RESOLUTION (EU) 2020/1872 OF THE EUROPEAN PARLIAMENT

of 14 May 2020

with observations forming an integral part of the decision 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 2018

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2018,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Civil Liberties, Justice and Home Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0073/2020),

A. whereas, according to its statement of revenue and expenditure [1], the final budget of the European Monitoring Centre for Drugs and Drug Addiction (the 'Centre') for the financial year 2018 was EUR 16 174 200,21, representing an increase of 2,18 % compared to 2017; whereas the budget of the Centre derives mainly from the Union budget [2];

B. whereas the Court of Auditors (the 'Court'), in its report on the Centre's annual accounts for the financial year 2018 (the 'Court's report'), states that it has obtained reasonable assurances that the Centre's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Welcomes the fact that the budget monitoring efforts during the financial year 2018 resulted in a budget implementation rate of 100 %, the same rate as in 2017; notes that the payment appropriations execution rate was 98,02 %, representing an increase of 3,31 % compared to the previous year;

Performance

2. Notes that the Centre measures the achievement of its 66 annual targets with 50 key performance indicators (KPIs), which are divided into eight strategic objectives, to assess the added value provided by its activities, and to improve its budget management; notes that, starting from 2019, the Centre put in place a new performance model based on ten KPIs, which will be used to measure the Centre's effectiveness in delivering the desired outputs and its efficiency in using the resources allocated to that end;

3. Notes that the Centre has reached 85 % of the applicable outputs and results planned in the 2018 work programme and that it successfully implemented the first year of its Strategy 2025;

4. Encourages the Centre to pursue the digitalisation of its services;

5. Notes with satisfaction that the Centre continues to share synergies with the European Maritime Safety Agency in corporate and support services, and in the management of common premises in Lisbon, and that those synergies also relate to ICT, telecommunications and internet-based infrastructure and services; notes that operational synergies have been put in place with other Union agencies in the areas of justice and home affairs and health; commends the agencies for this form of cohabitation and holds it to be an example worth following;

[1] OJ C 29, 23.1.2019, p. 1.
[2] OJ C 29, 23.1.2019, p. 2.

6. Highlights the important role of the Centre in providing policy-makers and practitioners with analyses and information concerning drugs and drug addiction as well as emerging trends, with a view to effectively countering illicit drug use and trafficking, and recalls that drug trafficking has been identified as one of the main sources of profit and a channel of recruitment for organised crime and terrorism; recalls the fact that the Centre's mandate was expanded in 2018, inter alia, to include new responsibilities and formal partnerships with other Union agencies, such as Europol;

7. Considers that the adoption of the Centre's 2019-2021 programming document, which is fully grounded in the EMCDDA Strategy 2025 ([3]), represents an important step in the strategic and operational planning framework of the Centre;

Staff policy

8. Notes that, on 31 December 2018, the establishment plan was 96,05 % executed, with 9 officials and 64 temporary agents appointed out of 10 officials and 66 temporary agents authorised under the Union budget (compared with 77 authorised posts in 2017); notes that, in addition, 29 contract agents and 1 seconded national expert worked for the Centre in 2018;

9. Notes that the Centre has reported a good gender balance within the management board for 2018, namely 15 male members and 14 female members;

10. Notes with satisfaction that the Centre has general provisions in place on building and sustaining a working culture, based on dignity and respect, to prevent and fight against harassment; observes that it makes confidential counselling available;

Procurement

11. Welcomes the fact that the Centre put in place a procurement plan in line with the Centre's management plan, which was successfully executed in close collaboration with all units;

12. Notes that, according to the Court's report, the Centre did not attract a reasonable number of tenderers in low-value procurement procedures and that in five of those procedures only one candidate submitted a tender, and two tenders were submitted in one procedure; notes that, according to the Centre's reply, it duly invited the number of tenderers required by the applicable financial rules to ensure the necessary level of competition; calls on the Centre to pursue its ongoing efforts to ensure that all public procurement procedures are compliant with the principle of fair competition and to facilitate participation in its procurement procedures for low-value contracts;

Prevention and management of conflicts of interest, and transparency

13. Acknowledges the Centre's existing measures and ongoing efforts to secure transparency, prevent and manage conflicts of interest, and provide whistleblower protection; notes with satisfaction that the CVs and declarations of interest of the director and the members of the scientific committee are published on its website;

14. Stresses that a recent study commissioned by Parliament's Committee on Petitions ([4]) found that, given the fact that the Centre uses experts and particularly that the scientific committee takes decisions by itself, there is a potential risk of conflicts of interest;

Internal controls

15. Notes that, following the Commission's Internal Audit Service (IAS) report on the analysis of the need to support data collection, validation and quality assurance processes, and the review of its data quality management framework and its alignment with the Centre's Strategy 2025, all of the necessary recommendations from the adopted action plan were implemented in 2018;

([3]) European Monitoring Centre for Drugs and Drug Addiction, 'EMCDDA Strategy 2025', Lisbon, March 2017; http://www.emcdda.europa.eu/publications/work-programmes-and-strategies/strategy-2025_en.

([4]) https://www.europarl.europa.eu/RegData/etudes/STUD/2020/621934/IPOL_STU(2020)621934_EN.pdf

16. Notes with concern that, according to the Centre, several recommendations included in the 2015 IAS audit on IT project management have been only partly implemented and that, at the end of 2018, two recommendations were still outstanding; notes, however, that those two recommendations were expected to be implemented by mid-2019; calls on the Centre to report to the discharge authority on the progress achieved by June 2020;

17. Notes that, according to the Court's report, pursuant to Directive 2008/104/EC of the European Parliament and of the Council ([5]) and Portuguese labour law, interim workers should work under the same working conditions as workers employed directly by the user undertaking; notes, however, that the relevant contracts did not explicitly require the temporary work agencies to respect those conditions and that there is no evidence that the Centre itself carried out any comparison between the working conditions of its own staff and those of interim staff, which undermines safe and predictable working conditions for the staff and causes a risk of litigation and risks for the Centre's reputation; notes that, according to the Centre's reply, the contract between the Centre and the temporary work agency refers to the obligation of the Centre to comply with all aspects of the applicable legislation and that, pursuant to that contract, the temporary work agency is the party exposed to the risks of litigation; highlights, however, that this type of situation still carries high reputational risks for the Centre; welcomes the fact that the Centre is reassessing its policy for the use of temporary workers to base that policy more on the law of the Member State in which the Centre is located, in line with its operating needs and the legal framework; calls on the Centre to analyse the working conditions of its interim staff and ensure that those conditions are in line with Union and national labour law; calls on the Centre to report to the discharge authority on the progress achieved by June 2020;

18. Notes that the Union signed an agreement with Norway in 2006 that defines the formula to calculate Norway's financial contribution to the Centre as well as the minimum contribution threshold which should be subject to an annual adjustment based on price trends and gross national income in the Union; notes with concern that, while the Union budget subsidy increased by 24 % between 2007 and 2018, Norway's contribution remained almost the same; notes that, according to the Centre's reply, there is no linear correlation between the increase of the Union subsidy and Norway's contribution and that the Centre does not have the required legal capacity to claim a different formula/method for the adjustment of the minimum contribution by Norway; calls on the Centre with the parties concerned to adjust the minimum contribution by Norway in accordance with the agreed terms;

19. Calls on the Centre to focus on disseminating the results of its research to the public, and to reach out to the public via the social media and other media outlets;

20. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 14 May 2020 ([6]) on the performance, financial management and control of the agencies.

([5]) Directive 2008/104/EC of the European Parliament and of the Council of 19 November 2008 on temporary agency work (OJ L 327, 5.12.2008, p. 9).

([6]) Texts adopted, P9_TA(2020)0121.