2008 discharge: European Joint Undertaking for ITER and the Development of Fusion Energy

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The Committee on Budgetary Control adopted the report by Véronique MATHIEU (EPP, FR) on discharge to be granted to the European Joint Undertaking for ITER and the Development of Fusion Energy, calling on the European Parliament to grant the Director of the Undertaking discharge in respect of the implementation of its budget for the financial year 2008.

Noting that the Undertaking's annual accounts for the financial year 2008 are reliable, and the underlying transactions are legal and regular, MEPs approve the closure of its accounts. However, they make a number of recommendations that need to be taken into account when the discharge is granted, in addition to the general recommendations that appear in the draft resolution on financial management and control of EU agencies (see 2010/2007(INI):

- **carryover of appropriations**: Members note that the Court of Auditors identified a surplus of EUR 57.6 million. Part of that surplus was carried over to the 2009 financial year. They note the Joint Undertaking's reply to the effect that the under-spending to which the Court of Auditors refers stemmed from the fact that this was the Joint Undertaking's first year of financial autonomy from the Commission;
- **commitment irregularities**: Members note that, in six cases considered by the Court of Auditors, the Joint Undertaking made budget commitments only after it had already entered into legal obligations. They call accordingly on the Joint Undertaking to comply with the Financial Regulation in this respect as well;
- **ITER Financial Regulation**: Members call for a number of specific changes need to be made to the ITER Financial Regulation, including as regards exceptions to the budgetary principles, the role of the Commission's Internal Audit Service, late payment of members' contributions, the rules on the award of grants and the transitional provisions;
- **internal control systems**: MEPs expressly recommend that the Joint Undertaking carry out further work on documenting IT processes and activities and analysing IT risks. They stress, furthermore, that ITER has appointed a Data Protection Officer and the necessary steps have been taken to further develop the Business Continuity and Data Recovery Plan. Members conclude that the Joint Undertaking has a permanently high level of cash holdings (EUR 58 980 569,87 in 2008). They ask the Commission to examine what scope there is for introducing needs-orientated management of cash holdings at the Joint Undertaking, and what changes of approach are necessary in order to keep the Joint Undertaking's cash holdings permanently as low as possible.