



TEXTS ADOPTED

P9_TA(2022)0187

Discharge 2020: SESAR Joint Undertaking

1. European Parliament decision of 4 May 2022 on discharge in respect of the implementation of the budget of the SESAR Joint Undertaking (now the Single European Sky ATM Research 3 Joint Undertaking) for the financial year 2020 (2021/2155(DEC))

The European Parliament,

- having regard to the final annual accounts of the SESAR 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 – C9-0111/2022),
- 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 70 thereof,

¹ OJ C 458, 12.11.2021, p. 20. ECA Annual report on EU Joint Undertakings for the 2020 financial year: <https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59817>.

² OJ C 458, 12.11.2021, p. 20. ECA Annual report on EU Joint Undertakings for the 2020 financial year: <https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59817>.

³ OJ L 193, 30.7.2018, p. 1.

- 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)¹, and in particular Article 4b thereof,
 - having regard to Council Regulation (EU) 2021/2085 of 19 November 2021 establishing the Joint Undertakings under Horizon Europe and repealing Regulations (EC) No 219/2007, (EU) No 557/2014, (EU) No 558/2014, (EU) No 559/2014, (EU) No 560/2014, (EU) No 561/2014 and (EU) No 642/2014², and in particular Article 26 thereof,
 - having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council³,
 - 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 (A9-0073/2022),
1. Grants the Interim Executive Director of the Single European Sky ATM Research 3 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 Interim Executive Director of the Single European Sky ATM Research 3 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).

¹ OJ L 64, 2.3.2007, p. 1.

² OJ L 427, 30.11.2021, p. 17.

³ OJ L 122, 10.5.2019, p. 1.

2. European Parliament decision of 4 May 2022 on the closure of the accounts of the SESAR Joint Undertaking (now the Single European Sky ATM Research 3 Joint Undertaking) for the financial year 2020 (2021/2155(DEC))

The European Parliament,

- having regard to the final annual accounts of the SESAR 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 – C9-0111/2022),
- 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 70 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)⁴, and in particular Article 4b thereof,
- having regard to Council Regulation (EU) 2021/2085 of 19 November 2021 establishing the Joint Undertakings under Horizon Europe and repealing Regulations (EC) No 219/2007, (EU) No 557/2014, (EU) No 558/2014, (EU) No 559/2014, (EU) No 560/2014, (EU) No 561/2014 and (EU) No 642/2014⁵, and in particular Article 26 thereof,
- having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom

¹ OJ C 458, 12.11.2021, p. 20. ECA Annual report on EU Joint Undertakings for the 2020 financial year: <https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59817>.

² OJ C 458, 12.11.2021, p. 20. ECA Annual report on EU Joint Undertakings for the 2020 financial year: <https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59817>.

³ OJ L 193, 30.7.2018, p. 1.

⁴ OJ L 64, 2.3.2007, p. 1.

⁵ OJ L 427, 30.11.2021, p. 17.

Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council¹,

- 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 (A9-0073/2022),
1. Approves the closure of the accounts of the SESAR Joint Undertaking for the financial year 2020;
 2. Instructs its President to forward this decision to the Interim Executive Director of the Single European Sky ATM Research 3 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).

¹ OJ L 122, 10.5.2019, p. 1.

3. European Parliament resolution of 4 May 2022 with observations forming an integral part of the decision on discharge in respect of the implementation of the budget for the SESAR Joint Undertaking (now the Single European Sky ATM Research 3 Joint Undertaking) for the financial year 2020 (2021/2155(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 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 (A9-0073/2022),
- A. whereas the SESAR Joint Undertaking (the ‘Joint Undertaking’) was set up in February 2007 by Council Regulation (EC) No 219/2007¹ to run the Single European Sky Air Traffic Management Research (SESAR) programme, which aims to integrate and coordinate research and development activities to modernise Air Traffic Management (ATM) in the Union; whereas the maximum Union contribution for SESAR 1 is EUR 700 000 000;
- B. whereas, following the adoption of Council Regulation (EU) No 721/2014², the SESAR 2020 extended the lifetime of the Joint Undertaking until 31 December 2024;
- C. whereas the Joint Undertaking was designed as a public-private partnership, with the Union and Eurocontrol as founding members;
- D. whereas the Union contribution (including EFTA’s) for the SESAR 2020 (from 2014 to 2024) funded from Horizon 2020 is EUR 585 000 000;

General

1. Notes that the Commission provided funds to the Joint Undertaking from the Seventh Framework Programme and the Horizon 2020, as well as from the Trans-European Transport Network (TEN-T) under the Multiannual Financial Framework 2007-2013, and from the Connecting Europe Facility (CEF) under the Multiannual Financial Framework 2014-2020;
2. Notes that the CVs and declarations of interest of the Administrative Board are not published; calls on the Joint Undertaking to publish the CVs and the declaration of interest

¹ 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) (OJ L 64, 2.3.2007, p. 1).

² Council Regulation (EU) No 721/2014 of 16 June 2014 amending Regulation (EC) No 219/2007 on the establishment of a Joint Undertaking to develop the new generation European air traffic management system (SESAR) as regards the extension of the Joint Undertaking until 2024 (OJ L 192, 1.7.2014, p. 1).

of the Administrative Board in the light of the transparency framework and to guarantee user-friendly access to them;

3. Notes that the SESAR 1 programme was formally closed in 2016 and that the last corrective reimbursements to beneficiaries for the excess in cash contributions received for the Seventh Framework Programme projects were completed in 2020;
4. Notes that following a call for expressions of interest in 2015, 19 public and private entities from the aviation sector became members of the Joint Undertaking;

Budget and financial management

5. Notes that the report of the Court of Auditors (the 'Court') on the Joint Undertaking's annual accounts (the 'Court's report') finds the 2020 annual accounts to 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 accounting rules adopted by the Commission's accounting officer; notes, furthermore, that the underlying transactions to the accounts are legal and regular in all material respects;
6. Notes that, in 2020, the total available budget (including re-entered unused appropriations of previous years, assigned revenues and reallocations to the next year) was EUR 163 189 459 for commitment appropriations and EUR 179 159 495 for payment appropriations; notes that the respective implementation rate of the overall available budget for 2020 was 86,9 % for commitment appropriations and 67,7 % for payment appropriations;
7. Notes that following the closure of SESAR 1, the Joint Undertaking determined an excess of financial contributions received from its Members amounting to EUR 30 959 396; notes further that, according to Article 13 of the constituent act, the Joint Undertaking's members can only expect the reimbursement of their respective excess contributions at the dissolution of the Joint Undertaking by 31 December 2024; notes that, following the recommendation of the Commission and the Court and positive opinion of the Commission to the proposed decision, the Joint Undertaking adopted the decision to anticipate reimbursements on the 8 October 2020; notes in particular that Joint Undertaking reimbursed the Union on 4 December 2020 through two separated payment orders, one for the share corresponding to the TEN-T programme and one for the share corresponding to the Seventh Framework Programme; notes that, for Members other than the Union (except AIRBUS and DFS), the bilateral agreements approved by the Administrative Board were sent to the Members on 23 November 2020, with payments starting upon their signatures, and that Eurocontrol was paid on 9 December 2020; notes moreover that, at the end of 2020, all but three payments had been effected, amounting to EUR 30 474 586 (out of EUR 30 767 098, i.e. 99 %); notes from the follow up report that as of 10 February 2021, all excess cash contributions for the SESAR 1 programme were reimbursed to the respective SESAR 1 Joint Undertaking Members;
8. Notes that in 2020, SESAR 2020 final commitment appropriations amounted to EUR 162 784 059 and final payment appropriation to EUR 147 986 997; notes from the Court's report that regarding the Joint Undertaking's 2020 budget available for Horizon 2020 projects, the implementation rates for commitment and payment appropriations were 87,1 % and 81,9 % respectively;

9. Notes that in January 2020, the Joint Undertaking received from DG MOVE additional CEF funds of EUR 6 000 000 under the U-Space Delegation Agreement (second and final instalment) and that the Joint Undertaking neither entered the received CEF funds into the 2020 budget by means of an amending budget, nor considered them when planning actual needs for the budget line 3700 (Deliver very large-scale demonstration activities); notes, consequently, that the final total available payment budget for the budget line 3700 amounting to EUR 30 834 494, and that the Joint Undertaking had only implemented EUR 21 236 000 (or 58 %) by the end of 2020; notes the Joint Undertaking's reply that the assigned revenues mentioned by the Court have exclusively been used to finance the related entrusted tasks from the Commission as formalised in the U-Space Delegation Agreement and that it reports on the activities implementing the U-Space Delegation Agreement on a yearly basis by means of an Implementation Report and information in the Consolidated Annual Activity; calls on the Joint Undertaking to enter the received CEF funds in the 2020 budget by means of an amending budget;
10. Notes that there are different procedures across the Joint Undertakings regarding the calculation for the in-kind contributions and calls for their harmonisation;
11. Notes that the budget result in 2020 amounted to a deficit of EUR 28.16 million (of which a deficit of EUR 30.4 million for SESAR 1 following the reimbursement of SESAR 1 excess financial contributions and a surplus of EUR 2.2 million for the SESAR 2020) and that the cumulative surplus amounts to EUR 22.1 million;

Performance

12. Notes that the Joint Undertaking uses key performance indicators (KPIs), in particular, the common Horizon 2020 and for cross-cutting issues KPIs, the specific Joint Undertaking's KPIs and those related to the Performance Ambitions of the Single European Sky as designed in the European ATM Master Plan;
13. Notes that in the Joint Undertaking Consolidated Annual Activity Report 2020, the KPIs on gender balance increased in comparison to previous years but nevertheless remained low, with only 24 % of women participants in Horizon 2020 projects; notes that the percentage of women in Commission's advisory groups, experts groups, evaluation panels, individual experts appears in the Joint Undertaking Consolidated Annual Activity Report 2020. Suggests that the Joint Undertaking needs to continue to improve its gender balance;
14. Notes that the Joint Undertaking achieved all its objectives as outlined in the Single Programming Document for 2020-2022; notes that the Joint Undertaking defined and implemented budgetary measures that mitigated the adverse effect of the COVID-19 crisis on the aviation sector, such as increasing pre-financing rates applicable to grant agreements signed in 2020 to support the cash flow of beneficiaries;
15. Notes also that there was an exceptional 50 % reduction in the amount of cash contributions to the Joint Undertaking's running costs received from members other than the Union and Eurocontrol, due to the COVID-19 pandemic and that that reduction was compensated for by a reduction in the Joint Undertaking's running costs for 2020 of EUR 2.3 million (21 %);

16. Welcomes the fact that, despite the COVID-19 crisis, the Joint Undertaking was able to maintain the continuity and efficiency of all its operations by mobilising corporate tools and initiatives; welcomes the fact that, despite the challenging circumstances, the Joint Undertaking's members and partners were successful in advancing new technologies and procedures through the Joint Undertaking innovation pipeline, in accordance with the timeline set by the European ATM Master Plan – Europe's roadmap for the digital transformation of ATM; commends the preparatory work accomplished by the Joint Undertaking that paves the way for SESAR 3 and the future of air traffic management research;
17. Notes the reported leverage effect of 0,83 in 2020, and the forecasted leverage effect at the end of the programme of 1,23, measured following the Commission's method used in the interim evaluation, and that the actual leverage effect of the Joint Undertaking is regularly progressing towards the targets;
18. Notes that, in 2020, the last four projects funded under Exploratory Research 2, namely Airpass, Impetus, PercEvite and TERRA, and the Emphasis project, resulting from the Exploratory Research 3, completed their activities and were closed;
19. Notes that, in 2020, the Joint Undertaking managed 36 grants already in execution at the beginning of that year, following five calls of proposal procedures conducted in previous years; notes that, in addition, two calls for proposal as regard to very large-scale demonstrations (VLDs) under Horizon 2020 and 2 restricted industrial research and validation-VLD were launched in 2020;
20. Welcomes the fact that the Joint Undertaking launched 67 projects across its three strands of research in 2020, namely exploratory research (41 projects), industrial research and validation (15 projects) and very large-scale demonstrations (11 projects);
21. Notes that by the end of 2020, the SESAR 2020 programme had funded project in each phase of the SESAR innovation pipeline through 10 calls for proposal under three different legal frameworks; notes that the Joint Undertaking invested 90 % of its total budget from the Union (including three delegation agreements), corresponding to approximately EUR 596 300 000, in research and innovation projects and that the remaining part of the funds has been allocated to the procurement of services and studies in relation to core operations and to running costs;
22. Welcomes the Joint Undertaking's outreach activities, in particular the organisation by SESAR Digital Academy of numerous webinars to present its achievements;
23. Points out that one of the main achievements of the Joint Undertaking is free routing to reduce flight and fuel emissions; believes its successor should further contribute to the sustainability of the aviation sector in line with the objectives of the Green Deal; believes moreover that that successor should contribute to making the aviation market more flexible and resilient to traffic fluctuations, and to establishing the Single European Sky as the most efficient and environmentally friendly airspace in the world;
24. Welcomes the fact that the Joint Undertaking has completed a significant body of work related to U-space, the Commission's initiative for the safe and secure integration of drones;

Procurement and staff

25. Notes that, in 2020, six procurement procedures were launched and concluded and that the Joint Undertaking signed five amendments to its contracts, specific contracts and service-level agreements, and, moreover, that COVID-19 crisis accelerated the move towards electronic approval cycles and contract signature;
26. Notes with concern the challenges associated with the COVID-19 pandemic for employees, especially taking into account different living situations, lack of access to office space and possible effects of isolation; asks the Joint Undertaking to focus on employee wellbeing, stress management and work and life balance; asks management to ensure that appropriate support structures are in place to ensure the psychological well-being of staff;
27. Notes that the 2020 staff established plan, approved by the Joint Undertaking, allows 39 temporary or contract agents and three seconded national experts; notes that at 31 December 2020 the Joint Undertaking employed 39 temporary agents including the Executive Director; notes that SYSPER for Agencies, the Human Resources management system developed by the Commission, was successfully implemented during 2020;
28. Welcomes the fact that the Joint Undertaking started using the e-procurement solution at the beginning on 2021;

Internal control

29. 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; notes that the Joint Undertaking implemented the Commission's internal control framework (ICF), which is based on 17 internal control principles, in 2020; notes that, for the annual self-assessment and monitoring of the effectiveness of the control activities required by the ICF, the Joint Undertaking developed relevant indicators for all internal control principles and related characteristics;
30. Notes from the Court's report that, for Horizon 2020 payments, 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 3,46 % and a residual error rate of 1 % for Horizon 2020 projects (clearings and final payments); notes from the Commission proposal 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 %;
31. Notes from the Court's report that as part of the operational payment controls, it audited randomly sampled Horizon 2020 payments made in 2020 at the level of the final beneficiaries to corroborate the *ex post* audit error rates and that these detailed audits showed no significant errors or control weaknesses at the sampled Joint Undertaking beneficiaries;
32. 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;

33. Notes that, due to the pandemic, only one risk management workshop took place in 2020, and that the risk management team reviewed the strategic risks, internal risks, Master plan risks and programme risks and that following the review, the risk management policy were updated, also to include the risk related to impacts of COVID-19 crisis on the Joint Undertaking's programme; notes, moreover, that the Joint Undertaking sent a detailed report concerning the analysis of risks related to the pandemic to the Commission in June 2020;
34. Notes that the Internal Audit Capability (IAC) twice performed a compliance review related to all payments executed by the Authorising Officer by Delegation and the Authorising Officer by Sub-delegation and contributed to the validation of ABAC user authorisations; notes furthermore that the IAC also updated the Joint Undertaking's anti-fraud strategy and held sessions for staff on awareness-raising on ethics and anti-fraud measures;
35. Welcomes the fact that the Joint Undertaking was not subject to an investigation led by the European Anti-Fraud Office (OLAF) in 2020;
36. Notes that, in November 2020, the Joint Undertaking was informed by the CAS that a red flag had been raised during an *ex post* audit of a project, indicating suspicion that fraud may have been committed by a beneficiary; notes that the suspicion had not been confirmed, but OLAF and the relevant Commission services had been informed; calls on the Joint Undertaking to report to the discharge authority any development in that regard;

Internal audits

37. Notes that during 2020, the Internal Audit Service (IAS) performed an audit on Horizon 2020 grant implementation and that the auditors concluded that, overall, the internal controls put in place by the Joint Undertaking are adequately designed and efficiently and effectively implemented; notes that the auditors rated four recommendations as important; for which it developed a detailed action plan foreseeing implementation of all actions by the end of 2021; calls on the Joint Undertaking to report to the discharge authority on that regard.