2014 discharge: Artemis Joint Undertaking to implement a Joint Technology Initiative in Embedded Computing Systems

2015/2199(DEC) - 07/04/2016 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Marian-Jean MARINESCU (EPP, RO) on discharge in respect of the implementation of the budget of the Artemis Joint Undertaking for the financial year 2014.

The parliamentary committee calls on the European Parliament to **postpone its decision to grant the Executive Director of the joint undertaking the discharge in respect of the implementation of the joint undertaking's budget for the financial year 2014**.

Accordingly, Members call on Parliament to delay the approval the closure of the joint undertaking's accounts.

They made, however, a number of recommendations that need to be taken into account when the discharge is granted. They may be summarised as follows:

- **General remark:** Members recall that the Joint Undertaking and the ENIAC Joint Undertaking (ENIAC) were merged to create the Electronic Components and Systems for European leadership Joint Technology Initiative (ECSEL JTI), which started its activity in June 2014 and will run for 10 years.
- **Qualified opinion of the Court of Auditors:** Members are concerned that the Court in its report on the annual accounts of the Joint Undertaking issued a qualified opinion regarding the regularity and legality of the underlying transactions on the grounds that the administrative agreements signed with the national funding authorities ('NFAs') regarding the audit of project cost claims do not include practical arrangements for ex-post audits. They note that the Joint Undertaking did not assess the quality of the audit reports received from the NFAs concerning the costs relating to completed projects even though the ECSEL JTI confirmed that its extensive assessment of the national assurance systems concluded that they can provide reasonable protection of the financial interests of the Joint Undertaking's members. Members invite the ECSEL initiative to further strengthen its controls and the Court to collect additional and necessary documents and information as an alternative way to justify its opinion.
- **Budget and financial management:** Members note the Joint Undertaking's final budget for the financial year 2014 included commitment appropriations of EUR 2 554 510 and payment appropriations of EUR 30 330 178 (operational). They note that the utilisation rate for administrative commitment appropriations was 38 % due to the merger of the Joint Undertaking and ENIAC in June 2014 and to the fact that the budget was adopted for the whole year.

Members note the limited amount of information regarding in-kind and cash contribution. They call on the Court to include, in its reports to come, concrete provisions regarding the evaluation procedure and the level of in-kind and cash-paid contribution.

Lastly, Members issue a series of observations on internal audits, the undertakings legal framework, and on the issue of the management of conflicts of interest.