summarised as follows:

The Courts observations:

- budgetary management: the Court noted that carry-over of committed appropriations were high for administrative expenditure at 26% which mainly related to an accelerated implementation of the multiannual ICT strategy.

The Centres replies:

- budgetary management: the Centre stated that the carry-forward was the result of a well-founded, structured process aimed at ensuring the sound management of operations.

Lastly, the Court of Auditors report contains a summary of the Centres activities in 2014. This is focused on the following:

Budget: EUR 15.85 million of which the Union subsidy amounts to 93.4%.

Activities:

- 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; statistical bulletin, Drugnet Europe newsletter);
- setting-up/updating/content development of public EMCDDA website (best practice portal - exchange on drug demand reduction action);
- publication of promotional brochures, media products, press releases and fact sheets;
- taking part in international conferences and organising scientific and technical meetings.

2014 discharge: European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)

Having examined the revenue and expenditure accounts for the financial year 2014 and the balance sheet as at 31 December 2014 of the European Monitoring Centre for Drugs and Drug Addiction (EMCDD), as well as the Court of Auditors' report on the annual accounts of the Centre for the financial year 2014, 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 Centre in respect of the implementation of the budget for the financial year 2014.

The Council welcomed the Court's opinion that, in all material respects, the Centre's annual accounts present fairly its financial position as at 31 December 2014 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 the accounting rules adopted by the Commission's accounting officer, and that the underlying transactions for 2014 are legal and regular in all material respects.

Nevertheless, the Council has made some observations which may be summarised as follows:

- financial programming: the Council noted that a high level of commitment appropriations for administrative expenditure was carried over to 2015. It called on the Centre to continue improving its financial programming and monitoring of the budget implementation in order to reduce the level of carry-overs to the following financial year to the strict minimum, in line with the budgetary principle of annuality.

2014 discharge: European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)

The Committee on Budgetary Control adopted the report by Derek VAUGHAN (S&D, UK) on discharge in respect of the implementation of the budget of the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2014.

The parliamentary committee calls on the European Parliament to grant the Centres Director discharge in respect of the implementation of the Centres budget for the financial year 2014.

Noting that the Court of Auditors issued a statement of assurance as to the reliability of the accounts and the legality and regularity of the underlying transactions for the financial year 2014, Members call on Parliament to approve the closure of the Centres 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](#):

- Centres financial statements: Members note the final budget of the Monitoring Centre for Drugs and Drug Addiction for the financial year 2014 was EUR 15 675 036 representing a decrease of 3.88 % compared to 2013.
- Budget and financial management: Members note that the budget monitoring efforts during the financial year 2014 resulted in a budget implementation rate of 99.62 % and that the payment appropriations execution rate was 94.93 %, representing a slight decrease of 2.78 % compared to 2013. They note that 26% of administrative expenditure was carried over because they mainly relate to multiannual projects.

Members also made a series of observations regarding commitments and carryovers, as well as on internal audit and control procedures. In regard to preventing and managing conflicts of interest, Members remind the Centre that it must adopt binding internal rules on whistle-blowers; further calls on the Centre to establish clear rules against "revolving doors".

Lastly, Members note that the Centre continued its efforts to find a suitable solution for some areas of its Cais do Sodré Relógio building which remains partially unused. They acknowledge that the negotiations with the Lisbon Port Authority, the owner of the premises, for the reduction of the rent are in progress. They call on the Centre to inform the discharge authority on the further progress in this issue.

2014 discharge: European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)

The European Parliament decided to grant discharge to the Director of the European Monitoring Centre for Drugs and Drug Addiction in respect of the implementation of its budget for the financial year 2014. The vote on the decision on discharge covers the closure of the accounts (in accordance with Annex V, Article 5 (1)(a) to Parliaments Rules of Procedure.

Noting that the Court of Auditors has stated that it has obtained reasonable assurances that the Centres annual accounts for the financial year 2014 are reliable and that the underlying transactions are legal and regular, Parliament adopted by 508 votes to 113 with 8 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](#):

- Centres financial statements: Parliament noted that the final budget of the Monitoring Centre for Drugs and Drug Addiction for the financial year 2014 was EUR 15 675 036 representing a decrease of 3.88 % compared to 2013.
- Budget and financial management: Parliament noted that the budget monitoring efforts during the financial year 2014 resulted in a

budget implementation rate of 99.62 % and that the payment appropriations execution rate was 94.93 %, representing a slight decrease of 2.78 % compared to 2013. It also noted that 26% of administrative expenditure was carried over because they mainly relate to multiannual projects.

Parliament made a series of observations regarding commitments and carryovers, as well as on internal audit and control procedures. In regard to preventing and managing conflicts of interest, it reminded the Centre that it must adopt binding internal rules on whistle-blowers; further calls on the Centre to establish clear rules against "revolving doors".

As regards performance, Parliament welcomed the accelerated implementation of the Centres multi-annual information and communication technologies (ICT) strategy.

Lastly, Parliament noted that the Centre continued its efforts to find a suitable solution for some areas of its Cais do Sodré Relógio building which remains partially unused. It acknowledged that the negotiations with the Lisbon Port Authority, the owner of the premises, for the reduction of the rent are in progress. It called on the Centre to inform the discharge authority on the further progress in this issue.

2014 discharge: European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)

PURPOSE: to grant discharge to the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) for the financial year 2014.

NON-LEGISLATIVE ACT: Decision (EU) 2016/1537 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 2014.

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 2014.

This decision is in line with the European Parliament's resolution adopted on 28 April 2016 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 28 April 2016).

Amongst Parliaments main observations in the resolution accompanying the discharge decision, the latter noted the problems regarding the management of buildings. The Centre stated that it is continuing its efforts to find a suitable solution for some areas of its Cais do Sodré Relógio building which remains partially unused and acknowledged that the negotiations with the Lisbon Port Authority, the owner of the premises, for the reduction of the rent are in progress.