Basic information

2009/2129(DEC) DEC - Discharge procedure	Procedure completed
2008 discharge: European GNSS Supervisory Authority GSA **Subject** 8.70.03.07 Previous discharges	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	MATHIEU HOUILLON Véronique (PPE)	01/10/2009
	Shadow rapporteur STAVRAKAKIS Georgios (S&D) GERBRANDY Gerben-Jan (ALDE) STAES Bart (Verts/ALE)	

Council of the European Union

Council configuration	Meetings	Date
Economic and Financial Affairs ECOFIN	2994	2010-02-16

European Commission

Commission DG	Commissioner
Budget	ŠEMETA Algirdas

Key events

Date	Event	Reference	Summary
23/07/2009	Non-legislative basic document published	SEC(2009)1089	Summary
07/10/2009	Committee referral announced in Parliament		
23/03/2010	Vote in committee		Summary
25/03/2010	Committee report tabled for plenary	A7-0073/2010	
21/04/2010	Debate in Parliament		
05/05/2010	Decision by Parliament	T7-0119/2010	Summary

05/05/2010	Results of vote in Parliament		
05/05/2010	End of procedure in Parliament		
25/09/2010	Final act published in Official Journal		

Technical information

Procedure reference	2009/2129(DEC)
Procedure type	DEC - Discharge procedure
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	CONT/7/01124

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE430.457	02/02/2010	
Amendments tabled in committee		PE439.359	03/03/2010	
Committee report tabled for plenary, single reading		A7-0073/2010	25/03/2010	
Text adopted by Parliament, single reading		T7-0119/2010	05/05/2010	Summary

Council of the EU

Document type	Reference	Date	Summary
Document attached to the procedure	05827/2010	01/02/2010	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	SEC(2009)1089	23/07/2009	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofA	Court of Auditors: opinion, report	N7-0012/2010 OJ C 304 15.12.2009, p. 0001	08/10/2009	Summary
CofA	Document attached to the procedure	N7-0036/2009 OJ C 269 10.11.2009, p. 0001	10/11/2009	

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act	
Decision 2010/0550 OJ L 252 25.09.2010, p. 0218	Summary

2008 discharge: European GNSS Supervisory Authority GSA

2009/2129(DEC) - 01/02/2010

Based on the observations contained in the revenue and expenditure account and the balance sheet of the European Global Navigation Satellite System Supervisory Authority (GNSS Authority) for the financial year 2008, as well as on the Court of Auditor's report and the Authority's replies to the Court's observations, the Council recommends that the Parliament grant the Executive Director of the Authority discharge in respect of the implementation of the budget for the financial year 2008.

The Council welcomes the Court's opinion that, on the one hand, the Authority's annual accounts present fairly, in all material aspects, the financial position as at 31 December 2008 and the results of operations and cash-flows for the year then ended, in accordance with the provisions of the Authority's Financial Regulation, and that, on the other hand, the underlying transactions for the financial year ended on 31 December 2008 are, in all material respects, legal and regular.

However, the Council considers that observations made in the Court of Auditor's report call for a certain number of observations to be taken into account when granting discharge, particularly on the following points:

- **shared responsibilities and transfer of roles from the Authority to the Commission**: the Council regrets that the unclear situation relating to the role and framework of the Authority continued to prevail in 2008 and that the Commission transferred to the Authority appropriations foreseen for the Galileo and EGNOS programmes, even after the latter was no longer responsible for the management of these programmes. The Council notes with concern the fact that the new distribution of tasks between the Commission and the Authority was not evidenced in the annual accounts of each of them and that the Authority for its part had not transferred to the Commission the funds foreseen for the management of the Galileo and EGNOS programmes. It notes further with dissatisfaction that the Authority's annual accounts did not correctly present its debts towards the Commission and the European Space Agency and requests the Authority and the Commission to ensure the transfer of all assets of the Galileo project to the Commission as soon as possible, with due respect of all financial provisions and procedures in force. It expects substantial improvements in the Authority's 2009 accounts in this respect.

2008 discharge: European GNSS Supervisory Authority GSA

2009/2129(DEC) - 05/05/2010 - Final act

PURPOSE: to grant discharge to the European GNSS Supervisory Authority Aviation Safety Agency for the financial year 2008.

LEGISLATIVE ACT: Decision 2010/550/EU of the European Parliament on the discharge for the implementation of the budget of the European GNSS Supervisory Authority for the financial year 2008.

CONTENT: with the present decision, the European Parliament grants discharge to the Executive Director of the European GNSS Supervisory Authority for the implementation of the Agency's budget for the financial year 2008.

This decision is in line with the European Parliament's resolution adopted on 5 May 2010 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 5 May 2010).

A parallel Decision, adopted on the same day, approves the closure of the accounts of this EU agency.

2008 discharge: European GNSS Supervisory Authority GSA

2009/2129(DEC) - 23/07/2009 - Non-legislative basic document

PURPOSE: to present the final accounts of the European GNSS (Global Navigation Satellite System) Supervisory Authority for the financial year 2008.

CONTENT: this document sets out a detailed account of the implementation of the Authority's budget for the financial year 2008. It indicates that the Agency's final budget amounted to EUR 22.7 million (compared to EUR 436.5 million in 2007).

In terms of personnel, the Agency, whose headquarters are in Brussels, official set out 50 posts in its establishment plan. 49 of those posts are currently occupied + 10 other posts (contract agents, seconded national experts and interim staff) amounting to 52 staff assigned to operational, administrative and mixed tasks.

The Authority concentrated on the following activities (between 1.1.2008 to 8.7.2008):

Galileo system

- management of the *Configuration Control Board*, control of the coherence of the Mission Requirements Document (MRD) and the System Requirements Document (SRD), coordination with ESA and the European Commission,
- definition and procurement of tools for modelling and analysis of RNSS signals,
- analysis of intra and inter-system interference and link budgets,
- follow-up of the project management by ESA for the IOV,
- assistance to the Commission in the supervision of the deployment phase and on frequency coordination,
- system certification - selection, nomination and supervision of the Galileo certification bodies, - designing of the Galileo safety case,
- preparation of ICAO Standards and Recommended Practices (SARPS) for Galileo.

EGNOS system

- Control of the Mission Requirements Document, assessment and approval of new requirements, coordination with ESA and the EGNOS Service Provider,
- follow-up of the Operational Qualification Review,
- preparation of the monitoring of the EGNOS system performance,
- implementation of the extension to the Mediterranean region,
- supervision of the completion of the EGNOS Design Safety Case and EGNOS Operations Safety Case,
- supervision of the process for the certification of the service provider,
- extension of the system certification to other domains of utilisation than the civil aviation.

Programmes

- support to the European Commission in the implementation of the EGNOS and Galileo programmes,
- establishment of the EGNOS Service Provision contract and monitoring of its implementation,
- definition of EGNOS' performance indicators and of various elements of the EGNOS services,
- EGNOS third party liability protection of the GSA and Community exposure to liability stemming from the provision of EGNOS signals in space, in line with the European GNSS liability policy.

Security

- security accreditation of the systems,
- assisting the Commission in preparing the operation of the *GNSS Security Monitoring Centre* (GSMC),
- research and development to ensure compliance of GNSS service with security requirements of safety critical applications,
- definition of the specifications and instructions for manufacturing PRS receivers and of guidelines for the implementation of PRS management rules in the Member States.

Market development

- recommendations and actions regarding the development of markets for EGNOS and Galileo,
- assessment of the environment in which satellite navigation applications can develop, propose strategies and encourage market take up: definition of market development tools.

Research and development

- Management of projects under the Sixth Framework Programme and Seventh Framework Programme for research,
- implementation/update of a web-based knowledge management and dissemination tool.

The complete version of the final accounts may be found at the following address: http://www.gsa.europa.eu

2008 discharge: European GNSS Supervisory Authority GSA

2009/2129(DEC) - 08/10/2009

PURPOSE: to present the Court of Auditors report on the 2008 accounts of the European GNSS (Global Navigation Satellite System) Supervisory Authority.

CONTENT: in the Court's opinion, the Authority's Annual Accounts present fairly, in all material respects, its financial position as of 31 December 2008 and the results of its operations and its cash flows for the year then ended.

In spite of the entry into force on 25 July 2008 of Regulation (EC) No 683/2008 of the European Parliament and of the Council, no activities or assets had been transferred to the Commission by the end of 2008. The Authority has decided to present the results of its activities without taking into account the fact that the Authority's management of the Galileo and EGNOS programmes would be discontinued after the finalisation of the transfer of assets and funds to the Commission foreseen at the end of the first quarter of 2009.

In the Court's opinion, the transactions underlying the Authority's annual accounts for the financial year ended 31 December 2008 are, in all material respects, legal and regular. The Court draws attention to management issue within the Authority. The Court's opinion on the legality and regularity of the transactions underlying the Authority's annual accounts is not qualified in respect of this matter. Regulation (EC) No 683/2008 which implied that the Authority was no longer responsible for the management of the Galileo and EGNOS programmes. Despite this, the Commission transferred EUR 95 million to the Authority's bank account on 24 December 2008. No proper amending budget was established.

The Court of Auditor's report includes a detailed section on the Authority's expenditure and an analysis of the expenditure, as well as the Authority's replies.

- **The Court's analysis of the accounts**: the Court makes an additional comment on the Authority's budgetary and financial management. The Court states that the very significant reduction of the Authority's budget adopted in 2008, from EUR 436.5 million in 2007 to the budget of EUR 22.7 million was linked to the entry into force of Regulation (EC) No 683/2008 of the European Parliament and of the Council on the further implementation of the European satellite navigation programmes (EGNOS and Galileo). According to this Regulation, the Commission is responsible for the management of the funds and the implementation of the European satellite navigation programmes (EGNOS and Galileo). No activities or assets had been transferred to the Commission by the end of 2008 and the new split of responsibilities between the Commission and the Authority was not reflected in their respective annual accounts.As a consequence, the Authority's accounts show an amount of EUR 58.4 million as pre-financings received from the Commission. This amount should have been considered as a debt towards the Commission. Moreover, the accounts should not include EUR 55.6 million of payables to the European Space Agency which result from the European Communities contributions to the Galileo IOV and EGNOS programmes which are of the Commission's responsibility.
- **The Agency's replies**: the Authority has made several clarifications as regards the abovementioned criticisms on the issue of the transfer of responsibilities of Galileo, GNSS to the Commission. It confirms that the activities were transferred with effect on 1 January 2009, as requested by the Commission. The scope of assets to be transferred was endorsed by the Authority's Administrative Board on 19 March 2009, but the modalities of the transfer could not be agreed with the Commission before the end of June. The GSA has requested the Commission, on 3 July 2009, to formally confirm its acceptance of the transfer of assets with effect on 31 July 2009. Therefore, the presentation of the accounts 2008 was affected by the above and could not reflect the changes that should take place after the balance sheet date.

2008 discharge: European GNSS Supervisory Authority GSA

2009/2129(DEC) - 05/05/2010 - Text adopted by Parliament, single reading

The European Parliament adopted by 551 votes to 33, with 57 abstentions, a decision on discharge to be granted to the Executive Director of the European GNSS Supervisory Authority in respect of the implementation of its budget for the financial year 2008.

Furthermore, Parliament adopted a resolution with observations which are an integral part of the decision to grant discharge.

The main points are as follows:

- **budgetary and financial management:** Parliament regrets that the Court of Auditors qualified its statement of assurance on the reliability of the annual accounts for the financial year 2008 and on the legality and regularity of the underlying transactions. It notes that the Authority has decided to present the results of its activities without taking into account the fact that the Authority's management of the Galileo and EGNOS programmes would be discontinued after the finalisation of the transfer of assets and funds to the Commission, scheduled for the end of the first quarter of 2008. In spite of the transfer to the Commission of responsibility for the programmes, the Commission transferred EUR 95 million to the Authority's bank account on 24 December 2008, although no proper amending budget had been established. Parliament also notes that a very substantial reduction in the Authority's budget was adopted in 2008 (from EUR 436.5 million in 2007 to EUR 22.7 million in 2008) and is concerned that, although under Regulation (EC) No 683/2008, the Commission became responsible, from 1 January 2009, for fund management and implementation of the European satellite navigation programmes (EGNOS and Galileo), neither of these activities nor any assets had been transferred to the Commission by the end of 2008. In addition, the new distribution of responsibilities between the Commission and the Authority was not clearly reflected in their respective annual accounts. Parliament also notes important differences in the treatment of certain amounts attributed to the Authority as a result of the transfer of responsibility to the Commission;
- **internal audit:** Parliament also calls on the Authority to implement the recommendations made by the Internal Audit Service (IAS) in particular in regard to human resources.

Noting that the Authority's annual accounts for the financial year 2008 are reliable, and the underlying transactions are legal and regular, Parliament approves the closure of the Authority's accounts. However, it makes a number of recommendations that need to be taken into account when the discharge is granted, in addition to the general recommendations that appear in the draft resolution on financial management and control of EU agencies (see 2010/2007(INI) adopted in parallel).