2011 discharge: Clean Sky Joint Undertaking

2012/2217(DEC) - 01/02/2013

Having examined the revenue and expenditure accounts for the financial year 2011 and the balance sheet at 31 December 2011 of the Clean Sky Joint Undertaking, and the report by the Court of Auditors on the annual accounts of the Joint Undertaking for the financial year 2011, 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 2011.

The observations in the Court of Auditors' report in relation to the financial year 2011 call for some comments by the Council, which may be summarised as follows:

- the Council welcomes the Court's opinion that, in all material respects, the Joint Undertaking's annual accounts present fairly its financial position as at 31 December 2011 and the results of its operations and its 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, with the exception of the matter described below;
- however, **it regrets the Court's qualified opinion on the legality and regularity of the transactions underlying the accounts**, due to the high error rate resulting from the ex-post audits carried out for the first time, on the basis of a risk-based and not representative sample selected by external auditors. The Council urges the Joint Undertaking to take the necessary corrective action to recover the amounts unduly paid;
- the Council calls on the Joint Undertaking to pay due attention to the proper implementation of commitment and payment appropriations in the course of the budgetary year, in line with the budgetary principle of annuality, thus **avoiding excessive carry-overs**. The Council invites the Joint Undertaking, in cooperation with the Commission, to adapt, if necessary, its financial programming to real needs with the intention of limiting the risk of over-budgeting. It urges the Joint Undertaking to consult its Governing Board for prior approval of any possible carry-over of appropriations to the next financial year, as foreseen in its Financial Rules, and to properly issue recovery orders relating to the payment of membership contributions;
- moreover, the Council asks the Joint Undertaking to : (i) improve its internal control and financial information systems; (ii) respect the principle of segregation of duties of the verifying and authorising officers; (iii) amend its Financial Rules in order to ensure the respect of the powers of the Commission's internal auditor; (iv) set up internal procedures ensuring the respect of the provisions on the protection, use and dissemination of research results, as foreseen in the consortium and grant agreements.