2009 discharge: IMI Joint Undertaking for the implementation of the Joint Technology Initiative on Innovative Medicines

2010/2191(DEC) - 03/02/2011 - Document attached to the procedure

Having examined the revenue and expenditure accounts for the financial year 2009 and the balance sheet at 31 December 2009 of the Innovative Medicines Initiative Joint Undertaking, and the report by the Court of Auditors on the annual accounts of the Joint Undertaking for the financial year 2009, accompanied by the Joint Undertaking's replies to the Court's observations, the Council recommends the European Parliament to give a discharge to the Executive 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, in all material respects, the Joint Undertaking's annual accounts present fairly 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 Rules, and that the underlying transactions for that financial year are 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 presentation**: while taking into account that the Joint Undertaking was recently established and that it started to work autonomously only on 16 November 2009, 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, and to a clear presentation of the accounts reflecting its members' contributions;
- **internal control**: the Council recalls that internal control and financial information systems must be completely implemented and business processes formalised. It calls on the Joint Undertaking to intensify its efforts, in particular in the documentation of IT processes and in setting up a Business Continuity Plan;
- **Financial Rules**: the Council also urges the Joint Undertaking to complete its Financial Rules and to clarify its internal audit function, in order to eliminate inconsistencies as regards the prerogatives of the Commission's internal auditor;
- **host agreement**: lastly, the Council stresses the importance of concluding a host agreement without delay.