2013 discharge: European GNSS Agency (GSA)

2014/2114(DEC) - 30/03/2015 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Ryszard CZARNECKI (ECR, PL) on discharge in respect of the implementation of the budget of the **European GNSS Agency** for the financial year 2013.

It called on the European Parliament to grant the Executive Director of the Agency discharge in respect of the implementation of the Agency's budget for the financial year 2013.

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts of the Agency for the financial year 2013 are reliable, and that the underlying transactions are legal and regular, Members called on the Parliament to approve the closure of the Agency's accounts. They made, however, a number of recommendations that needed 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.

- **Agency's financial statements**: Members noted that the final budget of the Agency for the financial year 2013 was EUR 80 449 967, representing an increase of 23.76% compared to 2012. The overall contribution of the Union to the budget of the Office for 2013 amounted to EUR 13 973 518, being an increase of 9.69% compared to 2012.

- **Commitments and carry-overs**: Members noted that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 100% and that the payment appropriations execution rate was 80.53%. They observed, however, that the level of committed appropriations carried over was high for administrative expenditure, amounting to 52 %. They stressed, furthermore, that some EUR 400 000 related to services supplied but not invoiced in 2013.

Members also made a series of observations on transfers, procurement procedures, recruitment and internal audit.

They went on to make certain comments regarding the **legality and regularity of the Agency's operations.** The latter was in charge of organising and managing the exploitation of the European Geostationary Navigation Overlay Service (EGNOS). On the basis of a delegation agreement with the Commission, the Agency signed in 2013 a contract for the exploitation of EGNOS for 2014-2021, and for EUR 588 000 000. Members were concerned that although the competiveness of the procedure was not called into question by the Court, an **eligibility criterion applied in the first phase of the procurement procedure excluding applications from consortia was not in accordance with the rules** on implementation of the Financial Regulation.

Lastly, the committee called upon the Agency to adopt **a policy of prevention and management of conflicts of interests** as a matter of urgency and to develop and implement comprehensive independence policies and procedures.