2008 discharge: SESAR Joint Undertaking SJU

2009/2188(DEC) - 05/05/2010 - Text adopted by Parliament, single reading

The European Parliament adopted by 556 votes to 30, with 54 abstentions, a decision on discharge to be granted to the Executive Director of the SESAR Joint Undertaking in respect of the implementation of its budget for the financial year 2008.

Furthermore, Parliament adopted a resolution with observations which are an integral part of the decision to grant discharge.

The main points are as follows:

- **failure to respect the budgetary principle of annuality**: Parliament notes that, in April 2008, the Joint Undertaking's Administrative Board adopted the final budget covering the period August 2007 – December 2008, and that that decision was at odds with the annuality principle;
- **implementation of the budget:** Parliament states that the final budget adopted by the Joint Undertaking's Administrative Board in April 2008 proved to be highly unrealistic, as is illustrated by commitment and payment appropriations take-up rates of 1% and 17% respectively. It regrets that, in a number of instances, transaction controls did not operate correctly and that adequate internal controls for contracts and procurement had not been established;
- **recognition of assets:** in contrast to very low utilisation rates, the Joint Undertaking had considerable sums in deposits in bank accounts at the year end, thus breaching the principle of budgetary equilibrium. Parliament expressly recommends that the Joint Undertaking formulates a more appropriate accounting policy;
- **SESAR Financial Regulation:** Parliament welcomes the Court of Auditors' intention to deliver an opinion on the Financial Regulation. It stresses the importance of that regulation being in line with the framework Financial Regulation for Community bodies and the need to adopt implementing rules for its Financial Regulation;
- **internal control systems:** Parliament calls on the Joint Undertaking also to establish without delay appropriate internal control systems in connection with public procurement. It concludes from the annual closure of accounts and the amount of interest payments that the Joint Undertaking maintains high cash reserves over long periods (as of 31 December 2008, the Joint Undertaking's cash reserves amounted to EUR 116 007 569).

Noting that the Joint Undertaking’s annual accounts for the financial year 2008 are reliable, and the underlying transactions are legal and regular, Parliament approves the closure of the Undertaking’s accounts. However, it makes 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) adopted in parallel).