



Procedure file

Basic information		
DEC - Discharge procedure	2010/2190(DEC)	Procedure completed
2009 discharge: Artemis Joint Undertaking to implement a Joint Technology Initiative in Embedded Computing Systems		
Subject 8.70.03.07 Previous discharges		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	CONT Budgetary Control	S&D STAVRAKAKIS Georgios	23/03/2010
		Shadow rapporteur	
		PPE MACOVEI Monica	
		ALDE GERBRANDY Gerben-Jan	
		Verts/ALE STAES Bart	
	Committee for opinion	Rapporteur for opinion	Appointed
	ITRE Industry, Research and Energy	The committee decided not to give an opinion.	
European Commission	Commission DG Budget	Commissioner ŠEMETA Algirdas	

Key events			
20/07/2010	Non-legislative basic document published	SEC(2010)0963	Summary
07/10/2010	Committee referral announced in Parliament		
21/03/2011	Vote in committee		Summary
06/04/2011	Committee report tabled for plenary	A7-0126/2011	
10/05/2011	Results of vote in Parliament		
10/05/2011	Debate in Parliament		
10/05/2011	Decision by Parliament	T7-0184/2011	Summary
10/05/2011	End of procedure in Parliament		

Technical information

Procedure reference	2010/2190(DEC)
Procedure type	DEC - Discharge procedure
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	CONT/7/04081

Documentation gateway

Non-legislative basic document	SEC(2010)0963	20/07/2010	EC	Summary
Court of Auditors: opinion, report	N7-0002/2011 O J C 342 16.12.2010, p. 0001	20/10/2010	CofA	Summary
Committee draft report	PE450.709	28/01/2011	EP	
Document attached to the procedure	05894/2011	03/02/2011	CSL	Summary
Committee report tabled for plenary, single reading	A7-0126/2011	06/04/2011	EP	
Text adopted by Parliament, single reading	T7-0184/2011	10/05/2011	EP	Summary

Final act

[Decision 2011/610](#)
[O J L 250 27.09.2011, p. 0242](#) Summary

2009 discharge: Artemis Joint Undertaking to implement a Joint Technology Initiative in Embedded Computing Systems

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2009, as part of the 2009 discharge procedure.

Analysis of the accounts of the Artemis Joint Undertaking.

CONTENT: this Commission document sets out the consolidated annual accounts of the European Union for the financial year 2009 as prepared on the basis of the information presented by the institutions, organisations and bodies of the EU, in accordance with Article 129 (2) of the Financial Regulation applicable to the EU's General Budget, including the Artemis Joint Undertaking.

In 2009, the tasks and budget of this agency were as follows:

- description of the Agency's tasks: the joint undertaking, which is located in Brussels, was set up in 2007 by Council [Regulation 74/2008/EC](#) for a period of 10 years. The main objective of the Joint Undertaking is to implement a 'Research Agenda' for the development of key technologies for Embedded Computing Systems across different application areas in order to strengthen European competitiveness and sustainability, and allow the emergence of new markets and societal applications.
- budget of the Joint Undertaking for the 2009 financial year: the maximum EU contribution to the Artemis Joint Undertaking to cover running costs and research activities is EUR 420 million to be paid from the budget of the Seventh Research Framework Programme. In 2009, the EU contribution amounted to EUR 7.97 million in payment appropriations.

The complete version of the Agency's final accounts may be found at the following address:

http://www.artemis-ju.eu/governing_board

2009 discharge: Artemis Joint Undertaking to implement a Joint Technology Initiative in Embedded Computing Systems

PURPOSE: presentation by the Court of Auditors of its report on the annual accounts of the Artemis Joint Undertaking together with the Joint Undertaking's replies

CONTENT: in accordance with the tasks and objectives conferred on it by the Treaty on the Functioning of the European Union (TFEU), the Court of Auditors, in the context of the discharge procedure, addresses to the European Parliament and the Council a Statement of Assurance on the reliability of the annual accounts, as well as of the legality and regularity of the transactions underlying them of each EU institution, body or agency, on the basis of an external, independent audit.

This audit also covered the annual accounts of the Artemis Joint Undertaking.

In the Court's opinion, the Joint Undertaking's annual accounts presented 'fairly, in all material respects', its financial position as of 31 December 2009 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of its Financial Regulation.

The Court also stated that the transactions underlying the annual accounts of the Joint Undertaking for the financial year ended 31 December 2009 were, 'in all material respects, legal and regular'.

The report again confirmed that maximum EU contribution to the Artemis Joint Undertaking to cover running costs and research activities is EUR 420 million to be paid from the budget of the Seventh Research Framework Programme. The Artemis IA association is to make a maximum contribution of EUR 30 million. Artemis Member States are to make in-kind contributions to the running costs and provide financial contributions of at least 1.8 times the EU contribution. In-kind contributions are also to be provided by research organisations participating in projects. The final budget included commitment appropriations of EUR 46 million and payment appropriations of EUR 8 million.

The report also included comments on the Joint Undertaking's budgetary and financial management, together with the Agency's replies. The main comments are as follows:

The Court's comments:

- low utilisation rates for the budget (the rate of execution show commitment and payment appropriations were 81 % and 20 % respectively);
- deficiencies in the implementation of internal controls and financial information system (at the end of 2009 the underlying business processes had not yet been formalised and had not been validated by the Accounting Officer as required by the Financial Rules of the Joint Undertaking);
- lack of host State agreement concerning office accommodation, privileges and immunities and other support to be provided by Belgium (official seat) to the Joint Undertaking;
- internal audit function not established.

The Joint Undertaking's replies:

- rate of budgetary execution low in 2009 reflecting the start-up phase of the Joint Undertaking;
- the internal control standards will be implemented in two phases from March to September 2010;
- the Joint Undertaking awaits the outcome of the next steps of the procedure to have an agreement signed;
- an internal auditing function will be put in place during 2010.

Lastly, the Court of Auditor's report contained a summary of the Joint Undertaking's activities in 2009. The main task in 2009 for this new Agency consisted of :

- the preparatory actions necessary for the autonomy of the IMI JU granted on 26 October 2009;
- launch of 2nd call for proposals;
- start of R & D projects for the 2nd call for proposals;
- monitoring and review of 1st call for proposals;
- signature of the General Financing Agreement with the Commission.

2009 discharge: Artemis Joint Undertaking to implement a Joint Technology Initiative in Embedded Computing Systems

The Committee on Budgetary Control adopted the report by Georgios STAVRAKAKIS (S&D, EL) on discharge to be granted to the Executive Director of the ARTEMIS Joint Undertaking in respect of the implementation of the Undertaking's budget for the financial year 2009.

Noting that the ARTEMIS's annual accounts for the financial year 2009 are reliable, and the underlying transactions are legal and regular, MEPs approve the closure of ARTEMIS's accounts. However, they make 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 [DEC/2010/2271](#)):

- implementation of the budget: Members note that ARTEMIS's final 2009 budget included commitment appropriations of EUR 46 million and payment appropriations of EUR 8 million and that the utilisation rates for commitment and payment appropriations were 81% and 20% respectively. Although ARTEMIS is still in a start-up period, Members consider that the utilisation rate for payment appropriations is low;
- Members' contributions: Members call on ARTEMIS to harmonise the presentation of members' contributions in the Accounts under the guidance of the Commission;
- internal control systems: Members urge ARTEMIS to complete the implementation of its internal controls and financial information system. They invite it to include in its Financial Rules a specific reference to the powers of the Internal Audit Service of the Commission as its internal auditor. They consider that the role of the Commission as internal auditor should be to advise ARTEMIS on dealing with risks, by issuing independent opinions on the quality of management and control systems and by issuing recommendations for improving the conditions of implementation of operations and promoting sound financial management. They also consider it essential that ARTEMIS submit to the discharge authority a report drawn up by its director summarising the number and the

type of internal audits conducted by the internal auditor. In view of the size of its budget and the complexity of its tasks, ARTEMIS should consider establishing an audit committee, reporting directly to the Administrative Board;

- lack of host agreement: Members urge ARTEMIS to rapidly conclude a host agreement with Belgium.

2009 discharge: Artemis Joint Undertaking to implement a Joint Technology Initiative in Embedded Computing Systems

PURPOSE: to grant discharge to the ARTEMIS Joint Undertaking in respect of the implementation of the Agency's budget for the financial year 2009.

NON-LEGISLATIVE ACT: Decision 2011/610/EU of the European Parliament on discharge in respect of the implementation of the budget of the ARTEMIS Joint Undertaking for the financial year 2009.

CONTENT: with the present decision, the European Parliament grants discharge to the Executive Director of the ARTEMIS Joint Undertaking for the implementation of its budget for the financial year 2009.

This decision is in line with the European Parliament's resolution adopted on 10 May 2011 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 10/05/2011).

A parallel decision, adopted on the same day, approves the closure of this Agency's accounts.

2009 discharge: Artemis Joint Undertaking to implement a Joint Technology Initiative in Embedded Computing Systems

The European Parliament adopted by 532 votes to 83, with 33 abstentions, a decision on discharge to be granted to the Executive Director of the ARTEMIS Joint Undertaking in respect of the implementation of the Undertaking's budget for the financial year 2009.

Noting that the Joint Undertaking's annual accounts for the financial year 2009 are reliable, and the underlying transactions are legal and regular, Parliament approves the closure of its accounts. However, it makes a number of recommendations that need to be taken into account when the discharge is granted:

- implementation of the budget: Parliament notes that the utilisation rate of payment appropriations was low even though ARTEMIS is still in a start-up period;
- internal control systems: Parliament urges ARTEMIS to complete the implementation of its internal controls and financial information system. It invites it to include in its Financial Rules a specific reference to the powers of the Internal Audit Service of the Commission as its internal auditor. It considers that the role of the Commission as internal auditor should be to advise ARTEMIS on dealing with risks, by issuing independent opinions on the quality of management and control systems and by issuing recommendations for improving the conditions of implementation of operations and promoting sound financial management. In view of the size of its budget and the complexity of its tasks, ARTEMIS should consider establishing an audit committee, reporting directly to the Administrative Board;
- lack of host agreement: Parliament urges ARTEMIS to rapidly conclude a host agreement with Belgium.