



2017/2162(DEC)

21.2.2018

OPINION

of the Committee on Transport and Tourism

for the Committee on Budgetary Control

on discharge in respect of the implementation of the budget of the European Union Agency for Railways (ERA) for the financial year 2016
(2017/2162(DEC))

Rapporteur: Markus Ferber

PA_NonLeg

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 accounts of the European Union Agency for Railways ('the Agency') for the 2016 financial year are legal and regular in all material aspects;
2. Notes that the Agency's annual budget for 2016 was EUR 27.5 million in commitment and payment appropriations and that the average implementation rates were 99,02 % in commitment (including carry-overs) and 91,57 % in payment appropriations (89,78 % of the appropriations committed in 2016); further notes that 7,52 % carried over to 2017 mainly concern operational expenditures and that 95,4 % of the appropriations carried over from 2015 have been executed;
3. Welcomes the fact that the indicative ceilings used by the Court of Auditors to assess the budget execution at the level of carry-overs (10 % for Title 1 (Staff), 20 % for Title 2 (administrative expenditure) and 30 % for Title 3 (operational expenditure)) have been reached;
4. Regrets that the target of 95 % for the execution of payment within the set deadline of 30 days has not been reached; notes that the reasons for the delays in payment remain the same as in 2015, i.e. delays in processing invoices by the Agency's staff, shortage of cash and disagreement with suppliers on the content of the invoices; asks the Agency to adopt remedial actions in order to reach the 95 % target within a reasonable period;
5. Regrets that corrective actions related to the Court's comments of 2013 regarding the double location of the Agency in Lille and Valenciennes have not yet been implemented; stresses that it is likely that costs would be reduced if all operations were centralised in one location; points out that the reduction of costs might also facilitate a comprehensive seat agreement with the host Member State - which would have the effect of clarifying the conditions under which the Agency and its staff operate - the costs of operations are likely to be higher than necessary;
6. Notes the results of the annual benchmarking exercise focusing on the efficiency of internal resources showing a decrease of the percentage of staff assigned to administrative tasks (from 23 % to 18 %) and an increase in the percentage of staff assigned to operational task (from 65 % to 70 %), while the staff assigned to control and financial tasks was around 12 %; regrets, however, that the evolution of percentage is mainly due to a correction in the assignment of staff into the various categories; points out that such reduction is not in line with the 5 % staff cut communicated by the Commission on the programming of resources for decentralised agencies;
7. Highlights the fact that the technical pillar of the 4th Railway Package (4RP) and the newly adopted Agency Regulation both entered into force on 15 June 2016; underlines that these new Union legal acts provide for a transitional period for the Agency (until 16 June 2019), to enable it to transform its policy preparation and dissemination role thereby

becoming an authority that works directly for the industry as regards authorisations for the safety certifications and rolling stock; welcomes the fact that the Agency anticipates that this transition should deliver huge benefits in terms of reduced costs and lead times for these processes;

8. Highlights the Agency's strategic role in improving the competitiveness of rail with other modes of transport and helping to develop an efficiently operating single European rail area without borders by reducing administrative and technical barriers, by encouraging market entry and ensuring non-discrimination, by spending public money more efficiently on public rail transport services and by ensuring better governance of the infrastructure; welcomes the focused programme on the cleaning-up of national rules in order to reduce the impact or eliminate the existing barriers between Member States;
9. Highlights the Agency's role in ensuring the safety and interoperability of the European rail system in order to contribute to creating a more competitive European railway sector and improving the quality of the rail transport services; supports the Commission's vision of a European railway system that leads the world on safety performance;
10. Welcomes the Agency's role in the follow-up of the development, testing and implementation of European Railway Traffic Management System (ERTMS), as well as in evaluating the specific ERTMS projects; welcomes the start of negotiations between the EU and Switzerland within the framework of the Agreement on the Carriage of Goods and Passengers by Rail and Road with a view to Switzerland's participation in the European Union Agency for railways; stresses that, as the Agency receives greater responsibilities, it will need to be given the necessary financial, material and human resources to perform its new and additional tasks effectively and efficiently; draws attention to the study commissioned recently by the Committee on Budgets on the financing arrangements for European agencies, and to the fact that possibilities should be developed to allow for a greater self-financing of the Agency; notes, with concern, the contradiction between the recently approved legislation extending the scope of the Agency's mission and the budgetary cuts related to the Agency to be implemented within the scope of the multi-annual financial framework 2014-2020;
11. Recalls the European Parliament's position in budgetary procedure for recovering total amounts relocated from the Connecting Europe Facility to the European Fund for Strategic Investments; stresses that funding for the completion of the single European rail area should be safeguarded also with a view to modernising and expanding rail infrastructures in the outlying regions of the Union; stresses further that the deployment of the European Rail Traffic Management System (ERTMS) should be brought forward in order to further implement common technical standards and maximise the benefits in terms of interoperability;
12. Notes that, in 2016, the Agency continued the implementation of the action plan defined in the Agency Antifraud Strategy, by organising tailor made training sessions on fraud prevention; welcomes the fact that a comprehensive revision of the Agency's rules on Conflict of Interest (Col) was carried out in 2017; further notes that, within the framework of the policy on conflict of interest for the Administrative Board (AB), the Agency published the CVs and the declaration of interest of AB Members; notes, however, that some CVs and declarations of interest are missing; requests that CVs and

declarations of interests are published without delay after the appointment of AB Members;

13. Notes that the Agency has further developed its Integrated Management System (IMS) based on requirements specified in the Internal Control Standards and ISO 9001 series standards with the view to meeting the conditions necessary if the Agency is to successfully take on new activities and gain efficiency; welcomes the analysis carried out by ERA within the IMS framework concerning exceptions and non-compliance with rules and the training actions to be organised in 2017 on procurement and contract management in order to remedy to these events;
14. Notes that the assessment of the effectiveness of the IMS pointed out some areas where improvements can be made regarding compliance and effectiveness, in particular with regard to ethical and organisational values, business continuity, stakeholder relations management, and human resource management, and in particular that it identified the gap between the competencies available in-house and the competencies required; expects the Agency to ensure complete implementation of the ERA Management Standards by 2017, as foreseen;
15. Notes that the 2016 risk assessment exercise highlighted new risks, as compared to 2015, related to the late and inconsistent transposition of the 4RP legislation, to the obsolescence of ERTMS change management tools, to railway noise reduction, to delays in the reduction of national rules and to data management;
16. Proposes that Parliament grants discharge to the Executive Director of the Agency in respect of the implementation of the Agency's budget for the financial year 2016.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	20.2.2018
Result of final vote	+: 38 -: 3 0: 1
Members present for the final vote	Daniela Aiuto, Lucy Anderson, Marie-Christine Arnautu, Georges Bach, Izaskun Bilbao Barandica, Deirdre Clune, Michael Cramer, Luis de Grandes Pascual, Andor Deli, Isabella De Monte, Ismail Ertug, Jacqueline Foster, Dieter-Lebrecht Koch, Miltiadis Kyrkos, Bogusław Liberadzki, Marian-Jean Marinescu, Renaud Muselier, Markus Pieper, Tomasz Piotr Porba, Gabriele Preuß, Christine Revault d'Allonnes Bonnefoy, Dominique Riquet, Massimiliano Salini, Claudia Schmidt, Jill Seymour, Keith Taylor, Pavel Telička, István Ujhelyi, Wim van de Camp, Marie-Pierre Vieu, Janusz Zemke, Roberts Zile, Elbieta Katarzyna Łukacijewska
Substitutes present for the final vote	Jakop Dalunde, Michael Detjen, Markus Ferber, Maria Grapini, Rolandas Paksas, Jozo Radoš, Evžen Tošenovský, Henna Virkkunen
Substitutes under Rule 200(2) present for the final vote	Olle Ludvigsson

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

38	+
ALDE	Izaskun Bilbao Barandica, Jozo Radoš, Dominique Riquet, Pavel Telička
ECR	Tomasz Piotr Poręba, Evžen Tošenovský, Roberts Zile
EFDD	Daniela Aiuto, Rolandas Paksas
PPE	Georges Bach, Deirdre Clune, Andor Deli, Markus Ferber, Dieter-Lebrecht Koch, Elbieta Katarzyna Łukacijewska, Marian-Jean Marinescu, Renaud Muselier, Markus Pieper, Massimiliano Salini, Claudia Schmidt, Henna Virkkunen, Luis de Grandes Pascual, Wim van de Camp
S&D	Lucy Anderson, Isabella De Monte, Michael Detjen, Ismail Ertug, Maria Grapini, Miltiadis Kyrkos, Bogusław Liberadzki, Olle Ludvigsson, Gabriele Preuß, Christine Revault d'Allonnes Bonnefoy, István Ujhelyi, Janusz Zemke
Verts/ALE	Michael Cramer, Jakop Dalunde, Keith Taylor

3	-
ECR	Jacqueline Foster
EFDD	Jill Seymour
ENF	Marie-Christine Arnautu

1	0
GUE/NGL	Marie-Pierre Vieu

Key to symbols:

+ : in favour

- : against

0 : abstention