

2017 discharge: Fusion for Energy Joint Undertaking (F4E)

2018/2211(DEC) - 01/03/2019 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Martina DLABAJOVÁ (ALDE, CZ) on discharge in respect of the implementation of the budget of the European Joint Undertaking for ITER and the Development of Fusion Energy for the financial year 2017.

The committee called on the European Parliament to grant the Director of the European Joint Undertaking for ITER and the Development of Fusion Energy discharge in respect of the implementation of the Joint Undertaking's budget for the financial year 2017.

Noting that the Court of Auditors issued a statement of assurance as to the reliability of the accounts and the legality and regularity of the underlying transactions for the financial year 2017, Members called on Parliament to approve 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

Members noted the fact that in addition to the construction phase, the Joint Undertaking will have to contribute to the ITER operational phase and to the subsequent ITER deactivation and decommissioning phases. It took note that the contribution to the deactivation and the decommissioning phases were estimated at EUR 95 540 000 (in 2001 values) and EUR 180 200 000 (in 2001 values). They are concerned that the contribution for the operational phase after 2035 has not yet been estimated in financial terms and called on the Joint Undertaking to estimate the cost of the operational phase after 2035 as soon as possible.

They expressed concern that while positive steps have been taken to improve the management and control of the ITER project construction phase, there remains an ongoing risk of further cost increases and delays in project implementation compared to the new proposed baseline. They called on the Joint Undertaking and indeed all parties of the project to take appropriate action to identify and analyse all potential risks and set up an Action Plan that will also include a further analysis on the impact of Brexit.

Budget and financial management

The final 2017 budget available for implementation included commitment appropriations of EUR 588 916 058 and payment appropriations of EUR 864 914 263. The utilisation rates for commitment and payment appropriations were 99.9 % and 96.3 % respectively.

Members regretted that, due to serious shortcomings in the budget planning process coupled with the acceleration of some contracts, the Joint Undertaking has estimated a lack of payment appropriations of about EUR 150 000 000 for the 2018 budget.

Other observations

The report also contained a series of observations on the prevention and management of conflicts of interests, personal selection and recruitment, internal control measures, operational procurements and grants. It noted in particular:

- the overall ITER Project level, 30 out of 32 ITER Council milestones were achieved;
- 83 operational procurement procedures were launched, and 69 operational procurement contracts were signed.