

2010 discharge: European Joint Undertaking for ITER and the Development of Fusion Energy

2011/2237(DEC) - 08/02/2012

Having examined the revenue and expenditure accounts for the financial year 2010 and the balance sheet at 31 December 2010 of the European Joint Undertaking for ITER and the Development of Fusion Energy, and the report by the Court of Auditors on the annual accounts of the Joint Undertaking for the financial year 2010, accompanied by the Joint Undertaking's replies to the Court's observations, the Council recommends the European Parliament to give a discharge to the Director of the Joint Undertaking in respect of the implementation of the budget for the financial year 2010.

However, the Council considers that observations made in the Court of Auditor's report call for a certain number of remarks:

- the Council welcomes the Court's opinion that, in all material respects, the Joint Undertaking's annual accounts fairly present the financial position as at 31 December 2010 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 the underlying transactions for that financial year are legal and regular. Nevertheless, some observations need to be made;
- nevertheless, it calls on the Joint Undertaking to comply with the financial provisions in force and with the budgetary principles. In that context, due attention should be paid to **proper budget implementation**, thus avoiding under-spending and reducing high cash balances;
- the Council urges the Joint Undertaking to fill key posts still remaining vacant, in order to fully assign responsibilities under the new financial circuits as soon as possible;
- the Council regrets the weaknesses identified by the Court in the Joint Undertaking's **procurement and grant award procedures**, notably as regards the number of offers and grant proposals received per call. It calls on the Joint Undertaking to make all possible effort to maximise competition in the areas of procurement and grant contract management;
- furthermore, the Council notes with concern the insufficient documentation of checks applied before making payments under grant agreements. It asks the Joint Undertaking to fully ensure compliance with the financial requirements and the eligibility of underlying costs;
- the Council also urges the Joint Undertaking to **complete its Financial Regulation**.