2019 discharge: European GNSS Agency (GSA)

2020/2168(DEC) - 28/04/2021 - Text adopted by Parliament, single reading

The European Parliament decided by 634 votes to 23, with 41 abstentions, to grant discharge to the Executive Director of the European GNSS Agency for the financial year 2019 and to approve the closure of the accounts for that year.

Noting that the Court of Auditors has stated that it has obtained reasonable assurance that the Agency's annual accounts for the financial year 2019 are reliable and that the underlying transactions are legal and regular, Parliament adopted, by 614 votes to 26 with 54 abstentions, a resolution containing a series of recommendations which form an integral part of the discharge decision and which complement the general recommendations set out in the resolution on the performance, financial management and control of EU agencies.

Agency's financial statements

The Agency's final budget for the financial year 2019 was EUR 33 589 862.79, an increase of 4.22% compared to 2018.

Budgetary and financial management

Parliament welcomed the budget monitoring efforts during the financial year 2019 which resulted in a budget implementation rate of 100%, identical to that recorded in 2018. The execution rate of payment appropriations was 85.95%, an increase of 2.22% compared to 2018.

In addition to its core budget, the Agency continued to manage a large amount of delegated budget in 2018 to cater for the European Geostationary Navigation Overlay Service (EGNOS), the Galileo Delegation Agreement, the Delegation Agreement for Public Regulated Service and the Horizon 2020 delegation agreement. A total of EUR 290 696 766.98 was committed under a delegated budget in 2019 and EUR 523 494 171.23 made in payments.

Incident affecting Galileo

In July 2019, the Agency experienced an incident that resulted in a six-day outage of Galileo services leading to urgent recovery procedures being activated in the affected Galileo infrastructure. Members welcomed that the Commission set up an independent inquiry board to investigate the incident. They called on the Commission and the Agency to follow the recommendations of the inquiry board, in particular as regards continuity of service and optimisation of Galileo's governance, and to regularly inform the discharge authority of follow-up actions.

Other comments

Members also made a series of observations concerning performance, personnel policy, procurement, conflicts of interest and internal controls.

In particular, they noted that:

- the Agency uses certain measures as key performance indicators to assess the added value of its activities. Four new satellites were commissioned in February 2019;

- cooperation and exchange of best practice with other EU agencies should be expanded to improve efficiency in areas such as human resources, building management, IT services and security;

- the autonomy of the Agency should be reviewed, in particular with regard to its powers to implement the Delegation Agreement with the Commission;

- the Agency should strengthen its cooperation and knowledge sharing with Member States, international bodies and other EU agencies to increase the take-up of Galileo services;

- on 31 December 2019, the establishment plan was 92.81 % implemented, with 129 temporary agents appointed out of 139 temporary agents authorised under the EU budget. Parliament noted the lack of gender balance in senior management and the Administrative Board. It deplored the continuing geographical imbalances in the composition of the Agency's staff and expressed concern that the Agency was having difficulty recruiting staff with the necessary technical knowledge;

- the Agency is resuming contacts with the Commission to evaluate the possibility to use electronic tendering for those procurements for which it may be most opportune;

- the Agency should publish the CVs of all Management Board members and inform the discharge authority of the measures taken. Members called for the creation of a common ethical framework for all EU institutions and bodies;

- the Agency is experiencing delays in the implementation of its new internal control framework and there are significant internal weaknesses in the Agency's procedures. The Agency expects to complete its internal control framework in 2020.