

AMENDMENTS 001-067

by the Committee on Industry, Research and Energy

Report

Josefa Andrés Barea

A7-0259/2014

Shift2Rail Joint Undertaking

Proposal for a regulation (COM(2013)0922 – C7-0034/2014 – 2013/0445(NLE))

Amendment 1**Proposal for a regulation****Recital 3***Text proposed by the Commission*

(3) Regulation (EU) No .../2013 of the European Parliament and of the Council *of ... 2013 establishing Horizon 2020 - the Framework Programme for Research and Innovation for the period 2014-2020* ('Horizon 2020 Framework Programme')¹² aims to achieve a greater impact *of* research and innovation *efforts* by combining EU and private-sector funds in public-private partnerships (*PPPs*) in areas where research and innovation can contribute to the Union's wider competitiveness goals and help tackle societal challenges. *The* Union involvement in these partnerships can take the form of financial contributions to joint undertakings established on the basis of Article 187 of the Treaty.

Amendment

(3) Regulation (EU) No **1291**/2013 of the European Parliament and of the Council¹² ('the Horizon 2020 Framework Programme') aims to achieve a greater impact *on* research and innovation by combining **Horizon 2020 Framework Programme** and private-sector funds in public-private partnerships in **key** areas where research and innovation can contribute to the Union's wider competitiveness goals, **leverage private investment**, and help tackle societal challenges. **Those partnerships should be based on a long-term commitment, including a balanced contribution from all partners, be accountable for the achievement of their targets and be aligned with the Union's strategic goals relating to research, development and innovation. The governance and functioning of those partnerships should be open, transparent, effective and**

efficient and give the opportunity to a wide range of stakeholders active in their specific areas to participate based on a long-term commitment. Union involvement in these partnerships can take the form of financial contributions to joint undertakings established on the basis of Article 187 of the Treaty **under Decision No 1982/2006/EC of the European Parliament and of the Council**^{12a} ("the Seventh Framework Programme").

¹² OJ ... [H2020 FP]

¹² **Regulation (EU) No 1291/2013 of the European Parliament and of the Council of 11 December 2013 establishing Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020) and repealing Decision 1982/2006/EC** (OJ L 347, 20.12.2013, p. 104).

^{12a} **Decision No 1982/2006/EC of the European Parliament and of the Council of 18 December 2006 concerning the Seventh Framework Programme of the European Community for research, technological development and demonstration activities (2007-2013)** (OJ L 412, 30/12/2006, p. 1).

Justification

Outcome of trilogue on IIP.

Amendment 2

Proposal for a regulation

Recital 4

Text proposed by the Commission

(4) In accordance with Decision **(EU) No .../2013 of the Council of ... 2013 establishing the Specific Programme implementing Horizon 2020 (2014-2020)**¹³ support may be provided to joint undertakings established in the Horizon 2020 Framework Programme under the conditions specified in that Decision.

Amendment

(4) In accordance with **Regulation (EU) No 1291/2013 and Council Decision 2013/743/EU**¹³ support may be provided to joint undertakings established in the Horizon 2020 Framework Programme under the conditions specified in that Decision.

¹³ OJ ... [H2020 SP]

¹³ **Council Decision 2013/743/EU of 3 December 2013 establishing the Specific Programme implementing Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020) and repealing Decisions 2006/971/EC, 2006/972/EC, 2006/973/EC, 2006/974/EC and 2006/975/EC (OJ L 347, 20.12.2013, p. 965)**

Justification

Horizontal issue. This amendment reflects the outcome of the trilogue on the IIP package.

Amendment 3

Proposal for a regulation
Recital 7

Text proposed by the Commission

(7) The Shift2Rail Joint Undertaking (hereinafter ‘S2R Joint Undertaking’) should be a PPP aimed at stimulating and better coordinating Union research and innovation investments in the rail sector with a view to accelerating and facilitating the transition towards a more integrated, efficient, sustainable and attractive EU railway market, in line with the business needs of the rail sector and with the general objective of achieving a Single European Railway Area. In particular, the S2R Joint Undertaking should contribute to specific objectives defined in the 2011 White Paper and in the Fourth Railway Package, including the improved efficiency of the rail sector for the benefit of the public purse; a considerable expansion or upgrading of the capacity of the rail network, so as to enable rail to compete effectively and take a significantly greater proportion of passenger and freight transport; an improvement in the quality of rail services by responding to the needs of rail passengers and freight forwarders; the removal of technical obstacles holding back the sector in terms of interoperability; and the reduction of negative externalities

Amendment

(7) The Shift2Rail Joint Undertaking (hereinafter ‘S2R Joint Undertaking’) should be a PPP aimed at stimulating and better coordinating Union research and innovation investments in the rail sector **while creating new employment opportunities**, with a view to accelerating and facilitating the transition towards a more integrated, **user-friendly**, efficient, sustainable and attractive EU railway market, in line with the business needs of the rail sector and with the general objective of achieving a Single European Railway Area. In particular, the S2R Joint Undertaking should contribute to specific objectives defined in the 2011 White Paper and in the Fourth Railway Package, including the improved efficiency of the rail sector for the benefit of the public purse; a considerable expansion or upgrading of the capacity of the rail network, so as to enable rail to compete effectively and take a significantly greater proportion of passenger and freight transport; an improvement in the quality of rail services by responding to the needs of rail passengers and freight forwarders; the removal of technical obstacles holding

linked to railway transport. The progress of the S2R Joint Undertaking towards meeting these objectives should be measured against key performance indicators.

back the sector in terms of interoperability; and the reduction of negative externalities linked to railway transport. The progress of the S2R Joint Undertaking towards meeting these objectives should be measured against key performance indicators.

Amendment 4

Proposal for a regulation Recital 7 a (new)

Text proposed by the Commission

Amendment

(7a) The S2R Joint Undertaking should operate in an open and transparent way providing all relevant information in a timely manner to its appropriate bodies as well as promoting its activities, including information and dissemination activities to the wider public. The rules of procedure of the bodies of the S2R Joint Undertaking should be made publicly available.

Justification

Horizontal issue. This amendment reflects the outcome of the trilogue on the IIP package.

Amendment 5

Proposal for a regulation Recital 11 a (new)

Text proposed by the Commission

Amendment

(11a) The Horizon 2020 Framework Programme should contribute to the closing of the research and innovation divide within the Union by promoting synergies with the European Structural and Investment Funds (ESIF). Therefore the S2R Joint Undertaking should seek to develop close interactions with the ESIF, which can specifically help to strengthen local, regional and national research and innovation capabilities in the area of the S2R Joint Undertaking and underpin smart specialisation efforts.

Justification

Outcome of trialogue on IIP

Amendment 6

Proposal for a regulation

Recital 12

Text proposed by the Commission

(12) In order to achieve its objectives, the S2R Joint Undertaking should provide **financial support**, mainly in the form of grants to members **and through the most appropriate measures**, such as procurement or the award of grants following calls for proposals.

Amendment

(12) In order to achieve its objectives, **to guarantee a fair participation of other enterprises in particular small and medium-sized enterprises (SMEs) and other investors and to support the modernization of an integrated European rail sector**, the S2R Joint Undertaking should provide **the Union contribution to the actions through open and transparent procedures** mainly in the form of grants to members, such as procurement or the award of grants following **open and transparent** calls for proposals.

Amendment 7

Proposal for a regulation

Recital 12 a (new)

Text proposed by the Commission

Amendment

(12a) With a view to the overall aim of the Horizon 2020 Framework Programme of achieving greater simplification and harmonisation of the European research and innovation funding landscape, Joint Undertakings should establish simple governance models and avoid sets of rules that are different from those of the Horizon 2020 Framework Programme.

Amendment 8

Proposal for a regulation

Recital 13

Text proposed by the Commission

(13) The S2R Joint Undertaking should

Amendment

(13) The S2R Joint Undertaking should

operate in *a* transparent way providing all relevant available information to its appropriate bodies as well as promoting its activities accordingly.

operate in *an open and* transparent way *and put in place a mechanism of consultation with all interested actors that make use of rail sector goods and services*, providing all relevant available information to its appropriate bodies as well as promoting its activities accordingly.

Amendment 9

Proposal for a regulation Recital 13 a (new)

Text proposed by the Commission

Amendment

(13a) The S2R Joint Undertaking should also use electronic means managed by the Commission to ensure openness, transparency and facilitate participation. Therefore, the calls for proposals launched by the S2R Joint Undertaking should also be published on the single portal for participants as well as through other Horizon 2020 electronic means of dissemination managed by the Commission. Moreover, relevant data on inter alia proposals, applicants, grants and participants should be made available by S2R Joint Undertaking for inclusion in the Horizon 2020 reporting and dissemination electronic systems managed by the Commission, in an appropriate format and with the periodicity corresponding to the Commission's reporting obligations.

Justification

Outcome of trialogue on IIP

Amendment 10

Proposal for a regulation Recital 14 a (new)

Text proposed by the Commission

Amendment

(14a) Without prejudice to the interim evaluation referred to in Article 11 and in

accordance with Article 32 of Regulation (EU) No 1291/2013 and as part of the interim evaluation of the Horizon 2020 Framework Programme , Joint Undertakings as a particular funding instrument of the Horizon 2020 Framework Programme should be subject to an in-depth assessment which shall include, inter alia, an analysis of openness, transparency and efficiency of public-private partnerships based on Article 187 TFEU.

Amendment 11

Proposal for a regulation Recital 16

Text proposed by the Commission

(16) Participation in indirect actions funded by the S2R Joint Undertaking should comply with Regulation (EU) No ... /2013 of the European Parliament and of the Council *of ... 2013 laying down the rules for participation and dissemination in 'Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020)*¹⁶

¹⁶ OJ ... [H2020 RfP]

Amendment

(16) Participation in indirect actions funded by the S2R Joint Undertaking should comply with Regulation (EU) No **1290/2013** of the European Parliament and of the Council¹⁶. ***The S2R Joint Undertaking should, moreover, ensure consistent application of those rules based on relevant measures adopted by the Commission.***

¹⁶ ***Regulation (EU) No 1290/2013 of the European Parliament and of the Council of 11 December 2013 laying down the rules for the participation and dissemination in "Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020)" and repealing Regulation (EC) No 1906/2006 (OJ 347, 20.12.2013, p. 81.***

Justification

Outcome of trialogue on IIP

Amendment 12

Proposal for a regulation Recital 16 a (new)

Text proposed by the Commission

Amendment

(16a) The S2R Joint Undertaking should take into account the OECD definitions regarding Technological Readiness Level (TRL) in the classification of technological research, product development and demonstration activities.

Justification

Horizontal issue related to all JTIIs that carry out research in fields where the TRL-concept is widely applied, such as transport research. This amendment reflects the outcome of the trilogue on the IIP package.

Amendment 13

Proposal for a regulation Recital 20 a (new)

Text proposed by the Commission

Amendment

(20a) With a view to the overall aim of the Horizon 2020 Framework Programme to achieve greater simplification and coherence, all calls for proposals under the S2R Joint Undertaking should take into account the duration of the Horizon 2020 Framework Programme.

Justification

Outcome of the trialogue IIP

Amendment 14

Proposal for a regulation Recital 21

Text proposed by the Commission

Amendment

(21) In accordance with Article 287(1) of the Treaty, the constituent instrument of bodies, offices or agencies set up by the Union may preclude the examination of the accounts of all revenue and expenditure of those bodies, offices or agencies by the Court of Auditors. In accordance with Article 60(5) of

(21) In view of the specific nature and the current status of the Joint Undertakings, and in order to ensure continuity with the Seventh Framework Programme, the Joint Undertakings should continue to be subject to a separate discharge. By way of derogation from Articles 60(7) and 209 of Regulation (EU, Euratom) No 966/2012,

Regulation (EU, Euratom) No 966/2012, *the accounts of the bodies under Article 209 of Regulation (EU, Euratom) No 966/2012 are to be examined by an independent audit body which is to give an opinion inter alia on the reliability of the accounts and the legality and regularity of the underlying transactions. Avoidance of duplication of the examination of the accounts justifies that the accounts of the S2R Joint Undertaking should not be subject to examination* by the Court of Auditors.

discharge for the implementation of the budget of the S2R Joint Undertaking should therefore be given by the European Parliament on the recommendation of the Council. Hence, the reporting requirements set out in Article 60(5) of Regulation (EU, Euratom) No 966/2012 should not apply to the contribution of the Union to the S2R Joint Undertaking but they should be aligned to the extent possible to the ones envisaged for bodies under Article 208 of that Regulation. The auditing of accounts and of the legality and regularity of the underlying transactions should be undertaken by the Court of Auditors.

Justification

Outcome of the triologue on IIP

Amendment 15

Proposal for a regulation
Recital 23 a (new)

Text proposed by the Commission

Amendment

(23a) Given the importance of continuous innovation for the competitiveness of the Union's transport sector and the number of Joint Undertakings in this field, there should be an analysis in due time, notably in view of the interim evaluation of the Horizon 2020 Framework Programme, regarding the appropriateness of efforts in collaborative research in the field of transport.

Justification

Horizontal issue for all JTI's related to transport research. This amendment reflects the outcome of the trilogue on the IIP package.

Amendment 16

Proposal for a regulation
Article 1 – paragraph 1

Text proposed by the Commission

1. In order to coordinate and manage Union research and innovation investments in the European rail sector, a joint undertaking within the meaning of Article 187 of the Treaty (the ‘Shift2Rail Joint Undertaking’ or ‘S2R Joint Undertaking’) is hereby established until 31 December 2024.

Amendment

1. In order to coordinate and manage Union research and innovation investments in the European rail sector, a joint undertaking within the meaning of Article 187 of the Treaty (the ‘Shift2Rail Joint Undertaking’ or ‘S2R Joint Undertaking’) is hereby established until 31 December 2024. ***In order to take into account the duration of the Horizon 2020 Framework Programme, calls for proposals under S2R Joint Undertaking shall be launched at the latest by 31 December 2020. In duly justified cases calls for proposals may be launched until 31 December 2021.***

Justification

Outcome of trialogue on IIP

Amendment 17

**Proposal for a regulation
Article 2 – paragraph 1 – point b**

Text proposed by the Commission

(b) to contribute to the achievement of the Single European Railway Area, to a faster and cheaper transition to a more attractive, competitive, efficient and sustainable European rail system, **and** to a modal shift from road and air to rail, through a comprehensive and co-ordinated approach addressing the research and innovation needs of the rail system and its users. This approach shall cover rolling stock, infrastructure and traffic management for the market segments of freight and of long-distance, regional, local and urban passenger traffic, as well as intermodal links between rail and other modes, providing users with an integrated end-to-end solution for their rail travel and transport needs – from transaction support to en-route assistance.

Amendment

(b) to contribute to the achievement of the Single European Railway Area, to a faster and cheaper transition to a more attractive, ***user-friendly (including for persons with reduced mobility)***, competitive, efficient and sustainable European rail system, to a modal shift from road and air to rail, ***and to the development of a strong and competitive European rail industry sector***, through a comprehensive and co-ordinated approach addressing the research and innovation needs of the rail system and its users. This approach shall cover rolling stock, infrastructure and traffic management for the market segments of freight and of long-distance, regional, local and urban passenger traffic, as well as intermodal links between rail and other modes, providing users with an integrated end-to-end solution for their rail travel and transport needs – from transaction support

to en-route assistance.

Amendment 18

Proposal for a regulation

Article 2 – paragraph 1 – point d

Text proposed by the Commission

(d) to **act as** a central **reference point on** rail-related research and innovation actions funded at Union level, ensuring coordination among projects and providing all stakeholders with relevant information.

Amendment

(d) to **play** a central **role in** rail-related research and innovation actions funded at Union level, ensuring coordination among projects and providing all stakeholders with relevant information.

Amendment 19

Proposal for a regulation

Article 2 – paragraph 1 – point e

Text proposed by the Commission

(e) to actively promote the participation and close involvement of all relevant stakeholders from the full rail value chain and from outside the traditional rail industry, in particular: manufacturers of railway equipment (both rolling stock and train control systems) and their supply chain, infrastructure managers, railway operators (both passenger and freight), rail vehicle leasing companies, certifying agencies, professional staff associations, user associations (both passenger and freight), as well as the relevant scientific institutions or the relevant scientific community. The involvement of small and medium sized enterprises (SMEs), as defined in Commission Recommendation 2003/361/EC²⁰, shall be encouraged.

Amendment

(e) to actively promote the participation and close involvement of all relevant stakeholders from the full rail value chain and from outside the traditional rail industry, in particular: manufacturers of railway equipment (both rolling stock and train control **and traffic management** systems) and their supply chain, infrastructure managers, railway operators (both passenger and freight), rail vehicle leasing companies, certifying agencies, professional staff associations, user associations (both passenger and freight), as well as the relevant scientific institutions or the relevant scientific community. The involvement of small and medium sized enterprises (SMEs), as defined in Commission Recommendation 2003/361/EC²⁰, shall be encouraged.

²⁰ Commission Recommendation 2003/361/EC of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises (OJ L 124, 20.5.2003, p. 36)

²⁰ Commission Recommendation 2003/361/EC of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises (OJ L 124, 20.5.2003, p. 36)

Amendment 20

Proposal for a regulation

Article 2 – paragraph 1 – point e a (new)

Text proposed by the Commission

Amendment

(ea) to implement measures that promote the participation of SMEs, universities and Research Centres. In this context, barriers preventing the participation of new comers in the S2R Joint Undertaking shall be identified and addressed.

Amendment 21

Proposal for a regulation

Article 2 – paragraph 1 – point e b (new)

Text proposed by the Commission

Amendment

(eb) to seek complementarity and close synergies with the European Structural and Investment Funds ("ESIF") in order to help close the research and innovation divide in Europe. Where possible, to promote interoperability between the Horizon 2020 Framework Programme and those Funds and to encourage cumulative or combined funding. In this context, measures will aim at fully exploiting the potential of Europe's talent pool and thereby optimising the economic and social impact of research and innovation and will be distinct yet complementary with regard to policies and actions of the ESIF.

Amendment 22

Proposal for a regulation

Article 3 – paragraph 1 – introductory part

Text proposed by the Commission

Amendment

1. The maximum Union financial contribution to the Shift2Rail initiative shall be EUR 450 million, including ***EFTA*** contributions, paid from the appropriations in the general budget of the Union

1. The maximum Union financial contribution to the Shift2Rail initiative shall be EUR 450 million, including ***the*** contributions ***from the Member States of the European Free Trade Association***

allocated to the Horizon 2020 Specific Programme implementing the Horizon 2020 Framework Programme, in accordance with the relevant provisions of Article 58(1)(c)(iv) and Articles 60 and 61 of Regulation (EU, Euratom) No 966/2012 for bodies referred to in Article 209 of that Regulation. This amount includes:

(EFTA), paid from the appropriations in the general budget of the Union allocated to the Horizon 2020 Specific Programme implementing the Horizon 2020 Framework Programme, in accordance with the relevant provisions of Article 58(1)(c)(iv) and Articles 60 and 61 of Regulation (EU, Euratom) No 966/2012 for bodies referred to in Article 209 of that Regulation. This amount includes:

Amendment 23

Proposal for a regulation Article 3 – paragraph 2

Text proposed by the Commission

2. Additional funds complementing the contribution referred to in paragraph 1 may be allocated from other Union instruments to support actions for the deployment of mature outcomes of the S2R Joint Undertaking.

Amendment

2. Additional funds complementing the contribution referred to in paragraph 1 may be allocated from other Union instruments to support actions for the deployment of mature *innovative* outcomes of the S2R Joint Undertaking.

Amendment 24

Proposal for a regulation Article 3 – paragraph 4 – point d and d a (new)

Text proposed by the Commission

(d) the arrangements regarding the provision of data necessary to ensure that the Commission is able to *draft its research and innovation policy and to meet its dissemination and reporting obligations*;

Amendment

(d) the arrangements regarding the provision of data necessary to ensure that the Commission is able to *meet its dissemination and reporting obligations; including on the single portal for participants as well as through other Horizon 2020 electronic means of dissemination managed by the Commission.*

(da) provisions for the publication of calls for proposals of the S2RJoint Undertaking also on the single portal for participants as well as through other Horizon 2020 electronic means of dissemination managed by the Commission.

Justification

Outcome of trilogue on IIP

Amendment 25

Proposal for a regulation

Article 4 – paragraph 4

Text proposed by the Commission

4. For the purpose of valuing the ***in kind*** contributions referred to in point (b) of paragraph 2 and clause 15(3)(b) of the Statutes set out in Annex I, the costs shall be determined according to the usual cost accounting practices of the entities concerned, to the applicable accounting standards of the country where each entity is established, and to the applicable International Accounting Standards / International Financial Reporting Standards. The costs shall be certified by an independent external auditor appointed by the entity concerned. The valuation ***of the contributions shall*** be verified by the S2R Joint Undertaking. ***In case of remaining uncertainties, the valuation may*** be audited by the ***S2R Joint Undertaking, as referred to in clause 20 of the Statutes.***

Amendment

4. For the purpose of valuing the contributions referred to in point (b) of paragraph 2 and clause 15(3)(b) of the Statutes set out in Annex I, the costs shall be determined according to the usual cost accounting practices of the entities concerned, to the applicable accounting standards of the country where each entity is established, and to the applicable International Accounting Standards / International Financial Reporting Standards. The costs shall be certified by an independent external auditor appointed by the entity concerned. The valuation ***method may*** be verified by the S2R Joint Undertaking ***should there be any uncertainty arising from the certification. For the purposes of this Regulation, the costs incurred in additional activities shall not*** be audited by the ***S2R Joint Undertaking or any Union body.***

Justification

Horizontal issue. This amendment reflects the outcome of the trilogue on the IIP package.

Amendment 26

Proposal for a regulation

Article 4 – paragraph 6

Text proposed by the Commission

6. Further to paragraph 5, the Commission may terminate, proportionally reduce or suspend the Union financial contribution to the S2R Joint Undertaking or trigger the winding up procedure referred to in clause 23(2) of the Statutes set out in Annex I if those members or their affiliated entities do

Amendment

6. Further to paragraph 5, the Commission may terminate, proportionally reduce or suspend the Union financial contribution to the S2R Joint Undertaking or trigger the winding up procedure referred to in clause 23(2) of the Statutes set out in Annex I if those members or their affiliated entities do

not contribute, contribute only partially or contribute late with regard to the contributions referred to in paragraph 2.

not contribute, contribute only partially or contribute late with regard to the contributions referred to in paragraph 2.
The Commission decision shall not hinder the reimbursement of eligible costs already incurred or committed by the Members or the S2R Joint Undertaking by the time of the notification of the aforesaid decision to the S2R Joint Undertaking.

Justification

Horizontal issue. This amendment reflects the outcome of the trilogue on the IIP package.

Amendment 27

**Proposal for a regulation
Article 5 – paragraph 1**

Text proposed by the Commission

The S2R Joint Undertaking shall adopt its specific financial rules in accordance with Article 209 of Regulation (EU, Euratom) No 966/2012 and Regulation (EU) No ... [Delegated Regulation on the Model Financial Regulation for **bodies referred to in Article 209 of the Financial Regulation**].

Amendment

Without prejudice to Article 12, the S2R Joint Undertaking shall adopt its specific financial rules in accordance with Article 209 of Regulation (EU, Euratom) No 966/2012 and Regulation (EU) No ... [Delegated Regulation on the Model Financial Regulation for **PPPs**].

Justification

Adaptation/changes necessary for direct discharge of EP.

Amendment 28

**Proposal for a regulation
Article 6 – paragraph 2 – subparagraph 2**

Text proposed by the Commission

The Governing Board shall adopt, in accordance with Article 110 of the Staff Regulations, a decision based on Article 2 **paragraph 1** of the Staff Regulations and **on** Article 6 of the Conditions of Employment of Other Servants delegating the relevant appointing authority powers to the Executive Director and defining the

Amendment

The Governing Board shall adopt, in accordance with Article 110 of the Staff Regulations, a decision based on Article 2 **(1)** of the Staff Regulations and Article 6 of the Conditions of Employment of Other Servants delegating the relevant appointing authority powers to the Executive Director and defining the conditions under which

conditions under which this delegation of powers can be suspended. The Executive Director *is* authorised to sub-delegate those powers.

this delegation of powers can be suspended. The Executive Director *shall report back to the Governing Board on the delegated powers and shall be* authorised to sub-delegate those powers.

Amendment 29

Proposal for a regulation Article 9 – paragraph 2

Text proposed by the Commission

2. In the case of non-contractual liability, the S2R Joint Undertaking shall, in accordance with the general principles common to the laws of the Member States, make good any damage caused by its staff in the performance of their duties.

Amendment

2. In the case of non-contractual liability, the S2R Joint Undertaking shall, in accordance with the general principles common to the laws of the Member States, make good any damage caused by its staff *or members of the Governing Board* in the performance of their duties.

Amendment 30

Proposal for a regulation Article 11 – paragraph 1

Text proposed by the Commission

1. By **31 December** 2017, the Commission shall *conduct* an interim evaluation of the S2R Joint Undertaking. The Commission shall *send the* conclusions of the evaluation, *and its observations*, to the European Parliament and to the Council by **30 June 2018**.

Amendment

1. By **30 June** 2017 the Commission shall *carry out, with the assistance of independent experts*, an interim evaluation of the S2R Joint Undertaking, *including an assessment of the involvement and openness to small and medium enterprises, as well as the administrative functioning of the S2R Joint Undertaking with a special focus on addressing any administrative challenges or burdens*. The Commission shall *prepare a report on that evaluation which includes* conclusions of the evaluation *and observations by the Commission. The Commission shall send that report* to the European Parliament and to the Council by **31 December 2017**. *The results of the interim evaluation of S2R shall be taken into account in the in-depth assessment and in the interim evaluation referred to in Article 32 of Regulation (EU) No 1291/2013.*

Justification

Outcome of the trialogue on IIP

Amendment 31

Proposal for a regulation

Article 12 – paragraph 1

Text proposed by the Commission

1. ***The discharge of the budget implementation with regard to the Union contribution to the S2R Joint Undertaking shall be part of the discharge given by the European Parliament, upon recommendation of the Council, to the Commission in accordance with the procedure provided for in Article 319 of the Treaty.***

Amendment

1. ***By way of derogation from Articles 60(7) and 209 of Regulation No 966/2012, the discharge for the implementation of the budget of the S2R Joint Undertaking shall be given by the European Parliament, upon recommendation of the Council in accordance with the procedure provided for in the financial rules of the S2R Joint Undertaking.***

Justification

Outcome of trialogue on IIP

Amendment 32

Proposal for a regulation

Article 12 – paragraph 2

Text proposed by the Commission

2. ***The S2R Joint Undertaking shall fully cooperate with the institutions involved in the discharge procedure and provide, as appropriate, any necessary additional information. In this context, it may be requested to be represented in meetings with the relevant institutions or bodies and assist the Commission authorising officer by delegation.***

Amendment

deleted

Justification

Outcome of trialogue on IIP

Amendment 33

Proposal for a regulation

Article 14 – paragraph 1

Text proposed by the Commission

Amendment

1. ***Without prejudice to clause 19(4) of the Statutes set out in Annex I***, the S2R Joint Undertaking shall grant Commission staff and other persons authorised by the S2R Joint Undertaking or the Commission, as well as the Court of Auditors, access to its sites and premises and to all the information, including information in electronic format, needed in order to conduct their audits.

1. The S2R Joint Undertaking shall grant Commission staff and other persons authorised by the S2R Joint Undertaking or the Commission, as well as the Court of Auditors, access to its sites and premises and to all the information, including information in electronic format, needed in order to conduct their audits.

Justification

Adaptation/changes necessary for direct discharge of EP.

Amendment 34

Proposal for a regulation

Article 14 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

5a. The staff of the Joint Undertaking, the Executive Director and the members of the Governing Board shall without delay notify OLAF of any instances of fraud which have come to their attention in the fulfilment of their duties or remit, without in any way being made accountable for them as a result.

Amendment 35

Proposal for a regulation

Article 17 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

With a view to the overall aim of the Horizon 2020 Framework Programme of achieving greater simplification and harmonisation of the European research and innovation funding landscape, Joint Undertakings shall avoid sets of rules that are different from those of the Horizon 2020 Framework Programme.

Amendment 36

Proposal for a regulation

Annex I – clause 1 – paragraph 1

Text proposed by the Commission

1. 'Associated Member' means a legal entity or a grouping or consortium of legal entities, established in a Member State or in a country associated to the Horizon 2020 Framework Programme, that has been selected according to the procedure set out in clause 4(2), that fulfils the conditions set out in clauses 4(3) and 4(4), and that has accepted the present Statutes by signing a letter of endorsement;

Amendment

1. 'Associated Member' means a legal entity or a grouping or consortium of legal entities, established in a Member State or in a country associated to the Horizon 2020 Framework Programme, that has been selected according to the procedure set out in clause 4(2), that fulfils the conditions set out in clauses 4(3) and 4(4), and that has accepted the present Statutes by signing a letter of endorsement ***following a decision by the body responsible for its governance;***

Amendment 37

Proposal for a regulation

Annex I – clause 1 – paragraph 2

Text proposed by the Commission

2. 'Founding Member other than the Union' refers to ***the contributors listed in Annex II***, having individually committed to an own contribution of at least EUR 30 million for the duration of the S2R Joint Undertaking and accepted the present Statutes by signing a letter of endorsement;

Amendment

2. 'Founding Member other than the Union' refers to ***single legal entities***, having individually committed to an own contribution of at least EUR 30 million for the duration of the S2R Joint Undertaking, ***based on a shared vision***, and accepted the present Statutes by signing a letter of endorsement ***following a decision by the body responsible for their governance. The Founding Members are listed in Annex II;***

Amendment 38

Proposal for a regulation

Annex I – clause 1 – paragraph 3 – introductory part

Text proposed by the Commission

3. 'Innovation Programmes' or 'IPs' refer to the thematic areas around which the S2R Master Plan, referred to in paragraph 4, shall be structured. The IPs shall be

Amendment

3. 'Innovation Programmes' or 'IPs' refer to the thematic areas around which the S2R Master Plan, referred to in paragraph 4, shall be structured. The IPs shall be

selected for their capacity to best deliver performance benefits to one or more operating environments and reflect a railway system approach. Notwithstanding a decision of the Governing Board to modify this structure, the S2R Master Plan should foresee the creation of at least the five following IPs:

selected for their capacity to best deliver performance benefits to one or more operating environments and reflect a railway system **and customer-oriented** approach. ***Their definition shall also allow for pioneering innovative ideas to be developed and tested.*** Notwithstanding a decision of the Governing Board to modify this structure, the S2R Master Plan should foresee the creation of at least the five following IPs:

Amendment 39

Proposal for a regulation

Annex I – clause 1 – paragraph 3 – point a

Text proposed by the Commission

(a) Cost-efficient and Reliable High Capacity Trains;

Amendment

(a) Cost-efficient and Reliable ***Trains, including*** High Capacity Trains ***and High Speed Trains***

Amendment 40

Proposal for a regulation

Annex I – clause 1 – paragraph 3 – point c

Text proposed by the Commission

(c) Cost-efficient and Reliable High Capacity Infrastructure;

Amendment

(c) Cost-efficient, ***sustainable*** and Reliable High Capacity Infrastructure;

Amendment 41

Proposal for a regulation

Annex I – clause 2 – point h

Text proposed by the Commission

(h) pool user requirements and define interoperability standards to guide investment in research and innovation towards operational and marketable solutions;

Amendment

(h) pool user requirements and define interoperability ***specifications and technical*** standards to guide investment in research and innovation towards operational and marketable solutions;

Amendment 42

Proposal for a regulation

Annex I – clause 2 – point j

Text proposed by the Commission

(j) establish and develop close and long-term cooperation between the Union, the rail manufacturing industry and other stakeholders required to develop pioneering innovations and ensure a strong market uptake of innovative solutions, including the rail operating community and other rail stakeholders, as well as actors outside the traditional rail sector;

Amendment

(j) establish and develop close and long-term cooperation between the Union, the rail manufacturing industry and other stakeholders required to develop pioneering innovations and ensure a strong market uptake of innovative solutions, including ***organisations representing customers***, the rail operating community and other rail ***private and public*** stakeholders, ***including at regional level***, as well as actors outside the traditional rail sector;

Amendment 43

Proposal for a regulation
Annex I – clause 2 – point k

Text proposed by the Commission

(k) ***liaise*** with national and international research and innovation activities in the rail technical domain, in particular via the European Rail Research Advisory Council (ERRAC) Technology Platform, as well as with those in other domains, such as the European Road Transport Research Advisory Council (ERTRAC), the Advisory Council for Aviation Research and Innovation in Europe (ACARE), the Waterborne European Technology Platform, the Future Manufacturing Technologies Platform (Manufuture), the Advanced Engineering Materials and Technologies Platform (EuMaT), and others;

Amendment

(k) ***establish links*** with national and international research and innovation activities in the rail technical domain, in particular via the European Rail Research Advisory Council (ERRAC) Technology Platform, as well as with those in other domains, such as the European Road Transport Research Advisory Council (ERTRAC), the Advisory Council for Aviation Research and Innovation in Europe (ACARE), the Waterborne European Technology Platform, the Future Manufacturing Technologies Platform (Manufuture), the Advanced Engineering Materials and Technologies Platform (EuMaT), and others;

Amendment 44

Proposal for a regulation
Annex I – clause 2 – point k a (new)

Text proposed by the Commission

Amendment

(ka) liaising with a broad range of stakeholders including research

organisations and universities;

Justification

Outcome of the trialogue on IIP

Amendment 45

Proposal for a regulation

Annex I – clause 3 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. Should any member of S2R Joint Undertaking be in default of its commitments concerning its agreed financial contribution, the Executive Director shall put this in writing and set a reasonable period within which such default shall be remedied. If the situation is not remedied within that period, the Executive Director shall convene a meeting of the Governing Board to decide whether the defaulting member's membership is to be revoked or if any other measures are to be taken until its obligations have been met. The Governing Board may initially suspend the voting rights of all members in breach of their obligations, once they have been heard and given the opportunity of regularising matters.

Amendment 46

Proposal for a regulation

Annex I – clause 4 – paragraph 2

Text proposed by the Commission

Amendment

2. The Associated Members of the S2R Joint Undertaking shall be selected through an open, non-discriminatory and competitive call. ***The first call for Associated Members shall be launched within three months at the latest following the establishment of the S2R Joint Undertaking. Any additional calls shall be driven by the need for key capabilities to implement the S2R Master Plan. All calls***

2. The Associated Members of the S2R Joint Undertaking shall be selected through an open, non-discriminatory and competitive call ***launched by the Commission and subject to a transparent evaluation by the Governing Board. This evaluation and selection shall take into account, inter alia, the relevance and the potential added value of the applicant for the achievement of the objectives of the***

shall be published on the S2R website and communicated through the States Representatives Group and other channels in order to ensure the widest possible participation in the interest of the achievement of the objectives of the S2R Master Plan. The S2R Joint Undertaking shall encourage the participation of SMEs, and of actors from the entire rail value chain, as well as from outside the traditional rail sector.

S2R Joint Undertaking, *the financial soundness of the applicant, and any potential conflicts of interest regarding the objectives of the S2R Joint Undertaking.*

Amendment 47

Proposal for a regulation Annex I – clause 4 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. Taking into account the results of the evaluation, the Commission shall make the final decision on the selection of associated members with a view to ensuring geographical balance, as well as balanced participation of SMEs, of the research community and of actors from the entire rail value chain, including from outside the traditional rail sector.

Amendment 48

Proposal for a regulation Annex I – clause 4 – paragraph 5

Text proposed by the Commission

Amendment

5. Any member may terminate its membership to the S2R Joint Undertaking. The termination shall become effective and irrevocable six months after notification to the other members. As of then, the former member shall be discharged from any obligations other than those approved or incurred by the S2R Joint Undertaking prior to terminating the membership.

5. Any member may terminate its membership to the S2R Joint Undertaking. The termination shall become effective and irrevocable six months after notification to the other members. As of then, the former member shall be discharged from any obligations other than those approved or incurred by the S2R Joint Undertaking prior to terminating the membership. *In such cases, an account shall be opened for settlement of financial obligations between the departing member and the S2R Joint Undertaking.*

Amendment 49

Proposal for a regulation

Annex I – clause 4 – paragraph 6

Text proposed by the Commission

6. Membership of the S2R Joint Undertaking may not be transferred to a third party without the prior and unanimous agreement of the Governing Board.

Amendment

6. Membership of the S2R Joint Undertaking may not be transferred to a third party without the prior and unanimous agreement of the Governing Board. ***The Commission shall be notified of such agreement and shall have the right to object.***

Amendment 50

Proposal for a regulation

Annex I – clause 6 – point c

Text proposed by the Commission

(c) at least one representative of Associated Members per Innovation Programme, referred to in clause 1(3). ***These*** representatives ***will*** be designated by the Governing Board of the S2R Joint Undertaking, with a view to ensuring balanced representation of actors ***from*** the entire rail value chain, as well as from outside the traditional rail sector.

Amendment

(c) at least one representative of Associated Members per Innovation Programme, referred to in clause 1(3). ***Associated Member fulfilling, as a single legal entity, the criteria listed in clause 1(2), [meaning an own contribution of at least 30 million] and that contributes to meeting the objectives in points (a), (b) and (c) of Article 2(2), shall be represented in the Governing Board. The other*** representatives ***shall*** be designated by the Governing Board of the S2R Joint Undertaking, with a view to ensuring balanced representation of actors, ***in terms of territorial representation and guaranteeing the representation of*** the entire rail value chain, as well as from outside the traditional rail sector. ***At least two of these should be representatives of railway undertakings.***

Amendment 51

Proposal for a regulation

Annex I – clause 7 – paragraph 5 – subparagraph 5

Text proposed by the Commission

Amendment

A representative of the European Railway Agency **and the chairperson or the vice-chair person of the States Representatives Group** shall participate in the meetings of the Governing Board as observers.

A representative of the European Railway Agency shall participate in the meetings of the Governing Board as observers.

Justification

Horizontal issue. This amendment reflects the outcome of the trilogue on the IIP package.

Amendment 52

Proposal for a regulation

Annex I – clause 7 – paragraph 5 – subparagraph 5 a (new)

Text proposed by the Commission

Amendment

The chairperson or the vice-chair person of the States Representatives Group shall have the right to attend meetings of the Governing Board as an observer and take part in its deliberations, but shall have no voting rights.

Justification

Horizontal issue. This amendment reflects the outcome of the trilogue on the IIP package.

Amendment 53

Proposal for a regulation

Annex I – clause 7 – paragraph 5 – subparagraph 5 b (new)

Text proposed by the Commission

Amendment

The chairperson of the Scientific Committee shall have the right, whenever issues falling within that Committee's tasks are discussed, to attend meetings of the Governing Board as an observer and take part in its deliberations, but shall have no voting rights.

Justification

Horizontal issue. This amendment reflects the outcome of the trilogue on the IIP package.

Amendment 54

Proposal for a regulation

Annex I – clause 8 – paragraph -1 (new)

Text proposed by the Commission

Amendment

The Commission, within its role in the Governing Board, shall seek to ensure coordination between the activities of the S2R Joint Undertaking and the relevant activities of the Horizon 2020 Framework Programme with a view to promoting synergies when identifying priorities covered by collaborative research.

Justification

Horizontal issue. This amendment reflects the outcome of the trilogue on the IIP package.

Amendment 55

Proposal for a regulation

Annex I – clause 8 – paragraph 1 – point c a (new)

Text proposed by the Commission

Amendment

(ca) decide on the final composition of the Governing Board, in particular by selecting the representatives of Associated Members, other than those fulfilling the criteria in clause 1(2). The final selection should ensure a balanced participation of SMEs and of actors from the entire rail value chain, including from outside the traditional rail sector;

Amendment 56

Proposal for a regulation

Annex I – clause 8 – paragraph 1 – point n a (new)

Text proposed by the Commission

Amendment

(na) ensure the transparency of the choice of any subcontracting agreements that may be established within the framework of this Regulation

Justification

In line with ITRE vote on other PPPs.

Amendment 57

Proposal for a regulation
Annex I – clause 9 – paragraph 1

Text proposed by the Commission

1. The Executive Director shall be appointed by the Governing Board, from a list of candidates proposed by the Commission, **following** an open and transparent **selection procedure**.

Amendment

1. The Executive Director shall be appointed by the Governing Board **on the grounds of merit and documented administrative and managerial skills, as well as relevant competence and experience**, from a list of candidates proposed by the Commission, **after** an open and transparent **competition, following the publication of a call for expressions of interest in the Official Journal of the European Union and elsewhere. The European Parliament shall be entitled to object.**

Before being appointed, the candidate selected by the Governing Board shall answer the questions by the members of the Committee on Industry, Research and Energy and the Committee on Budgetary Control of the European Parliament.

Amendment 58

Proposal for a regulation
Annex I – clause 10 – paragraph 4 – point g a (new)

Text proposed by the Commission

Amendment

(ga) inform the States Representatives Group and the Scientific Committee regularly of all matters relevant to their advisory role;

Justification

Outcome of trialogue on IIP

Amendment 59

Proposal for a regulation

Annex I – clause 11 – introductory part

Text proposed by the Commission

The European Railway Agency shall **have observer status on the Governing Board and** contribute to the definition and implementation of the S2R Master Plan, in particular by performing the following advisory tasks:

Amendment

The European Railway Agency shall contribute to the definition and implementation of the S2R Master Plan, in particular by performing the following advisory tasks:

Amendment 60

Proposal for a regulation

Annex I – clause 11 – point a

Text proposed by the Commission

(a) proposing possible amendments to the S2R Master Plan and to the annual work plans, in particular to ensure that research needs relating to the realisation of the Single European Railway Area are covered;

Amendment

(a) proposing possible amendments to the S2R Master Plan and to the annual work plans, in particular to ensure that research needs relating to the realisation of the Single European Railway Area are covered **and ascertaining their relevance to the objectives identified in Article 2(2)**;

Amendment 61

Proposal for a regulation

Annex I – clause 11 – point b

Text proposed by the Commission

(b) proposing, after consultation with the stakeholders referred to in Article 2(1)(e) of this Regulation, **technical standards** for research, development **and validation** activities with a view to guaranteeing the interoperability and safety of results;

Amendment

(b) proposing, after consultation with the stakeholders referred to in Article 2(1)(e) of this Regulation, **guidelines** for research **and** development activities **leading to technical standards** with a view to guaranteeing the interoperability and safety of results;

Amendment 62

Proposal for a regulation

Annex I – clause 13 – paragraph 5 – point a

Text proposed by the Commission

(a) the status of relevant national or regional research and innovation

Amendment

(a) the status of relevant national or regional research and innovation

programmes and identification of potential areas of cooperation, including deployment of relevant technologies;

programmes and identification of potential areas of cooperation, including deployment of relevant technologies *in order to benefit from synergies*;

Amendment 63

Proposal for a regulation Annex I – clause 13 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

5a. The States Representatives Group shall receive information on a regular basis, among others on the participation in actions funded by the S2R Joint Undertaking, on the outcome of each call and project implementation, on synergies with other relevant Union programmes, on the execution of the S2R budget.

Justification

Outcome of trialogue on IIP

Amendment 64

Proposal for a regulation Annex I – clause 13 – paragraph 6

Text proposed by the Commission

Amendment

6. The States Representatives Group may issue, on its own initiative, recommendations to the **S2R Joint Undertaking** on technical, managerial and financial matters, in particular when those matters affect national or regional interests. The **S2R Joint Undertaking** shall inform the States Representatives Group of the follow up it has given to such recommendations.

6. The States Representatives Group may issue, on its own initiative, recommendations to the **Governing Board** on technical, managerial and financial matters, in particular when those matters affect national or regional interests. The **Governing Board** shall inform the States Representatives Group of the follow up it has given to such recommendations.

Amendment 65

Proposal for a regulation Annex I – clause 14 – paragraph 1

Text proposed by the Commission

1. In order to carry out the tasks provided for in clause 2, the Governing Board of the S2R Joint Undertaking can set up a limited number of working groups to carry out activities which are delegated to it by the Governing Board. These groups shall be composed of professionals and shall work in a transparent manner.

Amendment

1. In order to carry out the tasks provided for in clause 2, the Governing Board of the S2R Joint Undertaking can set up a limited number of working groups to carry out activities which are delegated to it by the Governing Board. These groups shall be composed of professionals **with relevant expertise including from research organisations, SMEs and railway operators** and shall work in a transparent manner.

Amendment 66

Proposal for a regulation

Annex I – clause 15 – paragraph 3 – point b

Text proposed by the Commission

(b) in-kind contributions by the members other than the Union and their affiliated entities, consisting of the costs incurred by them in implementing indirect actions less the contribution of the Joint Undertaking and any other Union contribution to those costs.

Amendment

(b) in-kind **or in-cash** contributions by the members other than the Union and their affiliated entities, consisting of the costs incurred by them in implementing indirect actions less the contribution of the Joint Undertaking and any other Union contribution to those costs.

Amendment 67

Proposal for a regulation

Annex 1 – clause 19

Text proposed by the Commission

1. The Executive Director shall report annually to the Governing Board on the performance of his duties in accordance with the financial rules of the S2R Joint Undertaking.

2. By 15 February each year the Executive Director shall submit to the Governing Board for approval an annual activity report on the progress made by the S2R Joint Undertaking in the previous calendar year, in particular in relation to the annual work plan for that year. That report shall

Amendment

1. The Executive Director shall report annually to the Governing Board on the performance of his duties in accordance with the financial rules of the S2R Joint Undertaking.

2. Within two months of the closure of each financial year, the Executive Director shall submit to the Governing Board for approval an annual activity report on the progress made by the S2R Joint Undertaking in the previous calendar year, in particular in relation to the annual

include, inter alia, information on the following matters:

- (a) research, innovation and other actions carried out and the corresponding expenditure;
- (b) the actions submitted, including a breakdown by participant type, including SMEs, and by country;
- (c) the actions selected for funding, including a breakdown by participant type, including SMEs, and by country and indicating the contribution of the S2R Joint Undertaking to the individual participants and actions.

Once approved by the Governing Board, the annual activity report shall be transmitted to the States Representatives Group and made publicly available.

3. *The S2R Joint Undertaking shall report annually to the Commission in accordance with Article 60(5) of Regulation (EU, Euratom) No 966/2012.*

4. *The accounts of the S2R Joint Undertaking shall be examined by an independent audit body as laid down in Article 60(5) of Regulation (EU, Euratom) No 966/2012.*

The accounts of the S2R Joint Undertaking shall not be subject to examination by the Court of Auditors.

work plan for that year. That report shall include, inter alia, information on the following matters:

- (a) research, innovation and other actions carried out and the corresponding expenditure;
- (b) the actions submitted, including a breakdown by participant type, including SMEs, and by country;
- (c) the actions selected for funding, including a breakdown by participant type, including SMEs, and by country and indicating the contribution of the S2R Joint Undertaking to the individual participants and actions.

Once approved by the Governing Board, the annual activity report shall be transmitted to the States Representatives Group and made publicly available.

3. *By 1 March of the following financial year, the accounting officer of the S2R Joint Undertaking shall send the provisional accounts to the Commission's accounting officer and the Court of Auditors.*

By 31 March of the following financial year, the S2R Joint Undertaking shall send the report on the budgetary and financial management to the European Parliament, the Council and the Court of Auditors.

On receipt of the Court of Auditors' observations on the S2R Joint Undertaking's provisional accounts pursuant to Article 148 of the Regulation (EU, Euratom) No 966/2012, the accounting officer shall draw up the S2R Joint Undertaking's final accounts and the Executive Director shall submit them to the Governing Board for an opinion.

The Governing Board shall deliver an opinion on the S2R Joint Undertaking's final accounts.

The Executive Director shall, by 1 July following each financial year, send the final accounts to the European Parliament, the Council, the Commission and the Court of Auditors, together with the Governing Board's opinion.

The final accounts shall be published in the Official Journal of the European Union by 15 November of the following year.

The Executive Director shall send the Court of Auditors a reply to its observations made in its annual report by 30 September. The Executive Director shall also send this reply to the Governing Board.

The Executive Director shall submit to the European Parliament, at the latter's request any information required for the smooth application of the discharge procedure for the financial year in question, in accordance with Article 165(3) of the Regulation (EU, Euratom) No 966/2012.

Justification

Adaptation/changes necessary for direct discharge of EP.