



Plenary sitting

A9-0070/2022

28.3.2022

REPORT

on discharge in respect of the implementation of the budget of the Clean Sky 2 Joint Undertaking (now the Clean Aviation Joint Undertaking) for the financial year 2020
(2021/2149(DEC))

Committee on Budgetary Control

Rapporteur: Joachim Stanisław Brudziński

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1. PROPOSAL FOR A EUROPEAN PARLIAMENT DECISION

on discharge in respect of the implementation of the budget of the Clean Sky 2 Joint Undertaking (now the Clean Aviation Joint Undertaking) for the financial year 2020 (2021/2149(DEC))

The European Parliament,

- having regard to the final annual accounts of the Clean Sky 2 Joint Undertaking for the financial year 2020,
- having regard to the Court of Auditors' annual report on the EU Joint Undertakings for the financial year 2020, together with the Joint Undertakings' replies¹,
- having regard to the statement of assurance² 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Joint Undertaking in respect of the implementation of the budget for the financial year 2020 (06005/2022 – C9-0105/2022),
- having regard to Article 319 of the Treaty on the Functioning of the European Union,
- having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012³, and in particular Article 71 thereof,
- having regard to Council Regulation (EU) No 558/2014 of 6 May 2014 establishing the Clean Sky 2 Joint Undertaking⁴,
- having regard to Council Regulation (EU) 2021/2085 of 19 November 2021 establishing the Joint Undertakings under Horizon Europe⁵ and repealing Regulations (EU) No 558/2014, and in particular Article 26 thereof,
- having regard to Commission Delegated Regulation (EU) No 110/2014 of 30 September 2013 on the model financial regulation for public-private partnership bodies referred to in Article 209 of Regulation (EU, Euratom) No 966/2012 of the European Parliament

¹ OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: <https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697>.

² OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: <https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697>.

³ OJ L 193, 30.7.2018, p. 1.

⁴ OJ L 169, 7.6.2014, p. 77.

⁵ OJ L 427, 30.11.2021, p. 17.

and of the Council⁶,

- having regard to Commission Delegated Regulation (EU) 2019/887 of 13 March 2019 on the model financial regulation for public-private partnership bodies referred to in Article 71 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council⁷,
 - having regard to Rule 100 of and Annex V to its Rules of Procedure,
 - having regard to the opinion of the Committee on Transport and Tourism,
 - having regard to the report of the Committee on Budgetary Control (A9-0070/2022),
1. Grants the Executive Director of the Clean Aviation Joint Undertaking discharge in respect of the implementation of the Joint Undertaking's budget for the financial year 2020;
 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 Clean Aviation 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).

⁶ OJ L 38, 7.2.2014, p. 2.

⁷ OJ L 142, 29.5.2019, p. 16.

2. PROPOSAL FOR A EUROPEAN PARLIAMENT DECISION

**on the closure of the accounts of the Clean Sky 2 Joint Undertaking (now the Clean Aviation Joint Undertaking) for the financial year 2020
(2021/2149(DEC))**

The European Parliament,

- having regard to the final annual accounts of the Clean Sky 2 Joint Undertaking for the financial year 2020,
- having regard to the Court of Auditors' annual report on the EU Joint Undertakings for the financial year 2020, together with the Joint Undertakings' replies¹,
- having regard to the statement of assurance² 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Joint Undertaking in respect of the implementation of the budget for the financial year 2020 (06005/2022 – C9-0105/2022),
- having regard to Article 319 of the Treaty on the Functioning of the European Union,
- having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012³, and in particular Article 71 thereof,
- having regard to Council Regulation (EU) No 558/2014 of 6 May 2014 establishing the Clean Sky 2 Joint Undertaking⁴,
- having regard to Council Regulation (EU) 2021/2085 of 19 November 2021 establishing the Joint Undertakings under Horizon Europe⁵ and repealing Regulations (EU) No 558/2014, and in particular Article 26 thereof,
- having regard to Commission Delegated Regulation (EU) No 110/2014 of 30 September 2013 on the model financial regulation for public-private partnership bodies referred to in Article 209 of Regulation (EU, Euratom) No 966/2012 of the European Parliament

¹ OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: <https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697>.

² OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: <https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697>.

³ OJ L 193, 30.7.2018, p. 1.

⁴ OJ L 169, 7.6.2014, p. 77.

⁵ OJ L 427, 30.11.2021, p. 17.

and of the Council⁶,

- having regard to Commission Delegated Regulation (EU) 2019/887 of 13 March 2019 on the model financial regulation for public-private partnership bodies referred to in Article 71 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council⁷,
 - having regard to Rule 100 of and Annex V to its Rules of Procedure,
 - having regard to the opinion of the Committee on Transport and Tourism,
 - having regard to the report of the Committee on Budgetary Control (A9-0070/2022),
1. Approves the closure of the accounts of the Clean Sky 2 Joint Undertaking for the financial year 2020;
 2. Instructs its President to forward this decision to the Executive Director of the Clean Aviation 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).

⁶ OJ L 38, 7.2.2014, p. 2.

⁷ OJ L 142, 29.5.2019, p. 16.

3. MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget for the Clean Sky 2 Joint Undertaking (now the Clean Aviation Joint Undertaking) for the financial year 2020 (2021/2149(DEC))

The European Parliament,

- having regard to its decision on discharge in respect of the implementation of the budget of the Clean Sky 2 Joint Undertaking for the financial year 2020,
 - having regard to Rule 100 of and Annex V to its Rules of Procedure,
 - having regard to the opinion of the Committee on Transport and Tourism,
 - having regard to the report of the Committee on Budgetary Control (A9-0070/2022),
- A. whereas the Clean Sky Joint Undertaking was set up in December 2007 by Council Regulation 71/2007 (entered into force on 7 February 2008) for a period up to 31 December 2017; whereas the Joint Undertaking started working autonomously in November 2009;
- B. whereas the Clean Sky 2 Joint Undertaking (the ‘Joint Undertaking’) established by Regulation No 558/2014¹ replaced, with effect from 27 June 2014, the Clean Sky Joint Undertaking under Horizon 2020, extending its lifetime for the period up to 31 December 2024;
- C. whereas the main objectives of the Joint Undertaking are to contribute to improving significantly the environmental impact of aeronautical technologies and to developing a strong and globally competitive aeronautical industry and supply chain in Europe;
- D. whereas the founding members of the Joint Undertaking are the Union, represented by the Commission, and the private members, namely the Leaders and the Associates as listed in Annex II of Council Regulation No 558/2014 and the Core Partners selected through an open, non-discriminatory and competitive call subject to an independent evaluation, in accordance with Article 4(2);
- E. whereas the maximum contribution from the Union to the Joint Undertaking second phase of activities is EUR 1 755 000 000 (including EFTA appropriations) to be paid from the budget of Horizon 2020; whereas the total contribution from private members shall be of at least EUR 2 193 750 000, comprising in-cash contributions to administrative costs and in-kind contributions to operational costs as well as the minimum of in-kind contribution to Additional Activities of EUR 965 250 000 for the period defined in the Regulation;

¹ Council Regulation (EU) No 558/2014 of 6 May 2014 establishing the Clean Sky 2 Joint Undertaking (OJ L 169, 7.6.2014, p. 77).

Budgetary and financial management

1. Notes from the report of the Court of Auditors (the ‘Court’s report’) that the annual accounts of the Joint Undertaking for the financial year ended 31 December 2020 present fairly, in all material respects, the financial position of the Joint Undertaking at 31 December 2020, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its Financial Regulation and with the accounting rules adopted by the Commission’s accounting officer; notes that the underlying transactions to the accounts are legal and regular in all material respects;
2. Notes that the Joint Undertaking’s final available budget for 2020 (including re-entered unused appropriations of previous years, assigned revenues, and reallocations to the next year) comprised commitment appropriations of EUR 346 723 559 and payment appropriations of EUR 356 604 910; notes that utilisation rate was 71,66 % for commitment appropriations and 78,41 % for payment appropriations;
3. Notes that the Seventh Framework Programme for Research and Technological Development (FP7) was formally closed in 2017 and that in 2020 the Joint Undertaking implemented a few remaining FP7 *ex-post* audits; notes, moreover, that in 2020, there was no change in members’ contributions to the FP7 programme;
4. Notes that by the end of 2020, out of the maximum amount of EUR 1 755 000 000 of Union contribution from Horizon 2020 as per Regulation No 558/2014, the Union contributed a total of EUR 1 451 082 877 to the Horizon 2020 operational activities and running costs; notes that, as at the end of 2020, the total in-kind contribution from private members to operational activities was EUR 581 335 882, while the total in-kind contribution from private members to additional activities was EUR 1 144 170 000 (which includes EUR 838 120 000 fully certified by the members’ external auditors and validated by the Governing Board for the period 2014-2019);
5. Notes from the Court’s report the 2020 payment budget available for Horizon 2020 projects; notes, further, that the COVID-19 pandemic resulted in a slowdown of the grant agreements for partners, and in addition, an under-execution of the 2018-2019 grant agreements for members; notes, moreover, that this led to significant recoveries of overpaid pre-financing that increased the operational payment appropriations (internal assigned revenue funds) to EUR 22 572 214 in 2020; notes, in addition, that this situation adversely affected the implementation rate of the operational payment budget, which was 82,6 % at the end of 2020 (compared to 2019: 97,2 %); notes, furthermore, from the Court’s report that, contrary to its financial rules, the Joint Undertaking did not fully use the previous years’ appropriation of approximately EUR 13 300 000, which was re-entered into the operational budget 2020, before using the payment appropriations of the year; notes the Joint Undertaking’s reply that, at the beginning of the year 2020, it had only payment credits with C1 fund sources and that, with the first budget amendment of the year, unused appropriations were reactivated as C2 funds in May 2020; notes however, the explanation that the Commission grant management tool did not prioritise the use of C2 funds without manual intervention for each payment, and that therefore the C1 appropriations were consumed first; notes, furthermore, from the Joint Undertaking’s reply, that it had planned to use the C2 funds for the payments of additional pre-financings to Grant Agreement for Members 2020-2021 in the last months of 2020 and that, however, some of those payments had to be postponed until

the beginning of 2021; notes, moreover, that the Joint Undertaking will put in place additional monitoring measures to ensure that the reactivated funds are consumed first; calls on the Joint Undertaking to report to the discharge authority any development in that regard;

6. Notes from the Court' report that the Joint Undertaking more than doubled the payment budget of its infrastructure and communication expenditure (representing around 1,5 % of the Joint Undertaking's total available payment budget) for the financial year 2020 and that this doubling of the payment budget, together with the impact of the COVID-19 pandemic on planned costs for IT, communication, event and other external services, resulted in the low implementation rate of 42,7 % at the end of 2020 (compared to 2019: 98,7 %);
7. Notes that the ECA Annual Report on Joint Undertakings for 2020 did not have all data for the validated in-kind contributions. Asks the Joint Undertaking to shorten delays for reporting in-kind contributions;
8. Notes that there are different procedures across the Joint Undertakings regarding the calculation for the in-kind contributions and calls for their harmonisation;

Performance

9. Notes that the eleventh call for proposals (CfP11) was launched in January 2020 comprising 35 topics, four of which were thematic topics, and that they involved 128 participations from 17 different countries; notes, furthermore, that 188 eligible proposals were submitted and 36 were retained of which 25 proposals for thematic topics; notes, moreover, that the call for proposals was successfully processed entirely remotely; notes that the Joint Undertaking's global portfolio over its lifetime comprises eleven calls for proposals engaging more than 726 partners from 28 different countries with a strong small and medium enterprises' involvement in terms of participation and grants awarded, and a total of 610 projects; notes, moreover, that the Joint Undertaking completed the implementation of the tenth call for proposals (CfP10) in April 2020; notes the evaluation of the last call of the Programme was completed in 2020, namely the CFP11, and that the Joint Undertaking reported that it was continuing its efforts to improve the gender balance of the group of experts; regrets that, despite those efforts, the percentage of female experts was just 20 %;
10. Notes that the net number of Core Partners including their affiliates and linked third parties acceding to the programme on the basis of Calls for Core Partners is over 190 with roughly 50 small and medium enterprises participating, and they are from 22 different countries (18 Member States and four countries associated with Horizon 2020);
11. Notes that the Programme Office conducted an assessment of the impact on its activities of the Covid-19 pandemic, with a view to identifying areas in the strategic planning in need of revision or the implementation of mitigating measures and that, based on that, the scope of work for the vast majority of demonstrators to be achieved remains unchanged, and that however, some delays (4-6 months on average) have been identified for approximately one-third of the demonstrators on the Programme implementation, with an unequal situation observed across the different areas of activity; notes that, where possible, demonstrators received funding support based on

existing funding availability, with a view to reducing the risk of delays and/or potential funding shortfalls in affected areas of the programme; notes, moreover, that the contribution to the Joint Undertaking's High Level Objectives is not affected as the overall programme content is preserved but that delays (which are a direct consequence of the pandemic but also of technical difficulties linked to a certain level of uncertainty inherent in R&I activities) may impact the timely exploitation of results; notes that the Joint Undertaking considers that more than 80 % of its key demonstrators will deliver their objectives by the end of the programme as planned; calls on the Joint Undertaking to report to the discharge authority in that regard;

12. Welcomes the fact that, despite the Covid-19 crisis in 2020, the Undertaking is continuing to implement the action plan on synergies with Member States and regions that are interested in investing ESIF (European Structural and Investment Funds), or regional funds, in the aeronautics area and other related technologies;
13. Notes that the Joint Undertaking has implemented tools to monitor the execution of the Joint Undertaking's programme, namely quarterly reports of the Integrative Technology Demonstrators/Innovative Aircraft Demonstrator Platforms (ITD/IADPs), steering Committees at ITD/IADP level, annual reviews of the ITD/IADPs' performance, and reported regularly to the Governing Board;
14. Notes that the Joint Undertaking uses key performance indicators for monitoring performance and cross-cutting issues under Horizon 2020, and specific KPIs to the Joint Undertaking such as call topics success rate, work plan execution and *ex-post* audit coverage;
15. Notes the major milestones achieved in 2020 in relation to activities carried out in Grant Agreement for Members, such as the good progress of the Large Passenger Aircraft IADP, the very important progress with the detailed design phase completed for all full-scale demonstrators in the Regional Aircraft IADP, the subsystem critical design and the aircraft critical design reviews carried out in NGCTR technology demonstrator and the progress in the RACER compound demonstrator, as well as the progress and achievements in the Airframe ITD, the Engines ITD, the Systems ITD, the Eco-design transverse activity, the Small Air Transport Transverse, and the Technology Evaluator;
16. Notes that, due to operational reasons, three initially planned operational calls for tenders were moved from 2020 to 2021, slightly modifying their scopes and merging two into one single study;
17. Stresses the essential role played by the Undertaking in ensuring net accelerations in green technologies that aim to reduce CO₂ gas emissions and noise levels produced by aircraft, thereby improving the environmental impact of aeronautical technologies and developing a strong and globally competitive aeronautical industry and supply chain in Europe; believes that its successor, Clean Aviation, will play an important role ensuring aviation sector's involvement in the European Green Deal ;

Staff and procurement

18. Notes that, at 31 December 2020, 36 temporary agents and 6 contract agents' positions were filled out as per establishment plan, and, in addition, 1 seconded national expert out of the two under the establishment plan;

19. Notes that the Joint Undertaking in 2020 launched the recruitment process for 3 positions; notes that in addition to the statutory posts, the Joint Undertaking relies on external service providers, such as the webmaster, the IT services firm shared with the other Joint Undertakings, nine interims and one consultant in communications; notes that the Joint Undertaking also further implemented the use of Sysper2;
20. Notes with concern, from the Court's report, that although the Joint Undertaking's statutory staff remained static at 42 from 2017 to 2020, during the same period, the Joint Undertaking significantly increased its use of interim staff from three to ten full-time equivalents, that is, from 8 % to 24 % of the Joint Undertaking's statutory staff, that the tasks performed by the interim staff are however, not of a one-off or temporary nature, arising from an exceptional increase in workload or the performance of a one-off activity, but rather are permanent in nature (e.g. legal service assistant, secretarial support, communication assistant, and project officer assistant); notes that the Joint Undertaking's practice creates de-facto permanent posts, in excess of those provided for in the establishment plan, which can lead to a high staff turnover and uncertainty among contractual staff and ultimately can negatively affect the Joint Undertaking's overall performance;
21. Notes the Joint Undertaking's reply that it has been obliged to constantly enlarge the use of interim staff during the past years due to the limitations of the rigid staff establishment plan due to increasing tasks and workload, and regrets that this trend is expected to continue with the two programmes – the Clean Sky 2 and the new Clean Aviation programme running in parallel; welcomes, moreover, that the Joint Undertaking has put in place mitigation measures (such as appropriate supervision mechanisms, limiting tasks for interims to non-core tasks and ensuring appropriate training and mentoring support); notes, however, that this situation is not optimal on a medium and long-term perspective and that the Joint Undertaking considers that the solution would be to provide more flexibility with regard to the number of contract agents posts in the staff establishment plan; urges the Joint Undertaking to identify key areas of operations where the human resources should be concentrated in order to optimise their contribution to the workflow and calls for the Joint Undertaking to receive more staff;
22. Notes that after the Covid-19 pandemic was declared, rapid action was taken to ensure that all staff were equipped with the ICT materials needed for extended teleworking;
23. Notes with concern the challenges associated with the COVID-19 pandemic for employees, especially taking into account the different living situations, the lack of access to office space and the possible effects of isolation; asks the Joint Undertaking to focus on employee wellbeing, stress management and work life balance; Asks management to ensure that appropriate support structures are in place to ensure the psychological wellbeing of staff;
24. Welcomes the fact that the Joint Undertaking used the eProcurement solution for its open procurement procedures in 2020;

Internal Control

25. Notes that in January 2020, the revised Financial Rules, following the adoption of Regulation 2018/1046 and the model Financial Regulation for public-private

partnership bodies (Commission Delegated Regulation (EU) 2019/887), were adopted;

26. Notes from the Court's report that the Joint Undertaking has set up reliable *ex-ante* control procedures based on financial and operational desk reviews, that it implemented the Commission's internal control framework (ICF), which is based on 17 internal control principles, in 2020, and that for the annual self-assessment and monitoring of the effectiveness of the control activities required by the ICF it developed relevant indicators for all internal control principles and related characteristics; notes that the Joint Undertaking's risk management process has been streamlined as one of the main pillars of the internal control system;
27. Notes from the Court's report for Horizon 2020 payments, that the Commission's Common Audit Service (CAS) is responsible for the *ex-post* audits and that based on the *ex-post* audit results available at the end of 2020, the Joint Undertaking reported a representative error rate of 1,60 % and a residual error rate of 0,91 % for Horizon 2020 projects; notes from the Commission's proposal for a Horizon 2020 regulation that the ultimate aim for the residual level of error at the closure of the programmes after the financial impact of all audits, correction and recovery measures will have been taken into account, is to achieve a level as close as possible to 2 %;
28. Notes that the Court audited randomly sampled Horizon 2020 payments made in 2020 at the level of the final beneficiaries to corroborate the *ex-post* audit error rates as part of the operational payment controls and that these detailed audits revealed in one case, an error above 1 % of audited costs, related to declared personnel costs, where the beneficiary did not fully respect the ceiling for hours worked on the project, in respect of staff exclusively working on the project without time recording;
29. Emphasises that, in the Court of Auditors' annual report on the EU Joint Undertakings for the financial year 2020, the Court found persistent systemic errors in the personnel costs declared by beneficiaries, in particular on the part of SMEs and new beneficiaries; notes that such errors were also regularly reported in the *ex-post* audits of the CAS and its contracted auditors; highlights that, on page 39 of that report, the Court states that the streamlining of Horizon 2020 rules for the declaration of personnel costs and the wider use of simplified cost options is a precondition for future research framework programmes, in order to stabilise error rates to below materiality level; encourages the Joint Undertaking to strengthen its internal control systems given that SMEs and new beneficiaries are more error-prone;
30. Welcomes the corrective action taken by the Undertaking to address the systemic errors related to declared personnel costs observed by the European Court of Auditors in the previous year;
31. Notes that the Joint Undertaking's programme is covered by the Common Antifraud Strategy for the research family (CAFS); notes that in 2020, the Joint Undertaking established its specific Clean Sky 2 Antifraud Strategy and that an action plan has been developed to further strengthen the controls to prevent and detect fraud; notes that an awareness training session for the Joint Undertaking's staff took place in November 2020; notes, moreover, that in 2020, the Joint Undertaking followed up on two on-going alleged fraud cases, which were notified to OLAF in 2018, and in respect of which OLAF opened investigations; notes, from the follow-up report to the 2019 discharge,

that in September 2021, the Joint Undertaking received the final reports of OLAF for two investigations on Clean Sky and Clean Sky 2 projects and that, in both cases, OLAF confirmed the suspicions of fraud and issued recommendations to recover the irregularly obtained funding from the defrauding entities and to register the entities and persons involved in the Early Detection and Exclusion System of the Commission; calls on the Joint Undertaking to report to the discharge authority developments in that regard;

Internal Audit

32. Notes that, in 2020, the Internal Audit Service (IAS) finalised an audit, planned in the Strategic Audit Plan 2019-2021, of the implementation phase of grants under the Horizon 2020 programme and that recommendations were issued in regard to the Joint Undertaking's fraud risk assessment and the anti-fraud controls, a risk-based approach for the *ex-ante* evaluation of grant payments and reports, and the monitoring of project dissemination, exploitation and communications; notes that in June 2021 the IAS performed a follow-up audit and considered the three recommendations closed;
33. Notes that in February 2021, the Joint Undertaking received the annual report of the IAS for 2020, which highlighted two recommendations stemming from a previous audit on performance management and one recommendation concerning the Joint Undertaking's grant management as significantly delayed; calls on the Joint Undertaking to report to the discharge authority developments in that regard.
34. Notes that the Internal Audit Officer (IAO) confirmed to the Governing Board its organisational independence, as defined in IIA standards, although it highlighted a potential lack of objectivity for some specific activities and processes of the Undertaking, for which the IAO took over direct operational responsibility; notes however that those processes of the Undertaking were fully covered by other auditors through assurance audits or through risk assessment² ;

² Clean Sky 2 Consolidated Annual activity Report 2020, p. 104-105.

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 Clean Sky 2 Joint Undertaking for the financial year 2020
(2021/2149(DEC))

Rapporteur for opinion: Gheorghe Falcă

SUGGESTIONS

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

1. Welcomes the finding of the Court of Auditors that the transactions underlying the accounts of the Clean Sky 2 Joint Undertaking ('the Undertaking') for the financial year 2020 are legal and regular in all material respects;
2. Notes that the Undertaking's final budget for 2019 was EUR 323.9 million in commitment appropriations and EUR 333.8 million in payment appropriations;
3. Welcomes the fact that the Undertaking attained a rate of implementation of 97.4 % for the commitment appropriations and 88.1 % for the payment appropriations;
4. Notes that, as of the cut-off date of the provisional accounts 2020, the private members of the Undertaking have reported cumulative in-kind contributions for operational activities (IKOP) to the value of EUR 717.65 million, and that the Undertaking has validated certified contributions to the value of EUR 581.34 million; notes similarly that the private members have reported cumulative in-kind contributions for additional activities (IKAA), to the value of EUR 1.144 billion, of which EUR 838.13 million were validated by the Undertaking;
5. Notes that the Undertaking now has 16 Leaders and over 190 Core partners (including roughly 50 SMEs), and that, since the beginning of the programme, eleven calls for proposals have been launched and evaluated, leading to the selection of more than 726 partners from 28 countries with a strong SME involvement in terms of participation and grants awarded (43 % of SMEs representing 26 % of funding, i.e. EUR 140 million);
6. Stresses the essential role played by the Undertaking in ensuring net accelerations in green technologies that aim to reduce CO₂ gas emissions and noise levels produced by aircraft, thereby improving the environmental impact of aeronautical technologies and developing a strong and globally competitive aeronautical industry and supply chain in Europe; believes that its successor, Clean Aviation, will play an important role ensuring the aviation sector's involvement in the European Green Deal ;

7. Welcomes the fact that the Undertaking participates in a total of 1887 funded projects including 29 % SMEs (555 participations), 22 % IND (411 participations), 24 % UNI (459 participations) and 25 % RES (461 participations);
8. Notes that the Internal Audit Officer (IAO) confirmed to the Governing Board its organisational independence, as defined in IIA standards, although it highlighted a potential lack of objectivity for some specific activities and processes of the Undertaking, for which the IAO took over direct operational responsibility; notes however that those processes of the Undertaking were fully covered by other auditors through assurance audits or through risk assessment¹ ;
9. Welcomes the fact that the Undertaking established its specific Clean Sky 2 Antifraud Strategy and action plan in 2020; takes note that two alleged fraud cases, which had been notified to OLAF in 2018, and in respect of which OLAF opened investigations, are still on-going; notes with satisfaction that no new cases were reported to OLAF by Clean Sky 2 during 2020;
10. Welcomes the Undertaking's implementation of the Commission's internal control framework (ICF) based on 17 internal control principles in 2020;
11. Welcomes the corrective action taken by the Undertaking to address the systemic errors related to declared personnel costs observed by the European Court of Auditors in the previous year;
12. Welcomes the fact that, despite the Covid-crisis, more than 80 % of Clean Sky's key demonstrators will achieve their objectives by the end of the programme as planned; notes however that delays of between four and six months are expected for one third of the demonstrators;
13. Stresses that successful Public Private Partnerships depend on sound and effective financial management;
14. Welcomes the fact that, despite the Covid-19 crisis in 2020, the Undertaking is continuing to implement the action plan on synergies with Member States and regions that are interested in investing ESIF (European Structural and Investment Funds), or regional funds, in the aeronautics area and other related technologies;
15. Recalls that the Undertaking opens new opportunities for small and medium-sized companies which become new potential supply chains for established industry players; it also represents new research possibilities for businesses with a non-aerospace focus;
16. Notes with satisfaction that the *ex-post* audit results in 2020 had a representative error rate of 1.94 % and that the corresponding residual error rate (remaining error after implementing corrective actions resulting from the *ex-post* controls) of 0.91 % is well below the 2 % target;
17. Proposes that Parliament grants discharge to the Executive Director of the Undertaking in respect of the implementation of the Undertaking's budget for the financial year 2020.

¹ Clean Sky 2 Consolidated Annual activity Report 2020, p. 104-105.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	13.1.2022
Result of final vote	+: 46 -: 0 0: 3
Members present for the final vote	Magdalena Adamowicz, Andris Ameriks, José Ramón Bauzá Díaz, Lars Patrick Berg, Izaskun Bilbao Barandica, Paolo Borchia, Karolin Braunsberger-Reinhold, Marco Campomenosi, Ciarán Cuffe, Jakop G. Dalunde, Karima Delli, Anna Deparnay-Grunenberg, Gheorghe Falcă, Giuseppe Ferrandino, Mario Furore, Søren Gade, Isabel García Muñoz, Jens Gieseke, Elsi Katainen, Kateřina Konečná, Elena Kountoura, Julie Lechanteux, Bogusław Liberadzki, Peter Lundgren, Benoît Lutgen, Elżbieta Katarzyna Łukacijewska, Marian-Jean Marinescu, Tilly Metz, Cláudia Monteiro de Aguiar, Caroline Nagtegaal, Jan-Christoph Oetjen, Philippe Olivier, Rovana Plumb, Tomasz Piotr Poręba, Dominique Riquet, Massimiliano Salini, Vera Tax, Barbara Thaler, István Ujhelyi, Henna Virkkunen, Petar Vitanov, Elissavet Vozemberg-Vrionidi, Lucia Vuolo, Roberts Zīle, Kosma Złotowski
Substitutes present for the final vote	Clare Daly, Maria Grapini, Roman Haider, Kathleen Van Brempt

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

46	+
ECR	Lars Patrick Berg, Peter Lundgren, Tomasz Piotr Poręba, Roberts Zīle, Kosma Złotowski
ID	Roman Haider, Julie Lechanteux, Philippe Olivier
NI	Mario Furore
PPE	Magdalena Adamowicz, Karolin Braunsberger-Reinhold, Gheorghe Falcă, Jens Gieseke, Elżbieta Katarzyna Łukacijewska, Benoît Lutgen, Marian-Jean Marinescu, Cláudia Monteiro de Aguiar, Massimiliano Salini, Barbara Thaler, Henna Virkkunen, Elissavet Vozemberg-Vrionidi, Lucia Vuolo
Renew	José Ramón Bauzá Díaz, Izaskun Bilbao Barandica, Søren Gade, Elsi Katainen, Caroline Nagtegaal, Jan-Christoph Oetjen, Dominique Riquet
S&D	Andris Ameriks, Giuseppe Ferrandino, Isabel García Muñoz, Maria Grapini, Bogusław Liberadzki, Rovana Plumb, Vera Tax, István Ujhelyi, Kathleen Van Brempt, Petar Vitanov
The Left	Kateřina Konečná, Elena Kountoura
Verts/ALE	Ciarán Cuffe, Jakop G. Dalunde, Karima Delli, Anna Deparnay-Grunenberg, Tilly Metz

0	-

3	0
ID	Paolo Borchia, Marco Campomenosi
The Left	Clare Daly

Key to symbols:

+ : in favour

- : against

0 : abstention

INFORMATION ON ADOPTION IN COMMITTEE RESPONSIBLE

Date adopted	28.2.2022
Result of final vote	+: 26 -: 2 0: 1
Members present for the final vote	Matteo Adinolfi, Gilles Boyer, Olivier Chastel, Caterina Chinnici, Lefteris Christoforou, Corina Crețu, Ryszard Czarnecki, José Manuel Fernandes, Luke Ming Flanagan, Daniel Freund, Isabel García Muñoz, Monika Hohlmeier, Jean-François Jalkh, Pierre Karleskind, Mislav Kolakušić, Joachim Kuhs, Claudiu Manda, Alin Mituța, Markus Pieper, Michèle Rivasi, Sándor Rónai, Petri Sarvamaa, Simone Schmiedtbauer, Angelika Winzig, Lara Wolters, Tomáš Zdechovský
Substitutes present for the final vote	Joachim Stanisław Brudziński, Mikuláš Peksa, Elżbieta Rafalska

FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE

26	+
ECR	Joachim Stanisław Brudziński, Ryszard Czarnecki, Elżbieta Rafalska
ID	Jean-François Jalkh
PPE	Lefteris Christoforou, José Manuel Fernandes, Monika Hohlmeier, Markus Pieper, Petri Sarvamaa, Simone Schmiedtbauer, Angelika Winzig, Tomáš Zdechovský
Renew	Gilles Boyer, Olivier Chastel, Pierre Karleskind, Alin Mituța
S&D	Caterina Chinnici, Corina Crețu, Isabel García Muñoz, Claudiu Manda, Sándor Rónai, Lara Wolters
The Left	Luke Ming Flanagan
Verts/ALE	Daniel Freund, Mikuláš Peksa, Michèle Rivasi

2	-
ID	Matteo Adinolfi, Joachim Kuhs

1	0
NI	Mislav Kolakušić

Key to symbols:

+ : in favour

- : against

0 : abstention