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<Commission>{TRAN}Committee on Transport and Tourism</Commission>

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<TitreType>DRAFT OPINION</TitreType>

<CommissionResp>of the Committee on Transport and Tourism</CommissionResp>

<CommissionInt>for the Committee on Budgetary Control</CommissionInt>

<Titre>on discharge in respect of the implementation of the budget of the Clean Sky 2 Joint Undertaking for the financial year 2018</Titre>

<DocRef>(2019/2101(DEC))</DocRef>

Rapporteur for opinion: <Depute>Maria Grapini</Depute>

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SUGGESTIONS

The Committee on Transport and Tourism calls on the Committee on Budgetary Control, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Welcomes the finding of the Court of Auditors that the transactions underlying the accounts of the Clean Sky 2 Joint Undertaking ('the Undertaking') for the financial year 2018 are legal and regular in all material respects;

2. Notes that the Undertaking is a public-private partnership between the Union and the aeronautic industry whose goal is to develop breakthrough technologies to significantly increase the environmental performance of aeroplanes and air transport; notes that it was set up as the “Clean Sky Joint Undertaking” in 2007 under the Seventh Framework Programme for Research and Technological Development (“FP7”) and became the “Clean Sky 2 Joint Undertaking” in 2014 under the Horizon 2020 Framework Programme for Research and Innovation;

3 Notes that the Undertaking’s programmes are jointly funded under Horizon 2020 (for the period 2014-2020) through subsidies of the Union up to EURO 1 755 million and in-kind contributions from the private members of at least EURO 2 193,75 million; notes that the Union and the private members equally share the administrative costs that shall not exceed EUR 78 million over that period;

4. Notes that up to 40% of the Undertaking funding is allocated to its 16 Leaders and their affiliates i.e. to the industrials committed to deliver the full Clean Sky 2 programme throughout its duration; notes that 30% of the Undertaking funding shall be awarded via calls for proposals and calls for tenders to its Core partners (selected for long-term commitments to the programme); further notes that the remaining 30% of the funding shall be awarded via calls for proposals and calls for tenders to other partners (participating in specific topics and projects in the context of a well-defined, limited commitment);

5. Notes that the Undertaking’s final budget for 2018 was EUR 367,6 million in commitment appropriations and EUR 340,3 million in payment appropriations; notes that 98,7% of commitment appropriations and 98,6% of payment appropriations consist of Commission subsidies and carry over from previous years;

6. Notes that the Undertaking attained a rate of implementation of 99,97% for the commitment appropriations and 98,21% for the payment appropriations; notes the decrease in the execution rate of payment appropriations for administrative expenditures to 79,23% (from 93,13% in 2017);

7. Notes that, as of the cut-off date of the provisional accounts 2018 (end of February 2019), the private members of the Undertaking have reported a cumulative sum of EUR 399 million as In-Kind contributions for Operational activities (IKOP), and that the Undertaking has validated certified contribution to the value of EUR 279,9 million; notes similarly that the private members have reported a cumulative EUR 827,9 million in In Kind contributions for Additional Activities (IKAA), of which EUR 620 million were validated by the Undertaking;

8. Notes that the Undertaking now counts 16 Leaders, 193 Core partners (including 50 SMEs) and that nine calls for proposals were launched (to allocate the remaining of funds to other partners); notes that eight of these calls have been evaluated leading to the selection of 560 partners (including 31% of SMEs that account for 25% of funding) from 27 countries;

9. Notes that the Undertaking is planning to revise its Financial Rules in order to align them to the new financial rules applicable to the general budget of the Union in accordance with Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council[[1]](#footnote-1);

10. Notes that the *ex-post* audits of the Undertaking projects led under the FP7 between 2011-2018 reveal an accumulated residual error (after corrective measures) of 1,21%, which lies well below the target of 2%; notes that the *ex-post* audits of the Undertaking’s projects led under the Horizon 2020 programme reveal an accumulated residual error of 1,11% for the sample examined between 2016 and 2018;

11. Notes that the Internal Audit Service issued a very important recommendation to the Undertaking for elaborating a consolidated risk register, which should cover risk affecting the programme and the Undertaking as a stand-alone entity; notes that the Internal Audit Officer (IAO) declared to the management of the Undertaking a lack of objectivity due to their repeated involvement in management tasks and due to the quality management processes;

12. Notes with concern that the IAO identified several risk areas, which require actions of the Undertaking’s management; expects the Undertaking’s management to take all necessary measures to mitigate those risks;

13. Notes that during the year 2018, three cases of alleged fraudulent activities were detected in connection with beneficiaries receiving funds from the Undertaking and were notified to OLAF; calls on the Undertaking to take all necessary measures to prevent cases of fraud in the future;

14. Proposes that Parliament grants discharge to the Executive Director of the Undertaking in respect of the implementation of the Undertaking’s budget for the financial year 2018.

1. 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 966/2012 (OJ L 193, 30.7.2018, p. 1). [↑](#footnote-ref-1)