



Plenary sitting

A9-0108/2024

12.3.2024

REPORT

on discharge in respect of the implementation of the budget of the Euratom
Supply Agency for the financial year 2022
(2023/2161(DEC))

Committee on Budgetary Control

Rapporteur: Petri Sarvamaa

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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 2022 (2023/2161(DEC))

The European Parliament,

- having regard to the final annual accounts of the Euratom Supply Agency for the financial year 2022,
 - having regard to the Court of Auditors' annual report on EU agencies for the financial year 2022, 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 2022, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 22 February 2024 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2022 (00000/2024 – C9-0000/2024),
 - 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 (A9-0108/2024),
1. Grants the Acting Director General of the Euratom Supply Agency discharge in respect

¹ OJ C, C/2023/594, 27.10.2023.

² OJ C, C/2023/112, 12.10.2023.

³ OJ L 193, 30.7.2018, p. 1.

⁴ OJ L 41, 15.2.2008, p. 15.

of the implementation of the Agency's budget for the financial year 2022;

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 Acting 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 2022 (2023/2161(DEC))

The European Parliament,

- having regard to the final annual accounts of the Euratom Supply Agency for the financial year 2022,
 - having regard to the Court of Auditors' annual report on EU agencies for the financial year 2022, 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 2022, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to the Council's recommendation of 22 February 2024 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2022 (00000/2024 – C9-0000/2024),
 - 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 (A9-0108/2024),
1. Approves the closure of the accounts of the Euratom Supply Agency for the financial year 2022;

¹ OJ C, C/2023/594, 27.10.2023.

² OJ C, C/2023/112, 12.10.2023.

³ OJ L 193, 30.7.2018, p. 1.

⁴ OJ L 41, 15.2.2008, p. 15.

2. Instructs its President to forward this decision to the Acting 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 2022 (2023/2161(DEC))

The European Parliament,

- having regard to its decision on discharge in respect of the implementation of the budget of the Euratom Supply Agency (the ‘Agency’) for the financial year 2022,
 - 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 (A9-0108/2024),
- A. whereas, according to its financial statements of revenue and expenditure, the final budget of the Agency for the financial year 2022 was EUR 167 000, representing a decrease of 20,48 % compared to 2021 (EUR 210 000); 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 2022 (the ‘Court's report’), stated that it had obtained reasonable assurance that the Agency’s annual accounts are reliable and that the underlying transactions are legal and regular;
- C. whereas with regard to the Agency’s internal control systems, no issues requiring corrective actions were reported for 2022, nor are there ongoing or outstanding corrective actions from previous years’ audits and assessments;

Budget and financial management

1. Notes that the budget monitoring efforts during the financial year 2022 resulted in the implementation of the current year commitment appropriation rate of 96,88 % representing a slight decrease of 2,88 % compared to 2021, and notes that the execution of current year payment appropriation rate was 34,81 % representing a decrease of 16,4 % compared to 2021;
2. Notes that a large part of the Agency’s expenses are covered by the Commission, including the salaries calculated in EUR 1 937 817, the premises and IT expenses calculated in EUR 467 708 and the nuclear observatory and ESA management of information (NOEMI) IT system calculated in EUR 84 644; notes moreover that this expenses are included in the Commission annual accounts contributing positively to the Agency’s administrative capacity;

Performance

3. Highlights that the year 2022 was marked by the Russian invasion of Ukraine, raising EU concerns for the energy security in general, and in particular undermining the Union’s security of supply for nuclear materials and fuel and aggravating dependence

issues; notes that, many Union nuclear power plants rely on Russian suppliers for fuel, and the Union utilities as a whole are dependent for the 20 to 30 % on Russian supply of nuclear materials and the fuel cycle services; notes that recognizing the role of high payments for energy imports in supporting Russia's actions, the Union has decided to reduce its dependence on Russia across various sectors and the nuclear market, given its unique characteristics, may also undergo changes in the future as part of this broader shift; asks the Agency to report back to the discharge authority on how it has reduced the Union's dependence on Russian nuclear fuel since 2022 in particular since the beginning of the war when the nuclear industry was exempted from sanctions and how the reduction and diversification affected the costs;

4. Notes with satisfaction that the Agency paid special attention to reviewing contracts with risks of dependence on Russia, involving a thorough analysis of clauses, technology information, supply chains, alternative fuel availability, and the operational autonomy of utilities on existing fuel stocks; commends that the Agency took steps to simplify the contract submission process while maintaining high level of security, and dedicated secure IT tools facilitated remote completion and submission; observes that in 2022 as result of these efforts the number of electronically signed acts conforming to regulations on identification for electronic transactions in the single market increased;
5. Notes that the Agency, in line with its strategic objectives and Commission policies, aimed to distribute sources of supply in the nuclear fuel cycle for power and non-power uses, contributing to secure supplies in the medium and long term;
6. Observes that the Agency is responsible for monitoring the market to identify trends likely to affect the Union's security of supply of nuclear material and services; notes moreover that the Agency has published a market analysis in its annual report, has provided information on the Union and global nuclear markets and have shared information and knowledge with other international market analysis organisations;
7. Welcomes that in 2022 the Agency has lead the actions towards securing the supply of source materials for the medical radioisotopes, having contributed to the implementation of the 'Strategic Agenda for Medical Ionising Radiation Applications' (SAMIRA), and lead the European Observatory on the supply of Medical Radioisotopes;
8. Welcomes the Agency's efforts in cooperate with partners and stakeholders to strengthen the security of supply of nuclear materials in view of the illegal and unprovoked Russia invasion to Ukraine;

Efficiency and gains

9. Notes that the Agency has worked closely with the Commission in order to promote the diversification of supply; further notes that the Agency has long-established relationships on nuclear energy with the International Atomic Energy Agency and the Nuclear Energy Agency under the Organisation for Economic Cooperation and Development; points out the horizontal benefits of working together and adapting best practices and that joint initiatives bring together diverse perspectives, reduce duplication of effort, enhance learning and strengthen relationships between the participants;

10. Observes that the Agency is developing the IT system NOEMI to enable full digital processing of nuclear supply contracts and market information in full compliance with the information protection rules and in parallel, it is working to extend its analytical capacity on the data available;
11. Notes that the Agency has made efforts to achieve efficiency gains and re-allocation of human resources to the new upcoming tasks and challenges; notes that further efficiency gains would only be possible by using synergies and support by the Commission through the provision of specialised support functions, extending the use of corporate tools and increasing the allocation for the development of NOEMI IT; invites the Agency to find more internal procedures that could be streamlined via new IT tools;
12. Recalls the importance to increase the digitalisation of the agency in terms of internal operation and management but also in order to speed up the digitalisation of procedures; stresses the need for the agency to continue to be proactive in this regard in order to avoid a digital gap between the agencies; draws attention, however, to the need to take all the necessary security measures to avoid any risk to the online security of the information processed, insist to step up against cyberattacks or infiltration attempts particularly originated from Russia or China;

Staff policy

13. Notes that on 31 December 2022, the establishment plan was 100 % filled with 17 permanent posts, 8 administrators, 7 assistant posts and 2 assistant and secretarial posts; notes, moreover, that the higher number of administrators than authorised is caused by an upgrade of one assistant post which was granted by the Commission;
14. Recalls the Agency's difficulty to find assistants at lower grades, given the specialised profile required and the associated pay levels compared to the cost of living in Luxembourg; notes however that the Agency, despite its efforts, recruited 2 temporary agents on permanent posts (1 assistant and 1 assistant and secretarial) in 2022;
15. Notes that the Agency has reported a gender ratio for all staff of 59 % women and 41 % men in 2022 showing the equal opportunities policy;
16. Recalls the importance to develop a long-term human resources policy on work-life balance, lifelong guidance and the offer of specific training possibilities for and career development, gender balance at all staff levels, teleworking, right to disconnect, the enhancement of a geographical balance to have an appropriate representation from all Member States, and the recruitment and integration of people with disabilities as well as the promotion of their equal treatment and their opportunities;

Procurement

17. Notes from the Court's report the observation that the Agency has systematically awarded low-value contracts (below EUR 15 000) without issuing corresponding evaluation reports and award decisions, being against the points 30.3 and 30.4 of Annex I to the Financial Regulation; further notes from the Agency's reply that takes into consideration the recommendation and will provide appropriate guidance to all staff

involved in procurement and financial management; calls on the Agency to improve its public procurement procedures, ensuring full compliance with the applicable rules, so that they achieve the best possible value for money;

Other comments

18. Notes that the Agency has reinforced the access security to its premises, all members of staff and all external contractors hold security clearance;
19. Takes note that the NOEMI IT system underwent a vulnerability assessment, to be repeated after each development phase or all recommendations are implemented;
20. Notes with appreciation that the Agency has participated in the World Nuclear Symposium in London in September 2022, delivering a clear message to the participating top nuclear industry leaders, experts and executives on the need to tackle the risks related to the new market setup; further notes that the Agency's market analysis and outlook were presented at the Warsaw Security Forum and at the World Nuclear Fuel Cycle, and was represented at the First International conference on Nuclear Law and at the European Research Reactor Conference; notes moreover that the Agency has contributed to the European Nuclear Society's events;
21. Notes that the Agency does not issue an environmental statement nor has implemented Eco-Management and Audit Scheme (EMAS); encourages the Agency to report on its climate, energy and environmental performance and in addition implement EMAS;

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22. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of ...¹ on the performance, financial management and control of the agencies.

¹ Texts adopted, P9_TA(2024)0000.

**ANNEX: ENTITIES OR PERSONS
FROM WHOM THE RAPPORTEUR HAS RECEIVED INPUT**

The rapporteur declares under his exclusive responsibility that he did not receive input from any entity or person to be mentioned in this Annex pursuant to Article 8 of Annex I to the Rules of Procedure.

INFORMATION ON ADOPTION IN COMMITTEE RESPONSIBLE

Date adopted	4.3.2024
Result of final vote	+: 16 -: 2 0: 0
Members present for the final vote	Dominique Bilde, Olivier Chastel, Caterina Chinnici, Ilana Cicurel, Carlos Coelho, Daniel Freund, Isabel García Muñoz, Monika Hohlmeier, Joachim Kuhs, Markus Pieper, Petri Sarvamaa
Substitutes present for the final vote	Katalin Cseh, Bas Eickhout, Hannes Heide, Sabrina Pignedoli, Wolfram Pirchner
Substitutes under Rule 209(7) present for the final vote	César Luena, Miguel Urbán Crespo

FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE

16	+
ID	Dominique Bilde
NI	Sabrina Pignedoli
PPE	Caterina Chinnici, Carlos Coelho, Monika Hohlmeier, Markus Pieper, Wolfram Pirchner, Petri Sarvamaa
Renew	Olivier Chastel, Ilana Cicurel, Katalin Cseh
S&D	Isabel García Muñoz, Hannes Heide, César Luena
Verts/ALE	Bas Eickhout, Daniel Freund

2	-
ID	Joachim Kuhs
The Left	Miguel Urbán Crespo

0	0

Key to symbols:

+ : in favour

- : against

0 : abstention