2017 discharge: European GNSS Agency (GSA)

2018/2196(DEC) - 01/03/2019 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Petri SARVAMAA (EPP, FI) on discharge in respect of the implementation of the budget of the European GNSS Agency (GSA) for the financial year 2017.

The committee called on the European Parliament to grant the Executive Director of the Agency discharge in respect of the implementation of the agency's budget for the financial year 2017.

Noting that the Court of Auditors stated that it had obtained reasonable assurance that the annual accounts of the Agency for the financial year 2017 were reliable and that the underlying transactions were legal and regular, Members called on Parliament to approve the closure of the Agency's accounts.

They made, however, a number of recommendations that needed to be taken into account when the discharge is granted, in addition to the general recommendations that appear in the draft resolution on performance, financial management and control of EU agencies:

Agency's financial statements

The Union subsidy to the final budget of the European GNSS Agency for the financial year 2017 was EUR 28 467 648, representing a decrease of 2.13 % compared to 2016.

Budget and financial management

The budget monitoring efforts during the financial year 2017 resulted in a budget implementation rate of 100 %, representing the same rate as in 2016. The execution rate of payment appropriations was 86.20 %, representing an increase of 3.78 % compared to 2016. In addition to its core budget, the Agency continued to manage a large amount of delegated budget in 2017 following the signature of the European Geostationary Navigation Overlay Service (EGNOS) and the Galileo Delegation Agreement amendments. A total of EUR 416 million was committed under a delegated budget in 2017 and EUR 638 million made in payments.

The cancellations of carry-overs from 2016 to 2017 amounted to EUR 270 961, representing 5.30 % of the total amount carried forward, showing however a slight decrease of 1.15 % in comparison to 2016.

Members also made a series of observations regarding performance, staff policy, procurement and conflicts of interest.

In particular, they noted that:

- on 31 December 2017 the establishment plan was 91.38 % executed, with 106 temporary agents appointed out of 116 temporary agents authorised under the Union budget;

- that one former Commission official occupies an advisory role under the Active Senior Initiative, without receiving salary entitlements from the Agency;

- following the United Kingdom’s decision to withdraw from the Union, an important decision for Galileo was taken to relocate the secondary Galileo Security Monitoring Centre (GSMC) from Swanwick to Madrid and that, at the same time, the Agency has been working closely with the French authorities on the upgrade and future extension of the main GSMC in Saint-Germain-en-Laye;

- the Agency set up an inventory of contracts and grants affected by the United Kingdom’s decision to withdraw from the Union with an analysis of the potential consequences, and is currently negotiating mitigating measures with relevant contractors.