2011 discharge: Artemis Joint Undertaking to implement a Joint Technology Initiative in Embedded Computing Systems

2012/2218(DEC) - 17/04/2013 - Text adopted by Parliament, single reading

The European Parliament adopted a decision on discharge to be granted to the Executive Director of the ARTEMIS Joint Undertaking for the financial year 2011. The vote on the decision to grant discharge covers the closure of the accounts (in accordance with Annex VI, Article 5(1) of the European Parliament' s Rules of Procedure).

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts of the Joint Undertaking for the financial year 2011 are reliable but that it had delivered **a qualified opinion on the legality and the regularity of the transactions underlying the Undertaking's accounts,** Parliament approved the closure of the accounts. It, however, adopted a series 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 performance, financial management and control of EU agencies.

- **Financing, budget and financial management:** Parliament recalls that the maximum contribution for the period of 10 years from the Union to the Joint Undertaking is EUR 420 million to be paid from the budget of the Seventh Research Framework Programme. It notes that the initial 2011 budget included operational appropriations amounting to EUR 46.6 million and that an amending budget was adopted reducing operational appropriations to EUR 18.6 million.
- **Implementation rate of appropriations and carryovers:** Parliament regrets the relatively low implementation rate for operational payment appropriations standing at 86%, 53% and 18% for the 2008, 2009 and 2010 call for proposals. It calls for a detailed progress report on these shortcomings;
- **Qualified opinion of the Court of Auditors:** Parliament is concerned that the Joint Undertaking annual accounts received a qualified opinion from the Court of Auditors on the legality and the regularity of the transactions underlying those accounts on the grounds that the Joint Undertaking was not in a position to assess whether the *ex post* audit strategy provides sufficient assurance with respect to the legality and regularity of the underlying transactions. It invites the Joint Undertaking to provide the discharge authority with an action plan to overcome that potential lack of assurance and expect that the Court of Auditors, through its independent audits, will be in position to provide the discharge authority with its own opinion on the effectiveness of the Joint Undertaking's *ex-post* audit strategy.
- **Greece:** Parliament condemns the fact that **Greece is using Union Structural Funds to cover its national contributions to the Greek beneficiaries of the Artemis projects** instead of providing national funding. They request the Commission to inform the discharge authority on the legality of this situation as soon as possible.
- **Host State Agreement:** Parliament welcomes the fact that the Host State Agreement between the Joint Undertaking and the Belgian authorities concerning office accommodation, privileges and immunities and other support to be provided was signed on 3 February 2012.

Parliament also makes a series of observations as regards the Joint Undertaking's internal control and audit systems, the weaknesses in its annual activity report, as well as other management matters.**It notes in passing the possibility of a merger with the ENIAC Joint Undertaking.**

Lastly, Parliament invites the Court of Auditors to provide, within a reasonable deadline, a special report to Parliament on common issues which occur due to the nature of the joint undertakings in order to ensure

their **added value and efficient execution of Union research, technological development and demonstration programmes.** It further notes that the same report should include **an assessment of the effectiveness of the joint undertakings' establishment and structure**.