2009 discharge: SESAR Joint Undertaking to develop the new generation European air traffic management system

2010/2188(DEC) - 21/03/2011

The Committee on Budgetary Control adopted the report by Georgios STAVRAKAKIS (S&D, EL) on discharge to be granted to the Executive Director of the SESAR Joint Undertaking in respect of the implementation of the SESAR's budget for the financial year 2009.

Noting that the SESAR's annual accounts for the financial year 2009 are reliable, and the underlying transactions are legal and regular, MEPs approve the closure of the SESAR's 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 DEC/2010/2271):

- **implementation of the budget:** Members note that the Joint Undertaking final 2009 budget included commitment appropriations of EUR 325 million and payment appropriations of EUR 157 million. They also note that the utilisation rates for commitment and payment appropriations were 97.1% and 43.2% respectively. They recognise that the Joint Undertaking is still in a start-up period. They also stress that year-end bank deposits totalling EUR 86.8 million represent a breach of the budgetary principle of equilibrium. They consider it important to set out the conditions under which, if the balance of the outturn account is positive, it shall be entered in the budget of the Joint Undertaking of the following financial year in order to specify the application of this derogation from the general budgetary principle of equilibrium. They are also concerned by the fact that, in December 2009, no integrated management system had been set in place. They ask that a report on carryovers of appropriations not used in the previous year specifying the reasons why these resources were not deployed be attached to the budget of each financial year;
- **Members' contribution:** Members call on SESAR to harmonise the presentation of members' contributions in the Accounts under the guidance of the Commission;
- **internal control systems:** Members urge SESAR to complete the implementation of its internal controls and financial information system and to include in its Financial Rules a specific reference to the powers of the Internal Audit Service of the Commission as its internal auditor. They consider that the role of the Commission as internal auditor should be to advise SESAR on dealing with risks, by issuing independent opinions on the quality of management and control systems and by issuing recommendations for improving the conditions of implementation of operations and promoting sound financial management. They also consider it essential that SESAR submit to the discharge authority a report drawn up by its director summarising the number and the type of internal audits conducted by the internal auditor. In view of the size of its budget and the complexity of its tasks, SESAR should consider establishing an audit committee, reporting directly to the Administrative Board;
- **Financial Regulation**: Members welcome the adoption by SESAR of new Financial Rules.