

P6_TA(2006)0171

2004 discharge: European Monitoring Centre for Drugs and Drug Addiction

1. European Parliament decision on the discharge for the implementation of the budget of the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2004 (N6-0005/2005 – C6-0162/2005 – 2005/2110(DEC))

The European Parliament,

- having regard to the final annual accounts of the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2004¹,
 - having regard to the Court of Auditors' report on the annual accounts of the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2004, together with the Centre's replies²,
 - having regard to the Council's recommendation of 14 March 2006 (5972/2006 - C6-0093/2006),
 - having regard to the EC Treaty, and in particular Article 276 thereof,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities³, and in particular Article 185 thereof,
 - having regard to Council Regulation (EEC) No 302/93 of 8 February 1993 on the establishment of a European Monitoring Centre for Drugs and Drug Addiction⁴, and in particular Article 11a thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities⁵, and in particular Article 94 thereof,
 - having regard to Rule 71 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A6-0097/2006),
1. 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;

¹ OJ C 269, 28.10.2005, p. 44.

² OJ C 332, 28.12.2005, p. 89.

³ OJ L 248, 16.9.2002, p. 1.

⁴ OJ L 36, 12.2.1993, p. 1. Regulation as last amended by Regulation (EC) No 1651/2003 (OJ L 245, 29.9.2003, p. 30).

⁵ OJ L 357, 31.12.2002, p. 72. Regulation as amended by Regulation (EC, Euratom) No 1261/2005 (OJ L 201, 2.8.2005, p. 3).

2. Sets out its comments in the resolution below;
3. Instructs its President to forward this decision and the resolution that forms an integral part of it to the Director of the European Monitoring Centre for Drugs and Drug Addiction, the Council, the Commission and the Court of Auditors and to have them published in the Official Journal of the European Union (L series).

2. European Parliament decision on the closure of the accounts of the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2004 (N6-0005/2005 – C6-0162/2005 – 2005/2110(DEC))

The European Parliament,

- having regard to the final annual accounts of the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2004¹,
 - having regard to the Court of Auditors' report on the annual accounts of the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2004, together with the Centre's replies²,
 - having regard to the Council's recommendation of 14 March 2006 (5972/2006 - C6-0093/2006),
 - having regard to the EC Treaty, and in particular Article 276 thereof,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities³, and in particular Article 185 thereof,
 - having regard to Council Regulation (EEC) No 302/93 of 8 February 1993 on the establishment of a European Monitoring Centre for Drugs and Drug Addiction⁴, and in particular Article 11a thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities⁵, and in particular Article 94 thereof,
 - having regard to Rule 71 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A6-0097/2006),
1. Notes the following figures for the accounts of the European Monitoring Centre for Drugs and Drug Addiction for the financial years 2004 and 2003:

¹ OJ C 269, 28.10.2005, p. 44.

² OJ C 332, 28.12.2005, p. 89.

³ OJ L 248, 16.9.2002, p. 1.

⁴ OJ L 36, 12.2.1993, p. 1. Regulation as last amended by Regulation (EC) No 1651/2003 (OJ L 245, 29.9.2003, p. 30).

⁵ OJ L 357, 31.12.2002, p. 72. Regulation as amended by Regulation (EC, Euratom) No 1261/2005 (OJ L 201, 2.8.2005, p. 3).

Revenue and expenditure account for the financial years 2004 and 2003 (in EUR 1000)

	2004	2003
Revenue		
Subsidies from the Commission	11 730	9 300
Subsidies from Norway	514	421
Assigned revenue	211	335
Miscellaneous revenue	33	67
Total revenue (a)	12 488	10 122
Budgetary expenditure for the financial year		
<i>Staff— Title I of the budget</i>		
Payments	5 832	5 189
Appropriations carried over	122	80
<i>Administration — Title II of the budget</i>		
Payments	1 088	555
Appropriations carried over	355	267
<i>Operating activities — Title III of the budget (except assigned revenue)</i>		
Payments against payment appropriations for the financial year	2 342	2 057
Appropriations carried over	1 260	1 469
<i>Assigned revenue (Phare and third countries)</i>		
	201	500
Total expenditure (b)	11 200	10 117
Outturn for the financial year (a - b)	1 288	5
Balance carried over from the previous financial year	295	1 626
Appropriations carried over and cancelled	245	221
Sums for reuse from the previous financial year not used	15	21
Refunds to the Commission	-3	- 1 584
Refunds to Norway	81	
Exchange-rate differences	-1	6
Balance for the financial year	1 920	295

2. Approves the closure of the accounts of the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2004;
3. Instructs its President to forward this decision to the Director of the European Monitoring Centre for Drugs and Drug Addiction, the Council, the Commission and the Court of Auditors and to have it published in the Official Journal of the European Union (L series).

3. European Parliament resolution with comments forming an integral part of the decision on the discharge for the implementation of the budget of the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2004 (N6-0005/2005 – C6-0162/2005 – 2005/2110(DEC))

The European Parliament,

- having regard to the final annual accounts of the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2004¹,
 - having regard to the Court of Auditors' report on the annual accounts of the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2004, together with the Centre's replies²,
 - having regard to the Council's recommendation of 14 March 2006 (5972/2006 - C6-0093/2006),
 - having regard to the EC Treaty, and in particular Article 276 thereof,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities³, and in particular Article 185 thereof,
 - having regard to Council Regulation (EEC) No 302/93 of 8 February 1993 on the establishment of a European Monitoring Centre for Drugs and Drug Addiction⁴, and in particular Article 11a thereof,
 - having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities⁵, and in particular Article 94 thereof,
 - having regard to Rule 71 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Civil Liberties, Justice and Home Affairs (A6-0097/2006),
- A. whereas the Court of Auditors stated that it had obtained reasonable assurance that the annual accounts for the financial year ended 31 December 2004 were reliable and that the underlying transactions, taken as a whole, were legal and regular,

¹ OJ C 269, 28.10.2005, p. 44.

² OJ C 332, 28.12.2005, p. 89.

³ OJ L 248, 16.9.2002, p. 1.

⁴ OJ L 36, 12.2.1993, p. 1. Regulation as last amended by Regulation (EC) No 1651/2003 (OJ L 245, 29.9.2003, p. 30).

⁵ OJ L 357, 31.12.2002, p. 72. Regulation as amended by Regulation (EC, Euratom) No 1261/2005 (OJ L 201, 2.8.2005, p. 3).

- B. whereas the Court of Auditors states that it has obtained reasonable assurance from all the agencies, excepting the express reservations in respect of the 2004 financial year concerning the European Agency for Reconstruction, the European Centre for the Development of Vocational Training, the European Training Foundation, the European Monitoring Centre on Racism and Xenophobia and the European Food Safety Authority,
1. Recalls that, under Article 185 of the Financial Regulation, Parliament shall give discharge for the implementation of the budgets of the bodies set up by the Communities and having legal personality which actually receive grants charged to the budget; points out, however, that not all of these bodies are fully, or even partially, funded via grants charged to the budget; emphasises that the discharge decision therefore covers both the budget and the non-budget funding of these bodies; considers it unacceptable that some of the bodies set up by the Union are accountable for the expenditure of income received from sources other than the budget whilst others, which do not receive a subsidy from the budget, are not; affirms the principle that all Community agencies, whether or not they are subsidised, are subject to discharge by Parliament, even when another discharge authority intervenes in accordance with their basic texts; takes the view that there is a need to review all texts that go against this principle;
 2. Finds table 1 of the Court of Auditors' report, introduced for the first time during the 2003 discharge exercise, which summarises the Centre's powers and responsibilities, governance, resources, activities and services provided, of great value; notes that the information contained in table 1 is supplied by the European Monitoring Centre for Drugs and Drug Addiction; asks the Court of Auditors to verify the contents of table 1;
 3. Insists that as well as spending money properly, agencies should also strive to spend money as efficiently and effectively as possible; invites the Court of Auditors to consider the possibility of extending its specific annual reports on the agencies to include an examination of performance and achievement of objectives; in this context and in line with its resolutions on the 2003 discharge, insists that the following aspects be taken into account: that duplication of work among the agencies must be avoided as much as possible and that 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;
 4. Notes that Community agencies do not always have a good image or good press and that many of them do not deserve such a negative image; points out that EU citizens should be made aware of this, with appropriate means being used to explain as often as is necessary the *raison d'être* and achievements of the agencies; calls on the Commission to act accordingly using whatever means it considers necessary;
 5. Notes that the enlargement of the European Union in 2004 has affected the structures and operating arrangements of the Community agencies in many ways, and that several of the agencies draw attention to these effects in their activity reports, focusing in particular on the increase in the number of administrators; calls on the Commission to assess the real or supposed problems encountered and to recommend the regulatory changes required;
 6. Notes that the Commission has made a commitment to harmonising the way in which activity reports concerning its directorates-general are presented; calls for a similar approach to be taken in respect of the activity reports of the Communities' agencies,

which differ significantly in terms of content; calls on the Commission to point out to the Communities' agencies the information and activity indicators that they must provide;

7. Is pleased to note that the Court of Auditors has been able to obtain reasonable assurance that the annual accounts for the financial year ended 31 December 2004 are reliable and that the underlying transactions, taken as a whole, are legal and regular;
8. Regrets the very high level of transfers made; urges the Centre to respect more closely the budget originally set by the budgetary authority;
9. Notes the Court of Auditors' finding of a number of anomalies in the management of contracts; welcomes the steps taken by the Centre to improve the management of contracts;
10. Agrees with the Court of Auditors that bank balance and accounts should be reconciled to allow detection of errors in the amounts to be paid and that instructions to the bank should be countersigned; welcomes the measures taken by the Centre to implement the Court of Auditors' recommendations; is pleased to note the Centre's assurance that a countersigning system will be implemented;
11. Encourages the Centre to avoid in future the use of electronic calculation sheets in order to guarantee the integrity of the data recorded, as recommended by the Court of Auditors; welcomes the Centre's introduction of a new, more effective inventory system;
12. Calls on the Commission to help the agencies follow as closely as possible the work plan agreed for the year ahead, allowing activities to be properly planned and implemented, and particularly to avoid major, last-minute changes to the work load;
13. Asks 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.