# 2017 discharge: Fusion for Energy Joint Undertaking (F4E)

2018/2211(DEC) - 31/01/2019 - Supplementary non-legislative basic document

Having examined the revenue and expenditure accounts for the financial year 2017 and the balance sheet as at 31 December 2017 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 2017, 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 2017.

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 2017 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 2017 are legal and regular in all material respects.

Nevertheless, the following observations were made:

-***increasing costs***: the Council is concerned about the risk of further cost increases and delays in project implementation compared to the new baseline proposed in 2016. The Council requested that the Joint Undertaking update the valuation of its contribution to the ITER project operational phase and present it with the least possible delay;

-***internal control systems***: the progress achieved by the Joint Undertaking with regard to the establishment and implementation of its internal control systems was welcomed. However, the Council expected the Joint Undertaking to continue its efforts in improving the follow up on the Declarations of Interest from Senior Management, as well as in enhancing the internal control and the quality of the recruitment process;

-***Brexit***: the Council encouraged the Joint Undertaking to take into account any possible financial impact of the withdrawal of the United Kingdom from the EU and Euratom on its organisation, operations and accounts.