Basic information

2020/2182(DEC) DEC - Discharge procedure	Procedure completed
2019 discharge: International Fusion Energy Organisation (ITER) **Subject** 8.70.03.09 2019 discharge	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	CZARNECKI Ryszard (ECR)	08/09/2020
	Shadow rapporteur MARINESCU Marian-Jean (EPP) CREȚU Corina (S&D) DLABAJOVÁ Martina (Renew) RIVASI Michèle (Greens/EFA) OMARJEE Younous (GUE/NGL)	

Committee for opinion	Rapporteur for opinion	Appointed
ITRE Industry, Research and Energy	The committee decided not to give an opinion.	

European Commission

Commission DG	Commissioner
Budget	HAHN Johannes

Key events

Date	Event	Reference	Summary
29/06/2020	Non-legislative basic document published	COM(2020)0288	
15/09/2020	Committee referral announced in Parliament		
22/03/2021	Vote in committee		
06/04/2021	Committee report tabled for plenary	A9-0110/2021	

27/04/2021	Debate in Parliament		
28/04/2021	Decision by Parliament	T9-0206/2021	Summary
24/09/2021	Final act published in Official Journal		

Technical information

Procedure reference	2020/2182(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/9/03925

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE657.262	14/01/2021	
Amendments tabled in committee		PE689.535	04/03/2021	
Committee report tabled for plenary, single reading		A9-0110/2021	06/04/2021	
Text adopted by Parliament, single reading		T9-0206/2021	28/04/2021	Summary

Council of the EU

Document type	Reference	Date	Summary
Supplementary non-legislative basic document	05795/2021	05/02/2021	

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2020)0288	29/06/2020	

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Budget 2021/1658
OJ L 340 24.09.2021, p. 0449

2019 discharge: International Fusion Energy Organisation (ITER)

2020/2182(DEC) - 28/04/2021 - Text adopted by Parliament, single reading

The European Parliament decided by 521 votes to 143, with 33 abstentions, to **grant discharge** to the Director of the European Joint Undertaking for ITER and the Development of Fusion Energy (F4E) in respect of the implementation of the budget of the Joint Undertaking for the financial year 2019 and to approve the closure of the accounts of the Joint Undertaking for that year.

Noting that the Court of Auditors found that the Joint Undertaking's annual accounts for the financial year 2019 present fairly the financial situation of the Joint Undertaking on 31 December 2019, as well as the results of its operations, Parliament adopted, by 624 votes to 35 with 32 abstentions, a resolution containing a series of observations which form an integral part of the discharge decision.

General comments

The new ITER baseline sets the achievement of the 'first plasma' and the start of the exploitation phase at 2025 and the completion of the construction phase at 2035. The baseline is still in place and will be updated in November 2021. The Joint Undertaking's progress report to the Council and Parliament indicates that ITER's progress rate in the realisation of the first plasma phase is 67.3% and that the progress rate of the ITER construction phase is 53.3%.

Members noted with concern that the Joint Undertaking has recalculated its contribution to the construction phase of the project at EUR 12 billion, up from the EUR 6.6 billion approved by the Council in 2010 (at 2008 prices). As this amount does not take into account contingencies, Members called on the Joint Undertaking to report to the discharge authority on any developments in this area.

Parliament is concerned that there remains a risk of further cost overruns and delays in the implementation of the ITER project. The COVID-19 pandemic has created additional risks which make it unclear whether the schedule for the first plasma can be met.

To ensure the highest possible level of schedule reliability while taking into account the consequences of the global health situation, Parliament proposed that the ITER Organisation should provide for reasonable contingencies in relation to any revised schedule. It suggested a contingency margin of up to 24 months and between 10% and 20% of the Commission's proposed budget.

The resolution stated that the UK will access Euratom again as an associate member and will continue to contribute to F4E and ITER.

Budgetary and financial management

The final budget available for the year 2019 included commitment appropriations of EUR 729 708 445 and payment appropriations of EUR 761 187 699. The implementation rates for commitment and payment appropriations were 99.8% and 97.1% respectively (compared to 98.4% and 96.1% in 2018).

Of the EUR 729 708 445 of available commitment appropriations, 100% were used in the form of direct individual commitments (compared to 98.4% in 2018), an increase of 1.6%. For the financial year 2019, the balance of the budget implementation amounted to EUR 824 174 (compared to EUR 1 316 734 in 2018).

Parliament called on the Joint Undertaking to:

- review its budget lines and reporting methods in the light of the Court's report, which recommends creating a separate chapter in the budget for each category of expenditure;

- improve its procurement planning process by publishing realistic timeframes from the beginning and its evaluation and negotiation process by defining the precise scope of negotiations in the tender documents.

Other observations

The resolution also contains a series of observations on performance, prevention and management of conflicts of interest, staff and recruitment, internal control measures, operational contracts and grants.

In particular, it notes the following:

- the Joint Undertaking uses key performance indicators for various projects and programme areas as well as technical and non-technical indicators and ensures that the baseline is maintained through change control processes with the ITER Organisation;

- the updated Anti-Fraud Strategy of the Joint Undertaking was adopted by the Governing Board at the end of 2019 together with an action plan for the period 2020-2023;

- due to restrictions on the number of statutory staff in the establishment plan, the Joint Undertaking is increasingly relying on external resources and insourcing, including for positions of high responsibility and requiring key competences for the Joint Undertaking (e.g. the Nuclear Safety Unit). This

situation creates significant risks. The Joint Undertaking should review its human resources policies, recruitment procedures and budget and human resources estimates;

- at the end of 2019, 159 women and 279 men were registered in the F4E Joint Undertaking, with men occupying the majority of posts in two out of three staff categories, while more than 50% of the Union's contract staff were women. The Joint Undertaking is invited to achieve gender balance and balanced geographical representation;

- the Joint Undertaking has an effective risk management system at corporate and project level based on its integrated management system and internal management and control standards;

- in 2019, 43 procurement procedures for operational activities were launched, 74 contracts were awarded and 75 contracts were concluded.