

2015 discharge: European Joint Undertaking for ITER and the Development of Fusion Energy - Fusion for Energy Joint Undertaking (F4E)

2016/2194(DEC) - 07/02/2017 - Supplementary non-legislative basic document

Having examined the revenue and expenditure accounts for the financial year 2015 and the balance sheet as at 31 December 2015 of the European Joint Undertaking for ITER and the Development of Fusion Energy, as well as the Court of Auditors' report on the annual accounts of the Joint Undertaking for the financial year 2015, accompanied by the Joint Undertaking's replies to the Court's observations, the Council recommended 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 2015.

The Council welcomed the Court's opinion that, in all material respects, the Joint Undertaking's annual accounts present fairly its financial position as at 31 December 2015 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 2015 are legal and regular in all material respects.

Nevertheless, the following some observations need to be made.

- **increased costs for ITER:** the Council is concerned about the very significant cost increase of the ITER project that in November 2015 was estimated at EUR 2 375 million for the construction phase. The Council invited the Joint Undertaking to update the valuation of its contribution to the ITER project beyond the construction phase and to present it with the least possible delay. It urged the Joint Undertaking to present in the annual accounts more accurate information on the status and value of the activities carried out so far as regards the procurement arrangements signed with the ITER International Organisation;
- **financial programming:** the Council called on the Joint Undertaking to pay due attention to the proper programming and implementation of commitment and payment appropriations in the course of the budgetary year and to decommit unused appropriations if necessary;
- **procurement:** the Council called on the Joint Undertaking to improve the controls and verifications at different stages of the procurement and grant procedures, with a view to mitigating any financial risk in the use of EU funds.

Lastly, the Joint Undertaking is called upon to follow-up thoroughly the Court's recommendations on industrial policy and on the Joint Undertaking's procurement strategy from previous years and to continue adopting the necessary rules for the proper implementation of the Staff Regulations.