2016 discharge: European GNSS Agency (GSA)

2017/2165(DEC) - 18/04/2018 - Text adopted by Parliament, single reading

The European Parliament decided to **grant discharge** to the Executive Director of the European GNSS Agency in respect of the implementation of the Agency's budget for the financial year 2016, and to approve the closure of the accounts for the financial year in question.

Noting that the Court of Auditors has stated that it has obtained reasonable assurances that the agency's annual accounts for the financial year 2016 are reliable and that the underlying transactions are **legal and regular**, Parliament adopted by 550 votes to 114 with 29 abstentions, a resolution containing a series of recommendations, which form an integral part of the decision on discharge and which add to the general recommendations set out in the resolution on performance, financial management and control of EU agencies:

- **Agency's financial statements**: Members noted that the Union subsidy to the final budget of Agency for the financial year 2016 was EUR 29 086 327, representing an increase of 5.36 % compared to 2015.
- **Agency's obligations**: in 2016 the Agency did not fulfil its discharge obligations as regards replying to the questions raised during the 2015 discharge procedure. Members considered that this could be considered to be a procedural ground for postponing the discharge. Such a delay should not be repeated.
- **Budget and financial management**: budget monitoring efforts during the financial year 2016 resulted in a **budget implementation rate of 100 %**. The Agency continued to manage a large amount of delegated budget in 2016 following the signature of two new delegation agreements (EGNOS Exploitation and Galileo Exploitation) in the course of 2016.
- **Commitments and carry-overs**: the level of carry-overs for committed appropriations was high at EUR 2 806 212 (45 %) for administrative expenditure in 2016, compared with EUR 2 511 309 (42 %) in 2015. These carry-overs mainly relate to IT services provided in 2016 for which invoices were not received. The level of cancellations of carry-overs of the Agency is very low (0.7 % overall budget lines in 2016). The Agency considered this to be a better indication of budget management than the level of carry-overs itself.

Members also made a series of observations regarding transfers, the prevention and management of conflicts of interests, procurement and staff policy and internal audits and controls. They welcomed the fact that the Agency has adopted a new policy for the protection of human dignity and the prevention of harassment. They pointed out, however, that the Agency has still not adopted a **whistleblowing** policy. The Agency will start the process of adoption of a whistleblowing policy on the basis of the Commission' s implementing rules for agencies, which are expected to be finalised in 2018.

The Agency completed the public procurement procedure on the exploitation of the **Galileo satellite system during the period 2017 to 2027**, amounting to EUR 1. 5. Since the outcome of the procedure has been challenged, the ruling of the Court of Justice will decide on the legality and regularity of the procurement procedure concerning the framework contract.

Members also noted that the Agency operates the Galileo Security Monitoring Centre and the Galileo ground stations, both of which are located on United Kingdom territory. The status of the United Kingdom within those frameworks remains to be determined. Parliament called on Agency to work in close cooperation with the Commission regarding the **Brexit** negotiations in order to be sufficiently prepared to minimise any negative operational or financial impact that may occur.

Lastly, Members called on the Agency to be more proactive in presenting its mission and work to the wider public and in increasing its overall **visibility.**