2019 discharge: Euratom Supply Agency (ESA)

2020/2171(DEC) - 28/04/2021 - Text adopted by Parliament, single reading

The European Parliament decided by 606 votes to 84, with 8 abstentions, to **grant discharge** to the Director General of the Euratom Supply Agency (ESA) for the financial year 2019 and to approve the closure of the accounts for that year.

Noting that the Court of Auditors stated that it had obtained reasonable assurance that the Agency's annual accounts for the financial year 2019 were reliable and that the underlying transactions were legal and regular, Parliament adopted, by 631 votes to 56 with 4 abstentions, a resolution containing a series of recommendations which form an integral part of the discharge decision and which complement the general recommendations contained in the resolution on the performance, financial management and control of EU agencies.

Financial statements of the Agency

The Agency's final budget for the year 2019 was EUR 223 000, which represents an increase of 81.30% compared to 2018, due to the execution of an IT services contract for which the Agency received an additional contribution from the Commission at the end of 2019.

Budgetary and financial management

Parliament welcomed the budget monitoring efforts during 2019, which resulted in an implementation rate of 99.86% for commitment appropriations, an increase of 2.02% compared to 2018. However, it regretted that the implementation rate of payment appropriations was 41.05%, a decrease of 31.85% compared to 2018. This decrease is due to the carry-over of outstanding commitments, which amounted to EUR 131 137.56 or 59 % of committed amounts in relation to signed IT service contracts that were not been completed by the year end. The cancellation rate of budgetary appropriations carried over from 2018 to 2019 was 17%, which shows that commitments were unjustifiably made in 2018. The Agency is invited to carry over budgetary appropriations only where justified.

Other comments

Members also made a series of observations concerning staff performance and policy and internal controls.

In particular, they noted that :

- efforts to diversify sources of supply have been made by the Agency: in 2019, it awarded 178 new registration references corresponding to new contracts and modifications or additions to existing contracts and it awarded 139 new registration references corresponding to transactions related to the provision of services for the delivery of small quantities of nuclear material;

- by 31 December 2019, 100% of the establishment plan was implemented with 17 Commission officials appointed to the 17 posts authorised in the establishment plan;

- in 2019, the Agency implemented the Commission's Internal Control Standards (ICS) for effective management. It has started to develop a new internal control framework, which will take effect in 2020.

With regard to the UK's withdrawal from the EU, the Joint Political Declaration states that the future relationship should include a wide-ranging nuclear cooperation agreement between the Agency and the

UK on peaceful uses of nuclear energy and parties agree on cooperation, through the exchange of information, on the supply of medical radioisotopes.

Parliament called on the Agency to ensure that it remains vigilant about the effects of the UK's withdrawal and to inform the discharge authority of any developments in this area.