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REPORT

on the proposal for a Council regulation on the Clean Sky 2 Joint Undertaking
(COM(2013)0505 – C7-0255/2013 – 2013/0244(NLE))

Committee on Industry, Research and Energy

Rapporteur: Christian Ehler

Symbols for procedures

- * Consultation procedure
- *** Consent procedure
- ***I Ordinary legislative procedure (first reading)
- ***II Ordinary legislative procedure (second reading)
- ***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act

Amendments by Parliament set out in two columns

Deletions are indicated in ***bold italics*** in the left-hand column. Replacements are indicated in ***bold italics*** in both columns. New text is indicated in ***bold italics*** in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

Amendments by Parliament in the form of a consolidated text

New text is highlighted in ***bold italics***. Deletions are indicated using either the ■ symbol or strikeout. Replacements are indicated by highlighting the new text in ***bold italics*** and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.

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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

**on the proposal for a Council regulation on the Clean Sky 2 Joint Undertaking
(COM(2013)0505 – C7-0255/2013 – 2013/0244(NLE))**

(Consultation)

The European Parliament,

- having regard to the Commission proposal to the Council (COM(2013)0505),
 - having regard to Articles 187 and 188(1) of the Treaty on the Functioning of the European Union, pursuant to which the Council consulted Parliament (C7-0255/2013),
 - having regard to Rule 55 of its Rules of Procedure,
 - having regard to the report of the Committee on Industry, Research and Energy (A7-0083/2014),
1. Approves the Commission proposal as amended;
 2. Calls on the Commission to alter its proposal accordingly, in accordance with Article 293(2) of the Treaty on the Functioning of the European Union;
 3. Calls on the Council to notify Parliament if it intends to depart from the text approved by Parliament;
 4. Asks the Council to consult Parliament again if it intends to substantially amend the Commission proposal;
 5. Instructs its President to forward its position to the Council and the Commission.

Amendment 1

Proposal for a regulation

Recital 3 a (new)

Text proposed by the Commission

Amendment

(3a) The European Parliament, in its resolution of 3 February 2009 on an Agenda for Sustainable Future in General and Business Aviation^{1a}, called on the Commission to reinforce support for aeronautical research, development and innovation, in particular by SMEs that develop and build aircraft for general

and business aviation;

^{1a} *OJ C 67 E, 18.3.2010, p.5*

Amendment 2

Proposal for a regulation Recital 4

Text proposed by the Commission

(4) Regulation (EU) No .../2013 of the European Parliament and of the Council of ... 2013 establishing Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020)⁷ 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 and help tackle societal challenges. **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.

Amendment

(4) Regulation (EU) No 1291/2013 of the European Parliament and of the Council⁷ 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 **it is possible for** research and innovation **to** contribute to the Union's wider competitiveness goals, **to leverage private investment**, and **to** 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 should give to a wide range of stakeholders active in their specific areas the opportunity to participate. It is possible for the** involvement of the Union in **those** partnerships **to** 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.

⁷ *OJ ... [H2020 FP]*

⁷ *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 No
1982/2006/EC (OJ L 347, 20.12.2013, p.
104)***

(See Article 19 of Horizon 2020 Regulation.)

Justification

This addition stresses the important principles that have been agreed on during the Horizon 2020 negotiations regarding JTIs and what they should deliver.

Amendment 3

Proposal for a regulation

Recital 5

Text proposed by the Commission

(5) In accordance with Decision (EU) No .../2013 of the Council of ... 2013 establishing the Specific Programme implementing Horizon 2020 (2014-2020)⁸ further support should be provided to joint undertakings established under Decision No 1982/2006/EC under the conditions specified in Decision (EU) No .../2013.

⁸ OJ ... [H2020 SP]

Amendment

(5) In accordance with ***Regulation (EU) No 1291/2013 and Council Decision No 2013/743/EU***⁸ support should be provided to joint undertakings established under Decision No 1982/2006/EC under the conditions specified in ***Council Decision No 2013/743/EU***.

⁸ ***Decision (EU) No 2013/743/EU of the Council of 3 December 2013 establishing the Specific Programme implementing Horizon 2020 (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

A reference not only to the Specific Programme but also to the Framework Programme should be included, which is important to evidence the compliance with Article 19 of the Framework Programme and the principles stated there.

Amendment 4

Proposal for a regulation Recital 6

Text proposed by the Commission

(6) The Clean Sky Joint Undertaking set up by Regulation (EC) No 71/2008 of the Council of 20 December 2007 setting up the Clean Sky Joint Undertaking⁹ is fulfilling its objectives of stimulating new research within the framework of a public-private partnership which enables long-term cooperation to take place among European aeronautical stakeholders. Small and medium-sized enterprises (SMEs) have participated ***very extensively*** in Clean Sky, with approximately 40% of the budget for calls for proposals allocated to them. The interim evaluation¹⁰ of the Clean Sky Joint Undertaking has shown that the Joint Undertaking is successfully stimulating developments towards environmental targets. ***In addition, it has been highly successful in attracting extensive and wide-ranging participation by all Union key industries and a large number of SMEs.*** It has led to new collaborations and to the participation of new organisations. Its research area should therefore continue to be supported in order to achieve its objectives as set out in Article 2 of this Regulation.

⁹ OJ L 30 4.2.2008, p.1-20

¹⁰ SEC/2011/1072 final

Amendment

(6) The Clean Sky Joint Undertaking set up by Regulation (EC) No 71/2008 of the Council of 20 December 2007 setting up the Clean Sky Joint Undertaking⁹ is fulfilling its objectives of stimulating new research within the framework of a public-private partnership which enables long-term cooperation to take place among European aeronautical stakeholders. Small and medium-sized enterprises (SMEs) have participated ***to a moderate extent*** in Clean Sky, with approximately 40% of the budget for calls for proposals allocated to them. The interim evaluation¹⁰ of the Clean Sky Joint Undertaking has shown that the Joint Undertaking is successfully stimulating developments towards environmental targets. It has led to new collaborations and to the participation of new organisations. Its research area should therefore continue to be supported in order to achieve its objectives as set out in Article 2 of this Regulation.

⁹ OJ L 30 4.2.2008, p.1-20

¹⁰ SEC/2011/1072 final

Justification

Since most of the budgetary allocation was not done through calls for proposal, the participation in absolute terms has been low.

Amendment 5

Proposal for a regulation Recital 7

Text proposed by the Commission

(7) Continued support for the Clean Sky research programme should also take into account the experience acquired from the operations of the Clean Sky Joint Undertaking including the results of its interim evaluation and the stakeholders' recommendations¹¹. It should be implemented using a more fit-for-purpose structure and rules in order to enhance efficiency and to ensure simplification. To this end, the Clean Sky 2 Joint Undertaking should adopt financial rules specific to its needs in accordance with Article 209 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union¹².

¹¹

http://www.cleansky.eu/sites/default/files/news/csjuconsultationreview_final.pdf

¹² OJ L 298, 26.10.2012, p.1.

Amendment

(7) Continued support for the Clean Sky research programme should also take into account the experience acquired from the operations of the Clean Sky Joint Undertaking including the results of its interim evaluation and the stakeholders' recommendations¹¹. It should be implemented ***in an open and transparent way***, using a more fit-for-purpose structure and rules in order to enhance efficiency and to ensure simplification. To this end, the Clean Sky 2 Joint Undertaking should adopt financial rules specific to its needs in accordance with Article 209 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union¹².

¹¹

http://www.cleansky.eu/sites/default/files/news/csjuconsultationreview_final.pdf

¹² OJ L 298, 26.10.2012, p.1.

Amendment 6

Proposal for a regulation Recital 12

Text proposed by the Commission

(12) Participation in indirect actions funded by the Clean Sky 2 Joint Undertaking should comply with Regulation (EU) No ... /2013 ***of the European Parliament and of the Council of ... 2013 laying down the rules for the participation and***

Amendment

(12) Participation in indirect actions funded by the Clean Sky 2 Joint Undertaking should comply with Regulation (EU) No 1290/2013 of the European Parliament and of the Council¹³. ***The contract structure should not be different from that under***

*dissemination in Horizon 2020 the Framework Programme for Research and Innovation (2014-2020)*¹³ .

Horizon 2020, and additional contract levels that risk putting unnecessary administrative burdens on participants should be avoided.

¹³ OJ ... [H2020 RfP]

¹³ *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 L 347, 20.12.2013, p. 81)*

Justification

Participants perceive that Clean Sky invented a structure with three levels of contracts, instead of the two levels that was usually used in FP7.

Amendment 7

Proposal for a regulation

Recital 13

Text proposed by the Commission

(13) The Union financial contribution should be managed in accordance with the principle of sound financial management and with the rules on indirect management set out in Regulation (EU, Euratom) No 966/2012 and Commission delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation (EU, Euratom) No 966/2012¹⁴

¹⁴ OJ L 362, 31.12.2012, p. 1.

Amendment

(13) The Union financial contribution *to the Clean Sky 2 Joint Undertaking* should be managed in accordance with the principle of sound financial management and with the **relevant** rules on indirect management set out in **Article 60 (1) to (4) of** Regulation (EU, Euratom) No 966/2012 and Commission delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation (EU, Euratom) No 966/2012¹⁴.

¹⁴ OJ L 362, 31.12.2012, p. 1.

Amendment 8

Proposal for a regulation Recital 17

Text proposed by the Commission

(17) 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 Regulation (EU, Euratom) No 966/2012, the accounts of the bodies set up 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 Clean Sky 2 Joint Undertaking should not be subject to examination by the Court of Auditors.

Amendment

(17) By way of derogation from Articles 60(7) and 209 of Regulation (EU, Euratom) No 966/2012, discharge for the implementation of the budget of the Clean Sky 2 Joint Undertaking should be given by the European Parliament on the recommendation of the Council. Accordingly, the reporting requirements set out in Article 60(5) should not apply to the contribution of the Union to the Clean Sky 2 Joint Undertaking but should be aligned to the extent possible with the ones set out for bodies under Article 208 of Regulation (EU, Euratom) No 966/2012. The auditing of accounts and of the legality and regularity of the underlying transactions should *be undertaken* by the Court of Auditors.

Amendment 9

Proposal for a regulation Recital 19 a (new)

Text proposed by the Commission

Amendment

(19a) 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 Horizon 2020 Interim Evaluation, Joint Technology Initiatives as a particular funding instrument of Horizon 2020 should be subject to an in-depth assessment which should include, *inter alia*, an analysis of the openness, transparency and efficiency of public-

Amendment 10

Proposal for a regulation Recital 20

Text proposed by the Commission

(20) The Clean Sky Joint Undertaking was set up for a period up to 31 December 2017. The Clean Sky 2 Joint Undertaking should provide continued support to the Clean Sky research programme by ***enlarging the scope of the activities under a modified set of rules***. The transition from the Clean Sky Joint Undertaking to the Clean Sky 2 Joint Undertaking should be aligned and synchronized with the transition from the Seventh Framework Programme to the Horizon 2020 Framework Programme to ensure optimal use of the funding available for research. In the interest of legal certainty and clarity, Council Regulation (EC) No 71/2008 should therefore be repealed and transitional provisions should be set out.

Amendment

(20) The Clean Sky Joint Undertaking was set up for a period up to 31 December 2017. The Clean Sky 2 Joint Undertaking should provide continued support to the Clean Sky research programme by ***implementing the remaining activities scheduled in the Clean Sky research programme under the rules of the Clean Sky Joint Undertaking***. The transition from the Clean Sky Joint Undertaking to the Clean Sky 2 Joint Undertaking should be aligned and synchronized with the transition from the Seventh Framework Programme to the Horizon 2020 Framework Programme to ensure optimal use of the funding available for research. In the interest of legal certainty and clarity, Council Regulation (EC) No 71/2008 should therefore be repealed and transitional provisions should be set out.

Justification

It should be made clear that the Clean Sky 2 JU is merely implementing the remainder of the activities that were originally foreseen until 2017 under the Clean Sky research programme - and nothing else. These remaining activities should follow the "old" set of rules of Clean Sky, whereas the activities of Clean Sky 2 should follow the "new" set of rules. Whilst this is already cumbersome enough, no modifications or interferences of the two sets of rules should occur between 2014 and 2017.

Amendment 11

Proposal for a regulation Recital 20 a (new)

Text proposed by the Commission

Amendment

(20a) With a view to fulfilling the overall aim of Horizon 2020, namely to achieve greater simplification and harmonisation of the research and innovation funding landscape at Union level, all calls for proposals under Clean Sky 2 should be launched by 31 December 2020 at the latest.

Justification

The parallelism of two generations of JTIs issuing calls (with different members, different rules, different budgets) would cause administrative costs, add to the complexity of EU research funding, and disguise the actual amounts of funding spent annually.

Amendment 12

Proposal for a regulation Recital 20 b (new)

Text proposed by the Commission

Amendment

(20b) In view of the importance of basic research in creating breakthrough ideas that enable future innovation, calls for proposals for collaborative R&D projects should be issued in the field of aeronautics research under Horizon 2020, in addition to and in parallel with the activities of the Clean Sky 2 Joint Undertaking, particularly regarding research at Technology Readiness Levels 1 to 4;

Justification

According to the H2020 Regulation, R&D activities covered by JTIs should also be included in regular calls for proposals in Horizon 2020 work programmes. In the case of CS2, the Rapporteur recommends collaborative research to be carried out in parallel to CS2 activities at lower TRLs, to achieve a wider inclusion of universities and SMEs in EU-funded aeronautics research, to ensure the right balance between lower and upper TRLs, to create a competitive research environment, and to boost future innovation.

Amendment 13

Proposal for a regulation Recital 20 c (new)

Text proposed by the Commission

Amendment

(20c) Given the importance of continuous innovation for the competitiveness of the Union's transport sector and the correspondingly high number of Joint Technology Initiatives in this field, the appropriations allocated to the Smart, Green and Integrated Transport Challenge under the Societal Challenges of Horizon 2020 should be subject to an in-depth budgetary assessment and potential increase in accordance with Article 26 of the Horizon 2020 Regulation.

Justification

With three JTIs to be financed out of the transport challenge - SESAR, Clean Sky 2 and most likely Shift2Rail - the budget of this challenge seems particularly strained, entailing potentially negative effects on collaborative research in the field. The rapporteur therefore strongly recommends the transport challenge for budgetary review under the midterm-review.

Amendment 14

Proposal for a regulation Recital 20 d (new)

Text proposed by the Commission

Amendment

(20d) Measures that promote the participation of SMEs, universities and research centres should be implemented. In this context, barriers preventing the participation of newcomers to the programme should be identified and addressed.

Amendment 15

Proposal for a regulation Recital 20 e (new)

Text proposed by the Commission

Amendment

(20e) Taking due account of the intended synergies between Horizon 2020 and the Structural Funds, as well as relevant national and regional R&D funding programmes, regions across the Union should be encouraged to contribute pro-actively to the activities of the Clean Sky 2 Joint Undertaking, e.g. by financially supporting relevant research infrastructure, by preparing proposals, by exploiting the research results or networking activities of relevant actors, with the aim of boosting the regional impact of Clean Sky 2 activities and their potential to create jobs and growth at regional level.

Justification

The European Parliament successfully pushed for a new article in the Horizon 2020 Framework Regulation that explicitly demands better synergies between Horizon 2020 and the Structural Funds. In this context, JTIs should be no exception. Regions should be encouraged to contribute to their activities, particularly in view of their huge potential for strengthening regional clusters.

Amendment 16

Proposal for a regulation Recital 20 f (new)

Text proposed by the Commission

Amendment

(20f) In order to help to close the research and innovation divide in Europe, complementarity and close synergies should be developed with the Structural Funds. Where possible, interoperability between the two instruments should be promoted. Cumulative or combined

funding should be encouraged. In this context, measures should aim at fully exploiting the potential of the Union's talent pool, thereby optimising the economic and social impact of research and innovation, and should be distinct yet complementary with regard to the policies and actions of the Cohesion Policy funds.

Amendment 17

Proposal for a regulation Article 1 – paragraph 1

Text proposed by the Commission

1. For the implementation of the Joint Technology Initiative in aeronautics, a joint undertaking within the meaning of Article 187 of the Treaty (hereinafter ‘Clean Sky 2 Joint Undertaking’), is established for a period from 1 January 2014 until 31 December 2024.

Amendment

1. For the implementation of the Joint Technology Initiative in aeronautics, a joint undertaking within the meaning of Article 187, is established for a period from 1 January 2014 until 31 December 2024. ***In order to take account of the duration of the Horizon 2020 Framework Programme for Research and Innovation (2014-2020), all calls for proposals shall be launched by 31 December 2020.***

Justification

The parallelism of two generations of JTIs issuing calls (with different members, different rules, different budgets) causes administrative costs, adds to the complexity of EU research funding, and disguises the actual amounts of funding spent annually.

Amendment 18

Proposal for a regulation Article 2 a (new)

Text proposed by the Commission

Amendment

Article 2a

Scope of activities

1. In order to fulfil the objectives set out in Article 2, the Clean Sky 2 research programme may fund research and

development activities comprising Technology Readiness Levels from 2 to 6.

2. Should the Clean Sky 2 research programme provide for innovation activities comprising Technology Readiness Levels from 7 to 8, funding rates for indirect actions shall be reduced in accordance with Article 28 of Regulation (EU) No 1290/2013.

Justification

This article means to clarify the scope of activities of the Clean Sky 2 Joint Undertaking, in particular with respect to the relevant TRLs covered by its research programme, since there seems to be a widespread assumption that CS2 operates close to the market, which will normally not be the case. The H2020 Rules for Participation also call for a greater consideration of the TRL-concept to stipulate funding levels, which is taken up in this article with a view to the funding rates used in indirect actions.

Amendment 19

Proposal for a regulation Article 3 – paragraph 1

Proposal for a Regulation

1. The maximum Union contribution, including EFTA appropriations, to the Clean Sky 2 Joint Undertaking, to cover administrative costs and operational costs, shall be EUR **1.8** billion. The contribution shall be 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 Article 58(1)(c)(iv), Article 60 and Article 61 of Regulation (EU, Euratom) No 966/2012 for bodies referred to in Article 209 of that Regulation.

Amendment

1. The maximum Union contribution, including EFTA appropriations, to the Clean Sky 2 Joint Undertaking, to cover administrative costs and operational costs, shall be EUR **1,71** billion. The contribution shall be 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 **(1) to (4)** and 61 of Regulation (EU, Euratom) No 966/2012 for bodies referred to in Article 209 of that Regulation.

Amendment 20

Proposal for a regulation

Article 3 – paragraph 3 – introductory part

Proposal for a Regulation

3. The delegation agreement referred to in paragraph 2 shall ***cover the aspects*** set out in Article 58(3), ***Article 60 and Article 61*** of Regulation (EU, Euratom) No 966/2012 and in Article 40 of Commission delegated Regulation (EU) No 1268/2012, as well as inter alia the following:

Amendment

3. The delegation agreement referred to in paragraph 2 shall ***address the elements*** set out in Article 58(3) and Articles 60 ***(1) to (4) and*** 61 of Regulation (EU, Euratom) No 966/2012 and in Article 40 of Commission delegated Regulation (EU) No 1268/2012 as well as inter alia the following:

Amendment 21

Proposal for a regulation

Article 3 – paragraph 3 – point d

Text proposed by the Commission

(d) the arrangements regarding the provision of data necessary to ensure that the Commission is able 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 complete information on all proposals and grant agreements and their partners to be inserted into the global Horizon 2020 database [ECORDA] in a timely manner;***

Amendment 22

Proposal for a regulation

Article 4 – paragraph 2

Text proposed by the Commission

2. The contribution referred to in paragraph 1 shall consist of the following:

(a) contributions to the Clean Sky 2 Joint Undertaking as laid down in clause 15(2) and clause 15(3)(b) of the Statutes set out

Amendment

2. The contribution referred to in paragraph 1 shall consist of the following:

(a) contributions to the Clean Sky 2 Joint Undertaking as laid down in clause 15(2) and clause 15(3)(b) of the Statutes set out

in Annex I.

(b) in-kind contributions of at least EUR 990 million over the period defined in Article 1 by the members other than the Union or their affiliated entities, consisting of the costs incurred by them in implementing additional activities outside the work plan of the Clean Sky 2 Joint Undertaking contributing to the objectives of the Clean Sky Joint Technology Initiative. Other Union funding programmes may support those costs in compliance with the applicable rules and procedures. In such cases, Union financing shall not substitute for the in-kind contributions from the Members other than the Union or their affiliated entities.

The costs referred to in point (b) shall not be eligible for financial support by the Clean Sky 2 Joint Undertaking. The corresponding activities shall be set out in an additional activities plan that shall indicate the estimated value of those contributions.

Amendment 23

Proposal for a regulation Article 4 – paragraph 4

Text proposed by the Commission

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

in Annex I.

(b) in-kind contributions ***for additional activities*** of at least EUR 990 million over the period defined in Article 1 by the members other than the Union or their affiliated entities, consisting of the costs incurred by them in implementing additional activities outside the work plan of the Clean Sky 2 Joint Undertaking contributing to the objectives of the Clean Sky Joint Technology Initiative. ***The value of these additional activities shall not be a substitute for the contributions referred to in point (a) and shall not be matched by Union contributions.*** Other Union funding programmes may support those costs ***or complement those additional activities*** in compliance with the applicable rules and procedures. ***However, in*** such cases, Union financing shall not substitute for the in-kind contributions ***for the additional activities*** from the Members other than the Union or their affiliated entities.

The costs referred to in point (b) shall not be eligible for financial support by the Clean Sky 2 Joint Undertaking. The corresponding activities shall be set out in an additional activities plan that shall indicate the estimated value of those contributions.

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 of the contributions shall be verified by the Clean Sky 2 Joint Undertaking. In case of remaining uncertainties, it may be audited by the Clean Sky 2 Joint Undertaking.

is established, and to the applicable International Accounting Standards / International Financial Reporting Standards. **Only the** costs **referred to in clause 15(3)(b) of the Statutes set out in Annex I** shall be certified by an independent external auditor appointed by the entity concerned. The valuation of the contributions shall be verified by the Clean Sky 2 Joint Undertaking. In case of remaining uncertainties, it may be audited by the Clean Sky 2 Joint Undertaking. **Members other than the Union who committed to the additional activities referred to in point (b) of paragraph 2 shall communicate updates on the fulfilment of their respective commitments and shall report annually on their additional activities to the general public.**

Amendment 24

Proposal for a regulation Article 5 – paragraph 1

Text proposed by the Commission

The Clean Sky 2 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].

Amendment

Without prejudice to Article 12, the Clean Sky 2 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].

Amendment 25

Proposal for a regulation Article 9 – paragraph 2

Text proposed by the Commission

2. In the event of non-contractual liability, the Clean Sky 2 Joint Undertaking shall make good any damage caused by its staff

Amendment

2. In the event of non-contractual liability, the Clean Sky 2 Joint Undertaking shall make good any damage caused by its staff

in the performance of their duties, in accordance with the general principles common to the laws of the Member States.

and members of the Governing Board in the performance of their duties, in accordance with the general principles common to the laws of the Member States.

Amendment 26

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 Clean Sky 2 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 **organise** an **independent** interim evaluation of the Clean Sky 2 Joint Undertaking. The Commission shall send the conclusions of the evaluation, and its observations, to the European Parliament and to the Council by **31 December 2017**. ***The results of the independent interim evaluation of the Clean Sky 2 Joint Undertaking shall be taken into account in the interim evaluation of Horizon 2020.***

In accordance with Article 32 of Regulation (EU) No 1291/2013 and as part of the Horizon 2020 interim evaluation, Joint Technology Initiatives as a funding instrument of Horizon 2020 shall 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.

In order to respond to unforeseen situations or to new developments and needs the Commission may, following the interim evaluation of Horizon 2020 as referred to in Article 32(3) of Regulation (EU) No 1291/2013, review, within the annual budgetary procedure, the budget of the Clean Sky 2 Joint Undertaking; provided this does not hamper the reaching of its overall objectives.

Amendment 27

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 Clean Sky 2 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. The discharge for the implementation of the budget of the Clean Sky 2 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 Clean Sky 2 Joint Undertaking.***

Amendment 28

Proposal for a regulation Article 12 – paragraph 2

Text proposed by the Commission

2. The Clean Sky 2 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 institutions or bodies and assist the Commission authorising officer by delegation.

Amendment

deleted

Amendment 29

Proposal for a regulation Article 14 – paragraph 1

Text proposed by the Commission

1. ***Without prejudice to clause 20(4) of the Statutes set out in Annex I,*** the Clean Sky 2 Joint Undertaking shall grant Commission staff and other persons authorised by it, as well as the Court of

Amendment

1. The Clean Sky 2 Joint Undertaking shall grant Commission staff and other persons authorised by it, as well as the Court of Auditors, access to its sites and premises and to all the information, including

Auditors, access to its sites and premises and to all the information, including information in electronic format, needed in order to conduct their audits.

information in electronic format, needed in order to conduct their audits.

Amendment 30

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 immediately 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.

Justification

Anti-fraud measures should be a priority for the Union. This notification procedure, which already operates in at least one Member State, is a very useful instrument for this purpose.

Amendment 31

Proposal for a regulation

Article 17 – paragraph 1

Text proposed by the Commission

Amendment

Regulation (EU) No ... [Rules for the participation and dissemination in Horizon 2020] shall apply to the actions funded by the Clean Sky 2 Joint Undertaking. In accordance with that Regulation, the Clean Sky 2 Joint Undertaking shall be considered a funding body and shall provide financial support to indirect actions as set out in clause 2 of the Statutes set out in Annex I.

Regulation (EU) No 1290/2013 ***and Commission decisions relevant to its implementation*** shall apply to the ***indirect*** actions funded by the Clean Sky 2 Joint Undertaking. In accordance with that Regulation, the Clean Sky 2 Joint Undertaking shall be considered a funding body and shall provide financial support to indirect actions as set out in clause 2 of the Statutes set out in Annex I.

Justification

This amendment serves to clarify that not only the Rules for Participation, but also related implementing acts such as the rules for submission, evaluation, selection, award and review procedures shall apply. According to Article 1(1) of the Rules for Participation these rules apply only to indirect actions.

Amendment 32

Proposal for a regulation

Article 17 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

In order to take into account the specific operating needs of the Clean Sky 2 Joint Undertaking and in accordance with Article 8(3) of Regulation (EU) No 1290/2013, the work plans of the Clean Sky 2 Joint Undertaking may derogate from the minimum conditions for participation in indirect actions of Horizon 2020 by allowing the participation of at least one legal entity established in a Member State or associated country.

Justification

The Rapporteur strongly supports the idea of a single set of rules - the Rules for Participation - for all actions funded under Horizon 2020, including the JTIs. Nonetheless, taking into account the specific nature of the aeronautics research sector which is strongly shaped by its linear supply structures, the Rapporteur believes a derogation providing for a monobeneficiary clause justified. He therefore approves of the draft Delegated Act on this matter.

Amendment 33

Proposal for a regulation

Article 17 – paragraph 1 b (new)

Text proposed by the Commission

Amendment

In accordance with the principles of transparency and non-discrimination as laid out in Articles 35, 60(1) and 128(1) of

Regulation (EU, Euratom) No 966/2012 and Article 16 of this Regulation, calls for proposals as well as calls for expressions of interest organised by the Clean Sky 2 Joint Undertaking shall be published on the web-based Horizon 2020 Participant Portal.

Justification

During the Horizon 2020 trilogue negotiations the institutions agreed to promote a greater coherence of all call possibilities financed under Horizon 2020. To this effect, the Commission promised to promote the publication of CfPs and CfEIs organised by the JTI's on the Horizon 2020 Participant Portal. All of them agreed to follow this approach. This amendment aims to turn a self-obligation into a legal requirement, guaranteeing simple and accessible information for applicants.

Amendment 34

**Proposal for a regulation
Annex 1 – part 1 – point b**

Text proposed by the Commission

(b) 'Core Partner' means a legal entity participating in an ITD or IADP or in Transverse Activities that has been selected following a call as set out in clause 4(2) and has accepted the present Statutes by signing a letter of endorsement;

Amendment

(b) 'Core Partner' means a legal entity participating in an ITD or IADP or in Transverse Activities that has been selected following a call as set out in clause 4(2) and has accepted the present Statutes ***by signing a letter of endorsement following a debate by the body responsible for its governance;***

Justification

A letter alone is not enough for acceptance of Statutes.

Amendment 35

**Proposal for a regulation
Annex 1 – part 2 – point i**

Text proposed by the Commission

(i) ***stimulating*** the involvement of SMEs in its activities, in line with the objectives of the Seventh Framework Programme and of Horizon 2020;

Amendment

(i) ***ensuring*** the involvement of SMEs in its activities, in line with the objectives of the Seventh Framework Programme and of Horizon 2020;

Amendment 36

Proposal for a regulation

Annex 1 – part 2 – point k a (new)

Text proposed by the Commission

Amendment

(ka) liaising with a broad range of stakeholders, including research organisations, universities and civil society organisations;

Amendment 37

Proposal for a regulation

Annex 1 – part 3 – point 1 – point b

Text proposed by the Commission

Amendment

(b) upon acceptance of these Statutes ***by means of a letter of endorsement***, the Leaders and the Associates as listed in Annex II to this Regulation, and the Core Partners to be selected in accordance with clause 4(2).

(b) upon acceptance of these Statutes ***by means of the letter of endorsement following a debate by the body responsible for its governance***, the Leaders and the Associates as listed in Annex II to this Regulation, and the Core Partners to be selected in accordance with clause 4(2).

Amendment 38

Proposal for a regulation

Annex 1 – part 4 – point 2

Text proposed by the Commission

Amendment

2. The Core Partners of the Clean Sky 2

2. The Core Partners of the Clean Sky 2

Joint Undertaking and their relevant affiliates shall be selected through an open, non-discriminatory and competitive call and subject to an independent evaluation. Calls shall be driven by the need for key capabilities to implement the programme. They shall be published on the Clean Sky website and communicated through the States Representatives Group and other channels in order to ensure the widest possible participation.

Joint Undertaking and their relevant affiliates shall be selected through an open, non-discriminatory and competitive call and subject to an independent evaluation ***in accordance with Article 40 of Regulation (EU) No 1290/2013***. Calls shall be driven by the need for key capabilities to implement the programme. They shall be published on the Clean Sky website and communicated through the States Representatives Group and other channels in order to ensure the widest possible participation.

Justification

This amendment aims to define further what is meant by an independent evaluation, namely an evaluation through independent experts appointed according to the rules laid down in Article 37 of the Rules for Participation.

Amendment 39

Proposal for a regulation

Annex 1 – part 7 – point 3 – paragraph 3

Text proposed by the Commission

The chairperson of the States Representatives Group shall have the right to attend meetings of the Governing Board ***as an observer***.

Amendment

The chairperson of the States Representatives Group shall have the right to attend meetings of the Governing Board ***and take part in its debates, but shall have no voting rights***.

Justification

Both the States Representative Group as well as the Scientific Committee are advisory bodies to the Clean Sky 2 Joint Undertaking according to point 5(2) of the statutes. To appropriately fulfil this role they should be given the right both to attend meetings of the Governing Board as well as to take part in the deliberations taking place there. Who shall advise, shall have the right to speak.

Amendment 40

Proposal for a regulation

Annex 1 – part 7 – point 3 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

The chairperson of the Scientific Committee shall have the right to attend meetings of the Governing Board and take part in its debates, but shall have no voting rights.

Justification

Both the States Representative Group as well as the Scientific Committee are advisory bodies to the Clean Sky 2 Joint Undertaking according to point 5(2) of the statutes. To appropriately fulfil this role they should be given the right both to attend meetings of the Governing Board as well as to take part in the deliberations taking place there. Who shall advise, shall have the right to speak.

Amendment 41

Proposal for a regulation

Annex 1 – part 7 – point 3 – subparagraph 6

Text proposed by the Commission

Amendment

The Governing Board shall adopt its own rules of procedure.

The Governing Board shall adopt ***and make publicly available*** its own rules of procedure.

Amendment 42

Proposal for a regulation

Annex 1 – part 8 – point 1 a (new)

Text proposed by the Commission

Amendment

1a. The Commission shall ensure constant coordination between the activities of Horizon 2020 and the activities of the Clean Sky 2 Joint Undertaking by regularly identifying possible complementarities and synergies, including desirable overlaps, and implementing a formal coordination process to fine-tune the research priorities covered by collaborative research under

the Framework Programme and the activities covered by the Clean Sky 2 Joint Undertaking.

Justification

There is an urgent need to coordinate the research activities under the framework programme and the activities carried out in the JTIs, including the management of of desired overlap and needed synergies and complementarities. Naturally this task would be best fulfilled by the Commission whose role in the governance structure of the JTIs (50% of votes) should provide it with sufficient means to do so.

Amendment 43

Proposal for a regulation

Annex 1 – part 8 – point 2 – point m

Text proposed by the Commission

Amendment

(m) approve the calls ***as well as, where appropriate, the related rules for submission, evaluation, selection, award and review procedures;***

(m) approve the calls;

Justification

The rules for submission, evaluation, selection, award and review procedures of Horizon 2020 should apply, mutatis mutandis.

Amendment 44

Proposal for a regulation

Annex 1 – part 8 – point 2 – point n

Text proposed by the Commission

Amendment

(n) approve the list of proposals and tenders selected for funding;

(n) approve the list of proposals and tenders selected for funding ***on the basis of the ranking list produced by a panel of independent experts in accordance with Article 40 of the Regulation (EU) No 1290/2013;***

Amendment 45

Proposal for a regulation

Annex 1 – part 10 – point 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

In order to fulfil their task as advisory bodies to the Clean Sky 2 Joint Undertaking, the States Representatives Group and the Scientific Committee should receive adequate information on all relevant issues.

Amendment 46

Proposal for a regulation

Annex 1 – part 10 – point 4 – point t a (new)

Text proposed by the Commission

Amendment

(ta) follow-up any recommendations resulting from the final evaluation of the Clean Sky Joint Undertaking, the interim evaluation of the Clean Sky 2 Joint Undertaking and any other relevant assessment of Clean Sky 2 activities in a timely manner;

Justification

This was a recommendation that was included in the first Clean Sky Interim Evaluation. To ensure sufficient impact of the formally foreseen evaluations and to improve the quality management of the JU the Executive Director should be responsible for following-up any relevant recommendations.

Amendment 47

Proposal for a regulation

Annex 1 – part 10 – point 5 – point b

Text proposed by the Commission

Amendment

(b) manage the calls as provided for in the work plan and administer the agreements or decisions, including their coordination;

(b) manage the calls, ***including the evaluation by a panel of independent experts***, as provided for in the work plan and administer the agreements or decisions, including their coordination;

Amendment 48

Proposal for a regulation

Annex 1 – part 10 – point 5 – point d a (new)

Text proposed by the Commission

Amendment

(da) supervise an information and promotion system for wide-ranging participation in the Clean Sky 2 Joint Undertaking activities, namely the calls for proposals, including a link to the NCP system.

Amendment 49

Proposal for a regulation

Annex 1 – part 11 – point 2 – point b

Text proposed by the Commission

Amendment

(b) a representative of each Core Partner of the ITD or IADP;

(b) a representative of each Core Partner of the ITD or IADP. ***Representatives of the leaders of other ITDs or IADPs may also participate if they so decide;***

Justification

All other ITD and AADP leaders must be allowed to participate in any Steering Committee;

Amendment 50

Proposal for a regulation

Annex 1 – part 11 – point 5

Text proposed by the Commission

Amendment

5. Rules:

Each Steering Committee shall adopt its rules of procedure, based on a model common to all Steering Committees.

5. Rules:

Each Steering Committee shall adopt ***and make publicly available*** its rules of procedure, based on a model common to all Steering Committees.

Amendment 51

Proposal for a regulation

Annex 1 – part 12 – point 1 – paragraph 1 – point d a (new)

Text proposed by the Commission

Amendment

(da) drawing up an annual report on the progress of research and development activities in cooperation with the communications division of the Clean Sky 2 Joint Undertaking

Justification

It would be recommendable to disseminate more and easily accessible information on the progress and performance of the JTI on a regular basis, in order to raise the visibility of the JTI and create awareness of its achievements among the wider public.

Amendment 52

Proposal for a regulation

Annex 1 – part 13 – point 4 – point -a (new)

Text proposed by the Commission

Amendment

(-a) advise on the strategic orientations and operations of the Clean Sky 2 Joint Undertaking;

Amendment 53

Proposal for a regulation

Annex 1 – part 13 – point 5

Text proposed by the Commission

5. The Scientific Committee shall meet at least ***once*** a year. The meetings shall be convened by its chairperson.

Amendment

5. The Scientific Committee shall meet at least ***twice*** a year. The meetings shall be convened by its chairperson.

Amendment 54

Proposal for a regulation

Annex 1 – part 13 – point 6 a (new)

Text proposed by the Commission

Amendment

6a. The Scientific Committee shall receive information on a regular basis, in particular on the participation in indirect actions funded by the Clean Sky 2 Joint Undertaking, on the outcome of each call and project implementation, on synergies with other relevant Union programmes, on the implementation of the Clean Sky 2 budget and on the dissemination and exploitation of research results.

Amendment 55

Proposal for a regulation

Annex 1 – part 13 – point 7

Text proposed by the Commission

Amendment

7. The Scientific Committee shall adopt its own rules of procedure.

7. The Scientific Committee shall adopt ***and make publicly available*** its own rules of procedure.

Amendment 56

Proposal for a regulation

Annex 1 – part 14 – point 2 – paragraph 1

Text proposed by the Commission

2. The States Representatives Group shall meet at least ***once*** a year. The meetings shall be convened by its chairperson. The Executive Director and the chairperson of the Governing Board or their representatives shall attend the meetings.

Amendment

2. The States Representatives Group shall meet at least ***twice*** a year. The meetings shall be convened by its chairperson. The Executive Director and the chairperson of the Governing Board or their representatives shall attend the meetings.

Amendment 57

Proposal for a regulation

Annex 1 – part 14 – point 3 – point d a (new)

Text proposed by the Commission

Amendment

(da) the advisability of including a given research priority covered by the Clean Sky 2 Joint Undertaking in regular calls in the Horizon 2020 Framework Programme in order to develop new synergies with research and innovation activities of strategic importance;

Amendment 58

Proposal for a regulation

Annex 1 – part 14 – point 3 – point e a (new)

Text proposed by the Commission

Amendment

(ea) the outcome and planning of calls for proposals and tenders

Amendment 59

Proposal for a regulation

Annex 1 – part 14 – point 5 a (new)

Text proposed by the Commission

Amendment

5a. The States Representatives Group shall receive information on a regular basis, in particular on the participation in indirect actions funded by the Clean Sky 2 Joint Undertaking, on the outcome of each call and project implementation, on synergies with other relevant Union programmes, on the implementation of the Clean Sky 2 budget and on the dissemination and exploitation of research results.

Justification

In order to fulfil its task as an advisory body to the Clean Sky 2 Joint Undertaking, the States Representatives Group should receive adequate information on all relevant issues.

Amendment 60

Proposal for a regulation Annex 1 – part 14 – point 6

Text proposed by the Commission

Amendment

6. The States Representatives Group shall adopt its own rules of procedure.

6. The States Representatives Group shall adopt ***and make publicly available*** its own rules of procedure.

Amendment 61

Proposal for a regulation Annex1 – part 20 – point 1

Text proposed by the Commission

Amendment

1. The Executive Director shall report annually to the Governing Board on the performance of his/***her*** duties in accordance with the financial rules of the Clean Sky 2 Joint Undertaking.

By 15 February each year, the Executive Director shall submit to the Governing

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 Clean Sky 2 Joint Undertaking.

Within two months of the end of each financial year, Executive Director shall

Board for approval an annual activity report on the progress made by the Clean Sky 2 Joint Undertaking in the previous calendar year, in particular in relation to the work plan. 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 Clean Sky 2 Joint Undertaking to the individual participants and actions.

submit to the Governing Board for approval an annual activity report on the progress made by the Clean Sky 2 Joint Undertaking in the previous calendar year, in particular in relation to the **annual** 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 Clean Sky 2 Joint Undertaking to the individual participants and actions.

Amendment 62

Proposal for a regulation Annex 1 – part 20 – point 3

Text proposed by the Commission

3. **The** Clean Sky 2 Joint Undertaking **shall report annually to the Commission in accordance with Article 60(5) of Regulation (EU, Euratom) No 966/2012.**

Amendment

3. **By 1 March of the following financial year, the accounting officer of the** Clean Sky 2 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 Clean Sky 2 Joint Undertaking shall send the report on 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 Clean Sky 2 Joint Undertaking's provisional accounts pursuant to Article 148 of the Financial Regulation, the accounting officer shall

draw up the Clean Sky 2 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 Clean Sky 2 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 that 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.

Amendment 63

Proposal for a regulation Annex 1 – part 20 – point 4

Text proposed by the Commission

Amendment

4. The accounts of the Clean Sky 2 Joint Undertaking shall be examined by an independent audit body as laid down in Article 60(5) of Regulation (EU, Euratom) No 966/2012.

deleted

The accounts of the Clean Sky 2 Joint Undertaking shall not be subject to examination by the Court of Auditors.

Amendment 64

Proposal for a regulation Annex 1 – part 23 – point 2

Text proposed by the Commission

2. The Governing Board **may** adopt rules to prevent and manage conflicts of interest applicable to its members, bodies and staff. In those rules, provision shall be made to avoid a conflict of interest for the representatives of the members serving in the Governing Board.

Amendment

2. The Governing Board **shall** adopt rules to prevent and manage conflicts of interest applicable to its members, bodies and staff. In those rules, provision shall be made to avoid a conflict of interest for the representatives of the members serving in the Governing Board.

Amendment 65

Proposal for a regulation Annex 1 – part 24 – point 4

Text proposed by the Commission

4. When the Clean Sky 2 Joint Undertaking is being wound up, its assets shall be used to cover its liabilities and the expenditure relating to its winding up. Any surplus shall be distributed among the members at the time of the winding up in proportion to their financial contribution to the Clean Sky 2 Joint Undertaking. Any such surplus distributed to the Union shall be returned to the Union budget.

Amendment

4. When the Clean Sky 2 Joint Undertaking is being wound up, its assets shall be used to cover its liabilities and the expenditure relating to its winding up. Any surplus shall be distributed among the members at the time of the winding up in proportion to their financial contribution to the Clean Sky 2 Joint Undertaking. Any such surplus distributed to the Union shall be returned to ***the Specific Programme implementing the Horizon 2020 Framework Programme,*** ***within*** the Union budget.

EXPLANATORY STATEMENT

Introduction

The Rapporteur welcomes the Commission proposal on the "Clean Sky 2 Joint Undertaking" (hereafter *Clean Sky 2 JU*) as an important part of the Innovation Investment Package under Horizon 2020. He appreciates the continued Union support for the Clean Sky Joint Technology Initiative and notes that many recommendations resulting from the first interim evaluation of the Clean Sky JU were taken up by the Commission. He acclaims in particular the following aspects:

- the perceptible leverage effect in terms of private funding and industry's commitment to carry out additional activities
- the improved governance structure of the JU
- the increased openness of the Public-Private Partnership through competitive calls

However, the Rapporteur has identified several issues that still require some adjustments of the Commission proposal. In particular he recommends changes on the following aspects:

- adaptation of the budget
- harmonisation and coordination with Horizon 2020
- strengthened advisory bodies and more transparency

Dealing with the Budgetary Constraints of Horizon 2020

While acknowledging that the budget of Clean Sky 2 was calculated against specific objectives that have not changed and that require the execution of cost-intensive technology demonstration activities, the Rapporteur does not support the Commission's proposal to leave the budget of most JTIs untouched after the Horizon 2020 overall budget was reduced by 12.5%. The Rapporteur deeply regrets these cuts, but deems it essential that the initially foreseen balance between collaborative research under Horizon 2020 and the RDI activities of the JTIs is maintained. He therefore proposes a pro-rata cut of 12.5% to the Union contribution for Clean Sky 2 and to the Innovation Investment Package in general.

At the same time he recommends to reconsider the JTIs' budgets in the course of the midterm review. In particular he believes that funding for the transport challenge under Horizon 2020 should be increased at the next possible opportunity, given the immense budget constraints it will seemingly face, when financing not only Clean Sky 2, but also SESAR and Shift2Rail. Otherwise there will be little money left for European collaborative research in the field of transport.

To alleviate the cuts of the Union contribution to Clean Sky 2, the Rapporteur also proposes a shortening of the duration of Clean Sky 2 from 2024 to 2020, aligning it with the runtime of the Horizon 2020 framework from which the JU is financed, and implying the set-up of a renewed budget for Clean Sky after 2020. This should allow Clean Sky 2 to carry out its activities as planned and fulfil its objectives in the foreseen timeframe

Harmonisation and Coordination between Clean Sky 2 and Horizon 2020

Generally, the Rapporteur would like to see greater harmonisation and coordination between Clean Sky 2 and Horizon 2020. The suggested shortening of the runtime of the Clean Sky 2 JU is directed towards this goal. Apart from the alleviating effects this measure could have when dealing with a reduced budget, it bears great potential for further simplification and reduction of administrative burden for participants and for the Joint Undertaking. A transitional period of four years which might see two generations of JTIs issuing calls - each applying different rules for participation and working with different governance set-ups, different members and different budgets - causes high administrative costs, adds to the complexity of EU research funding, and disguises the actual amounts of funding spent annually. A reoccurrence of this situation after 2020 should therefore be avoided at all costs. Especially after an extensive debate on simplifying the Framework Programme, which identified a "single set of rules" as one of the cornerstones of simplification, the Rapporteur believes this principal should be followed through in the implementation of the JTIs.

Furthermore, several amendments are directed at clarifying the actual scope of activities carried out under Clean Sky 2. The Rapporteur recommends working with clear references to Technology Readiness Levels (TRLs), when describing the nature of the Clean Sky 2 research and demonstration activities, in order to avoid the misunderstanding of the JU operating "close to market".

Referring to TRLs can also be helpful when coordinating the funding activities of the Framework Programme and those of the JU. Generally speaking, lower TRLs should typically be covered through collaborative research under Horizon 2020. Nevertheless, should the JU opt to carry out activities at TRLs 2 to 4, the Commission should ensure that similar research topics will still be covered in the regular work programmes under Horizon 2020. The Rapporteur calls on the Commission to take on an active role in coordinating the content of the Horizon 2020 work programmes and the content of the work plans of Clean Sky 2.

Another step towards more harmonisation and coordination between the Joint Technology Initiatives and the Framework Programme should be a joint interim evaluation. Such an interim evaluation should not only compile the interim evaluation of the Framework Programme as such - including an in-depth assessment of the Joint Technology Initiatives as a funding instrument of Horizon 2020 - but also all individual interim evaluations of the different Joint Undertakings.

Better Governance

Many smaller suggested modifications by the Rapporteur regarding the governance of Clean Sky 2 mainly aim at implementing the new policy approach towards JTIs that was agreed upon in the Horizon 2020 negotiations. They seek to strengthen the role of the two advisory bodies of the JU - the States Representatives Group and the Scientific Committee - and to enhance transparency and openness within its governance structure.

The States Representatives Group and the Scientific Committee should be enabled to truly fulfil their role as advisory bodies to the Joint Undertaking. They should meet at least twice a year (not just once) and their representatives should have the right to attend and speak at the

meetings of the governing board. The two bodies should be informed on all relevant matters regularly.

Openness and transparency should, however, not be limited to the internal operations and governance procedures of the Joint Undertaking. The Rapporteur has introduced several amendments that aim at strengthening these principles also regarding the involvement of partners in Clean Sky 2 through competitive calls for proposals. Such calls should be published on the CORDIS website (or its successor) and independent experts should be used to evaluate proposals.

On a side note, the Rapporteur is generally supportive of the Commission's proposal to reform and mainstream its involvement in the governing boards of the Joint Technology Initiatives. Holding 50% of the voting share in the Governing Board of Clean Sky 2 effectively equals the veto right that the Commission exercised in Clean Sky. Nevertheless, the Rapporteur expects that the Commission's necessary involvement in *all* decisions of the Governing Board enable it to safeguard and implement the policy approach that has been agreed upon during the Horizon 2020 negotiations towards the Joint Technology Initiatives in general and Clean Sky 2 in particular.

Additional Leverage

The Rapporteur is very appreciative of the concept of additional activities that will be carried out by the private members of Clean Sky 2 and is glad to see an additional leverage in terms of private funding in this regard. He believes that such activities should indeed relate to the objectives of Clean Sky 2 and that they should be planned and reported on annually, stipulating their value in terms of additional in-kind contribution. Nevertheless, he would not like to see these additional activities to become subject to auditing by the Commission. This might increase the administrative burden for the private members and potentially even lead to double-auditing of nationally co-funded activities. It also seems slightly out of proportion, considering the unspecified and self-obligatory nature of these additional activities.

The Rapporteur would also like to highlight that additional leverage could also be created at regional level. With a new article in the Horizon 2020 Framework Regulation that explicitly demands better synergies between Horizon 2020 and the Structural Funds, JTIs should be no exception. Regions should be encouraged to contribute to the engagement of their research actors in JTIs - e.g. through supporting relevant research infrastructure, the preparation of proposals, or networking activities of relevant actors. After all, JTIs bear huge potential for strengthening regional clusters.

Awaiting the Delegated Act on Clean Sky 2

The Rapporteur has taken note of the draft delegated act on Clean Sky 2 that proposes a deviation from the minimum conditions for participation in calls, as they are foreseen in the Rules for Participation of Horizon 2020. Here, the delegated act proposes to allow the participation of only one legal entity (instead of a minimum of three) in the indirect actions of Clean Sky 2. Taking into account the specific nature of the aeronautics research sector which is strongly shaped by its linear supply structures, the Rapporteur believes a "mono-beneficiary clause" justified. He therefore approves of the draft Delegated Act.

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	23.1.2014
Result of final vote	+: 34 -: 4 0: 6
Members present for the final vote	Bendt Bendtsen, Jan Březina, Maria Da Graça Carvalho, Giles Chichester, Jürgen Creutzmann, Christian Ehler, Vicky Ford, Gaston Franco, Norbert Glante, Robert Goebbels, Fiona Hall, Edit Herczog, Kent Johansson, Krišjānis Kariņš, Bogdan Kazimierz Marcinkiewicz, Angelika Niebler, Jaroslav Paška, Aldo Patriciello, Vittorio Prodi, Miloslav Ransdorf, Herbert Reul, Michèle Rivasi, Jens Rohde, Paul Rübig, Salvador Sedó i Alabart, Francisco Sosa Wagner, Konrad Szymański, Patrizia Toia, Evžen Tošenovský, Claude Turmes, Vladimír Urutchev, Alejo Vidal-Quadras, Zbigniew Zaleski
Substitute(s) present for the final vote	Maria Badia i Cutchet, Yves Cochet, Věra Flasarová, Elisabetta Gardini, Françoise Grossetête, Roger Helmer, Jolanta Emilia Hibner, Ivailo Kalfin, Vladko Todorov Panayotov, Lambert van Nistelrooij
Substitute(s) under Rule 187(2) present for the final vote	Jean-Paul Basset