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

2009/2187(DEC) - 01/02/2010

Based on the observations contained in the revenue and expenditure account and the balance sheet of the European Joint Undertaking for ITER and the Development of Fusion Energy for the financial year 2008, as well as on the Court of Auditor’s report and the Joint Undertaking’s replies to the Court’s observations, the Council recommends that the Parliament grant the Director of the Joint Undertaking in respect of the implementation of the budget for the financial year 2008.

The Council welcomes the Court's opinion that, on the one hand, the Joint Undertaking's annual accounts present fairly, in all material aspects, the financial position as at 31 December 2008 and the results of operations and cash-flows for the year then ended, in accordance with the provisions of the Joint Undertaking's Financial Regulation, and that, on the other hand, the underlying transactions for the financial year ended on 31 December 2008 are, in all material respects, legal and regular.

However, the Council considers that observations made in the Court of Auditor’s report call for a certain number of observations to be taken into account when granting discharge, particularly on the following points:

- **respect of budgetary and financial principles in force**: while taking into account that the Joint Undertaking is recently established and that it started to work autonomously on 18 March 2008, the Council calls on the Joint Undertaking to comply with the financial provisions in force and with the budgetary principles. Due attention should be paid to presenting a budget that can be implemented, thus avoiding underspending. The Joint Undertaking should complete its Financial Regulation, in particular in order to strengthen parts concerning the award of research grants, as suggested by the Court;
- **deficiencies of the internal control systems**: the Council notes with concern the Court's findings on the various deficiencies of the internal control systems, in particular as regards internal audit, and calls on the Joint Undertaking to remediate to these shortcomings without delays. In this context, the Council notes in particular that further work needs to be done in the documentation of IT processes and activities, and the mapping of IT risks. The Joint Undertaking should also develop a Business Continuity Plan and a data protection policy;
- **late payments**: special attention should be paid to the question of late payment of membership contributions, in order to avoid them to occur in the future;
- **annual activity report**: the Court calls on the Joint Undertaking to pay attention to the content and timely adoption of the Annual Activity Report of the Joint Undertaking, in line with the Court's observations.