



---

**TEXTS ADOPTED**

*Provisional edition*

---

**P8\_TA-PROV(2016)0199**

**Discharge 2014: SESAR Joint Undertaking**

**1. European Parliament decision of 28 April 2016 on discharge in respect of the implementation of the budget of the SESAR Joint Undertaking for the financial year 2014 (2015/2197(DEC))**

*The European Parliament,*

- having regard to the final annual accounts of the SESAR Joint Undertaking for the financial year 2014,
- having regard to the Court of Auditors' report on the annual accounts of the SESAR Joint Undertaking for the financial year 2014, together with the Joint Undertaking's reply<sup>1</sup>,
- having regard to the statement of assurance<sup>2</sup> as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2014, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council's recommendation of 12 February 2016 on discharge to be given to the Joint Undertaking in respect of the implementation of the budget for the financial year 2014 (05587/2016 – C8-0053/2016),
- having regard to Article 319 of the Treaty on the Functioning of the European Union,
- having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>3</sup>, and in particular Article 208 thereof,
- having regard to Council Regulation (EC) No 219/2007 of 27 February 2007 on the establishment of a Joint Undertaking to develop the new generation European air traffic management system (SESAR)<sup>4</sup>, and in particular Article 4b thereof,

---

<sup>1</sup> OJ C 422, 17.12.2015, p. 70.

<sup>2</sup> OJ C 422, 17.12.2015, p. 72.

<sup>3</sup> OJ L 298, 26.10.2012, p. 1.

<sup>4</sup> OJ L 64, 2.3.2007, p. 1.

- having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities<sup>1</sup>,
  - having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council<sup>2</sup>,
  - having regard to Rule 94 of and Annex V to its Rules of Procedure,
  - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Transport and Tourism (A8-0089/2016),
1. Grants the Executive Director of the SESAR Joint Undertaking discharge in respect of the implementation of the joint undertaking's budget for the financial year 2014;
  2. Sets out its observations in the resolution below;
  3. Instructs its President to forward this decision and the resolution forming an integral part of it to the Executive Director of the SESAR Joint Undertaking, the Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

---

<sup>1</sup> OJ L 357, 31.12.2002, p. 72.  
<sup>2</sup> OJ L 328, 7.12.2013, p. 42.

## **2. European Parliament decision of 28 April 2016 on the closure of the accounts of the SESAR Joint Undertaking for the financial year 2014 (2015/2197(DEC))**

*The European Parliament,*

- having regard to the final annual accounts of the SESAR Joint Undertaking for the financial year 2014,
- having regard to the Court of Auditors' report on the annual accounts of the SESAR Joint Undertaking for the financial year 2014, together with the Joint Undertaking's reply<sup>1</sup>,
- having regard to the statement of assurance<sup>2</sup> as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2014, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council's recommendation of 12 February 2016 on discharge to be given to the Joint Undertaking in respect of the implementation of the budget for the financial year 2014 (05587/2016 – C8-0053/2016),
- having regard to Article 319 of the Treaty on the Functioning of the European Union,
- having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>3</sup>, and in particular Article 208 thereof,
- having regard to Council Regulation (EC) No 219/2007 of 27 February 2007 on the establishment of a Joint Undertaking to develop the new generation European air traffic management system (SESAR)<sup>4</sup>, and in particular Article 4b thereof,
- having regard to Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities<sup>5</sup>,
- having regard to Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council<sup>6</sup>,
- having regard to Rule 94 of and Annex V to its Rules of Procedure,
- having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Transport and Tourism (A8-0089/2016),

---

<sup>1</sup> OJ C 422, 17.12.2015, p. 70.

<sup>2</sup> OJ C 422, 17.12.2015, p. 72.

<sup>3</sup> OJ L 298, 26.10.2012, p. 1.

<sup>4</sup> OJ L 64, 2.3.2007, p. 1.

<sup>5</sup> OJ L 357, 31.12.2002, p. 72.

<sup>6</sup> OJ L 328, 7.12.2013, p. 42.

1. Approves the closure of the accounts of the SESAR Joint Undertaking for the financial year 2014;
2. Instructs its President to forward this decision to the Executive Director of the SESAR Joint Undertaking, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

**3. European Parliament resolution of 28 April 2016 with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the SESAR Joint Undertaking for the financial year 2014 (2015/2197(DEC))**

*The European Parliament,*

- having regard to its decision on discharge in respect of the implementation of the budget of the SESAR Joint Undertaking for the financial year 2014,
  - having regard to Rule 94 of and Annex V to its Rules of Procedure,
  - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Transport and Tourism (A8-0089/2016),
- A. whereas the SESAR Joint Undertaking ("the Joint Undertaking") was set up in February 2007 to run the Single European Sky Air Traffic Management Research (SESAR) programme that aims to modernise traffic management in Europe,
- B. whereas the SESAR 2 Joint Undertaking replaced the SESAR Joint Undertaking in June 2014 according to the adoption of Council Regulation (EU) No 721/2014 and extended the lifetime of the Joint Undertaking for the period up to 31 December 2024,
- C. whereas the SESAR projects divided into a "definition phase" (2004-2007) held by Eurocontrol, a first "development phase" (2008-2016), funded by the 2008-2013 programming period managed by the Joint Undertaking and a "deployment phase" (2014-2020) running in parallel to the "development phase"; whereas the deployment phase is expected to be led by industry and stakeholders for the large-scale production and implementation of the new air traffic management infrastructure,
- D. whereas the Joint Undertaking started to work autonomously in 2007,
- E. whereas the Joint Undertaking was designed as a public-private partnership with the Union and Eurocontrol as founding members,
- F. whereas the budget for 2008-2016 developed phase of the SESAR project is EUR 2 100 000 000 and is to be provided in equal parts by the Union, Eurocontrol and the participating public and private partners,

***General***

1. Notes that the Court of Auditors' report is based on too many general remarks to the detriment of viable, specific ones; therefore calls for an audit with a sharper focus on the annual financial performance, on the implementation status of multiannual projects (including a clear presentation of the implementation of the budget for the respective year and for previous years) and on the results and their implementation;
2. Notes that the Institutions and Bodies are required to produce each year a Report on Budgetary and Financial Management and that the information provided by the Joint Undertaking in this report lacked harmonisation and was often incomplete; guidance is required from the Commission as to the nature and content of the report;

3. Takes note that the 2016 Court of Auditors working programme includes a special report on performance audit of Joint Undertakings;

### ***Budget and financial management***

4. Notes from the Final Annual Accounts report that the Joint Undertaking's final budget for the financial year 2014 included commitment appropriations of EUR 13 119 600 and payment appropriations of EUR 121 942 760<sup>1</sup>;
5. Notes that the utilisation rate for commitment appropriations was 99,4 % (99,6 % in 2013); notes furthermore that the utilisation rate for payment appropriations was 79,8 % (94,4 % in 2013)<sup>2</sup>;
6. Notes the deferral, from late 2014 to early 2015, of three payments out of 15 of the annual member costs claims; calls on the Joint Undertaking and its members to present cost claims in due time and to avoid deferrals, and to ensure that the financial management of its financial resources is at all times sound;
7. Notes that the Financial Rules of the Joint Undertaking for the 2014-2020 programming period were adopted on 25 June 2015 by the Administrative Board<sup>3</sup>, pursuant to a Commission Implementing Decision adopted on 4 June 2015 authorising derogations in respect of the Financial Rules for the Joint Undertaking from Commission delegated Regulation (EU) No 1271/2013;
8. Points out that, by 31 December 2014, the Joint Undertaking development phase included project work by 16 members (including Eurocontrol) on programme activities involving more than 100 private and public entities and subcontractors; welcomes the fact, that of the 369 SESAR programme projects falling under the fourth amendment to the Multilateral Framework Agreement (MFA), 348 (94 %) were being implemented or had been completed<sup>4</sup>;
9. Takes into consideration that 100 % (EUR 556 million) of the Union and Eurocontrol co-financing contributions payable to the other 15 members (since 1st January 2014) under the fourth amendment to the MFA have been committed; notes furthermore that 66 % (EUR 369 million) were paid out by 31 December 2014, while the remaining 34 % (EUR 187 million) are expected to be paid by 31 December 2017<sup>5</sup>;
10. Notes the lack of information regarding the ex-post audits performed by SESAR and SESAR2; calls on the Court of Auditors to include, in the future reports, information regarding the number of ex-post audits, the total amounts covered and the findings;
11. Notes that the execution of the budget allocated to the Seventh Framework Programme (FP7) is 99,44 % for commitments (EUR 13 046 425 out of EUR 13 119 600) and 79,82 % for payments (EUR 97 328 996 out of EUR 121 942 760)<sup>6</sup>; notes furthermore that figures were not available for commitment and payment appropriations allocated to Horizon 2020; considers that, in the absence of a clear separation between FP7 and

---

<sup>1</sup> ECA's report for financial year 2014, Annex I, p. 2.

<sup>2</sup> ECA's report for financial year 2014, p. 7.

<sup>3</sup> ECA's report for financial year 2014, p. 8.

<sup>4</sup> ECA's report for financial year 2014, p. 7.

<sup>5</sup> ECA's report for financial year 2014, p. 7.

<sup>6</sup> SESAR Final accounts, p. 36.

Horizon 2020 related implementation information, those indicators (appropriations and commitments) do not ensure a real evaluation of performance; calls on the Joint Undertaking to provide the discharge authority with such information concerning the financial year 2014 and to include separately in the future years' reports information regarding the execution of the budget for FP7 and Horizon 2020;

12. Notes that the Joint Undertaking's programmes funded under FP7 are still ongoing; takes note that those appropriations remain available till 2016 because of the Joint Undertaking's financial rules which allow it to re-enter its commitment and payment appropriations up to three years after they have been cancelled from the Joint Undertaking's budget; encourages the Joint Undertaking to conduct its budget planning carefully, taking into due account the parallel process;
13. Regrets the limited amount of information regarding in-kind/cash contributions; calls on the Court of Auditors to include, in the reports to come, provisions regarding the evaluation procedure and the level of in-kind/cash paid contributions for FP7 and Horizon 2020, which should be presented separately;

### ***Calls for proposals***

14. Welcomes the fact that one of the major achievements in 2014 was the launch of a new project dealing with General Aviation and Rotocraft operations<sup>1</sup>;
15. Points out that, in June 2014, SESAR2 took over the activity of SESAR; notes that there is not enough clear information regarding the implementation status of SESAR's projects (level of payments, payments plans for the next years);

### ***Internal audit function and the Commission's Internal Audit Service***

16. Takes note that the Joint Undertaking Internal Audit Capability carried out audits of human resources /recruitment and on the validation of Accrual Based Accounting Workflow authorisation and performed other assurance and consultancy services<sup>2</sup>;
17. Takes note that the Internal Audit Service carried out an audit of risk management followed by a risk assessment; three recommendations (of which none was rated as 'Critical', but of which two were rated as 'Very Important' and one was rated as 'Important') were made as a result of the audit and were accepted; an action plan is currently being implemented<sup>3</sup>;
18. Welcomes the signature of a memorandum of cooperation with Clean Sky2 Joint Undertaking, aimed at strengthening links and reinforcing synergies;
19. Regrets that the Joint Undertaking failed to publish a report on the socio-economic impact of its activities; calls on the Joint Undertaking to submit, to the discharge authority, the abovementioned report;

### ***Risk Management***

---

<sup>1</sup> Annual Activity Report, p. 33.

<sup>2</sup> ECA's report for financial year 2014, p. 8.

<sup>3</sup> Annual Activity Report, p. 119.

20. Acknowledges that during 2014, the Joint Undertaking performed two major reviews to re-assess the main programme risks and related mitigation actions; notes that the review resulted in a list of 33 Programme and Joint Undertaking risks, of which nine were considered "top risks" owing to their criticality level; considers that a number of external factors in 2014 led to uncertainty in the future of the programme and to the identification of a higher number of risks than usual (uncertain economic forecasts, a new multiannual financial framework as well as organisational changes in the Joint Undertaking and in the DG of reference, etc.); welcomes the fact that specific remedial actions have been, or are being, implemented by the Joint Undertaking;

***Role of the Joint Undertaking***

21. Highlights the vital role of the Joint Undertaking in coordinating and implementing research into the SESAR project, which is a pillar project of the Single European Sky; notes also that 2014 marks the beginning of the deployment phase of the SESAR project; welcomes, in this regard, the establishment of a SESAR Deployment Manager to report on and to monitor the implementation of new operational solutions and technological improvements developed by SESAR, ensuring its effective deployment;
22. Encourages the Joint Undertaking and the Deployment Manager, in collaborating with Member States, to increase the number and quality of projects proposed under the Connecting Europe Facility (CEF) transport programme; recalls the position of the European Parliament during the budgetary procedure which is in favour of recovering the total amounts that were relocated from CEF to the European Fund for Strategic Investments;