



Plenary sitting

A9-0088/2021

30.3.2021

REPORT

on discharge in respect of the implementation of the budget of the Euratom
Supply Agency for the financial year 2019
(2020/2171(DEC))

Committee on Budgetary Control

Rapporteur: Ryszard Czarnecki

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1. PROPOSAL FOR A EUROPEAN PARLIAMENT DECISION

**on discharge in respect of the implementation of the budget of the Euratom Supply Agency for the financial year 2019
(2020/2171(DEC))**

The European Parliament,

- having regard to the final annual accounts of the Euratom Supply Agency for the financial year 2019,
- having regard to the Court of Auditors' annual report on EU agencies for the financial year 2019, together with the agencies' replies¹,
- having regard to the statement of assurance² as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2019, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council's recommendation of 1 March 2021 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2019 (05793/2021 – C9-0068/2021),
- having regard to Article 319 of the Treaty on the Functioning of the European Union,
- having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,
- having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012³, and in particular Article 68 thereof,
- having regard to Council Decision 2008/114/EC, Euratom of 12 February 2008 establishing Statutes for the Euratom Supply Agency⁴, and in particular Article 8 of the Annex thereto,
- having regard to Rule 100 of and Annex V to its Rules of Procedure,
- having regard to the report of the Committee on Budgetary Control (A9-0088/2021),

¹ OJ C 351, 21.10.2020, p. 7. ECA annual report on EU agencies for the 2019 financial year: https://www.eca.europa.eu/Lists/ECADocuments/AGENCIES_2019/agencies_2019_EN.pdf.

² OJ C 351, 21.10.2020, p. 7. ECA annual report on EU agencies for the 2019 financial year: https://www.eca.europa.eu/Lists/ECADocuments/AGENCIES_2019/agencies_2019_EN.pdf.

³ OJ L 193, 30.7.2018, p. 1.

⁴ OJ L 41, 15.2.2008, p. 15.

1. Grants the Director General of the Euratom Supply Agency discharge in respect of the implementation of the Agency's budget for the financial year 2019;
2. Sets out its observations in the resolution below;
3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Director General of the Euratom Supply Agency, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

2. PROPOSAL FOR A EUROPEAN PARLIAMENT DECISION

on the closure of the accounts of the Euratom Supply Agency for the financial year 2019 (2020/2171(DEC))

The European Parliament,

- having regard to the final annual accounts of the Euratom Supply Agency for the financial year 2019,
 - having regard to the Court of Auditors' annual report on EU agencies for the financial year 2019, together with the agencies' replies¹,
 - having regard to the statement of assurance² as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2019, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 1 March 2021 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2019 (05793/2021 – C9-0068/2021),
 - having regard to Article 319 of the Treaty on the Functioning of the European Union,
 - having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,
 - having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012³, and in particular Article 68 thereof,
 - having regard to Council Decision 2008/114/EC, Euratom of 12 February 2008 establishing Statutes for the Euratom Supply Agency⁴, and in particular Article 8 of the Annex thereto,
 - having regard to Rule 100 of and Annex V to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A9-0088/2021),
1. Approves the closure of the accounts of the Euratom Supply Agency for the financial

¹ OJ C 351, 21.10.2020, p. 7. ECA annual report on EU agencies for the 2019 financial year: https://www.eca.europa.eu/Lists/ECADocuments/AGENCIES_2019/agencies_2019_EN.pdf.

² OJ C 351, 21.10.2020, p. 7. ECA annual report on EU agencies for the 2019 financial year: https://www.eca.europa.eu/Lists/ECADocuments/AGENCIES_2019/agencies_2019_EN.pdf.

³ OJ L 193, 30.7.2018, p. 1.

⁴ OJ L 41, 15.2.2008, p. 15.

year 2019;

2. Instructs its President to forward this decision to the Director General of the Euratom Supply Agency, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

3. MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the Euratom Supply Agency for the financial year 2019 (2020/2171(DEC))

The European Parliament,

- having regard to its decision on discharge in respect of the implementation of the budget of the Euratom Supply Agency for the financial year 2019,
- having regard to Rule 100 of and Annex V to its Rules of Procedure,
- having regard to the report of the Committee on Budgetary Control (A9-0088/2021),
- A. whereas, according to its financial statements of revenue and expenditure, the final budget of the Euratom Supply Agency (the ‘Agency’) for the financial year 2019 was EUR 223 000, representing an increase of 81,30 % compared to 2018, due to the implementation of an IT service contracts for which the Agency received an additional contribution from the Commission at the end of 2019; whereas the entire budget of the Agency derives from the Union budget;
- B. whereas the Court of Auditors (the ‘Court’), in its report on the Agency’s annual accounts for the financial year 2019 (the ‘Court’s report’), states that the Court obtained reasonable assurance that the Agency’s annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes with appreciation that budget monitoring efforts during the financial year 2019 resulted in a commitment appropriations implementation rate of 99,86 % representing an increase of 2,02 % compared to 2018; regrets, however, that the payment appropriation execution rate was 41,05 %, representing a decrease of 31,85 % compared to 2018; whereas that decrease is due to carrying forward outstanding commitments that 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;

Cancellation of carryovers

2. Notes with regard to the follow-up actions to the Court’s findings in 2018, that the cancellation rate of budget appropriations carried over from 2018 to 2019 was 17 %, demonstrating unjustified commitments in 2018; calls on the Agency to carry over budget appropriations only when justified;

Performance

3. Notes that in 2019 the Agency, under Article 52 of the Agency’s Treaty activities, assigned 178 new registration references corresponding to new contracts and amendments or supplements to existing contracts and, under Articles 75 and 74 of the Treaty activities, the Agency assigned 139 new registration references covering

transactions related to the provision of services for the supply of small quantities of nuclear materials; acknowledges the Agency's continuing efforts on the diversification of sources of supply;

4. Encourages the Agency to pursue the digitalisation of its services as a way of reducing bureaucracy;

Staff policy

5. Notes that on 31 December 2019, the establishment plan was 100 % filled, with 17 Commission officials appointed out of 17 authorised posts in the establishment plan (compared to 25 authorised posts in 2018);

Internal Controls

6. Notes that in 2019 the Agency applied the Commission's internal control standards (ICSs) for effective management in accordance with the Commission's communication of October 2007 concerning the revision of the ICSs; notes that the Agency performed a risk assessment with particular focus on finance and IT in 2019;
7. Notes that in 2019 the Agency started to develop the new internal control framework that will be effective from 2020; encourages the Agency to continue on that path and to keep the discharge authority informed about progress made;

Other comments

8. Notes, with regard to the UK's withdrawal from the Union, that the Joint Political Declaration stipulated 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; calls on the Agency to ensure that it remains aware of the effects of the UK's withdrawal and that it reports to the discharge authority of the further developments in that regard;
9. Notes that the Agency had an acting director-general between January and March 2019 and that, following appointment by the Commission, a new director-general has been in charge since April 2019;
10. Calls upon the Agency to focus on disseminating the results of its research and activities to the general public, and to reach out to public via the social media and other media outlets;

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11. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of ... 2021¹ on the performance, financial management and control of the agencies.

¹ Texts adopted, P9_TA-PROV (2021)0000.

INFORMATION ON ADOPTION IN COMMITTEE RESPONSIBLE

Date adopted	22.3.2021
Result of final vote	+ : 25 - : 5 0 : 0
Members present for the final vote	Matteo Adinolfi, Olivier Chastel, Caterina Chinnici, Lefteris Christoforou, Corina Crețu, Ryszard Czarnecki, Martina Dlabajová, José Manuel Fernandes, Raffaele Fitto, Luke Ming Flanagan, Daniel Freund, Isabel García Muñoz, Monika Hohlmeier, Jean-François Jalkh, Pierre Karleskind, Joachim Kuhs, Ryszard Antoni Legutko, Claudiu Manda, Alin Mituța, Younous Omarjee, Tsvetelina Penkova, Markus Pieper, Sabrina Pignedoli, Michèle Rivasi, Petri Sarvamaa, Angelika Winzig, Lara Wolters, Tomáš Zdechovský
Substitutes present for the final vote	Andrey Novakov, Viola Von Cramon-Taubadel

FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE

25	+
ECR	Ryszard Czarnecki, Raffaele Fitto, Ryszard Antoni Legutko
ID	Jean-François Jalkh
PPE	Lefteris Christoforou, José Manuel Fernandes, Monika Hohlmeier, Andrey Novakov, Markus Pieper, Petri Sarvamaa, Angelika Winzig, Tomáš Zdechovský
Renew	Olivier Chastel, Martina Dlabajová, Pierre Karleskind, Alin Mituța
S&D	Caterina Chinnici, Corina Crețu, Isabel García Muñoz, Claudiu Manda, Tsvetelina Penkova, Lara Wolters
Verts/ALE	Daniel Freund, Michèle Rivasi, Viola Von Cramon-Taubadel

5	-
ID	Matteo Adinolfi, Joachim Kuhs
NI	Sabrina Pignedoli
The Left	Luke Ming Flanagan, Younous Omarjee

0	0

Key to symbols:

+ : in favour

- : against

0 : abstention