

2009 discharge: European Joint Undertaking for ITER and the Development of Fusion Energy

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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 2009, 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 2009.

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 2009 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 2009 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:

- **budget implementation:** the Council calls on the Joint Undertaking to pay due attention to proper budget implementation, thus avoiding underspending, and to accurate presentation of the accounts reflecting its members' contributions;
- **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 their implementation, the assessment of the management systems, the separation of financial and operational functions and the authorisation of financial transactions. It calls upon the Joint Undertaking to remedy these shortcomings without delay;
- **completion of the ITER's Financial Regulation:** the Council also urges the Joint Undertaking to complete its Financial Regulation in order to reinforce its financial framework. This is particularly important in the area of internal audit, where some inconsistencies as regards the prerogatives of the Commission's internal auditor persist;
- **membership contributions:** the Council calls for special attention to be given to the question of late payment of membership contributions, in order to avoid them to occur in the future;
- **governance:** the Council urges the Joint Undertaking to implement the Court's observations with a view to improving its governance and achieving cost savings.