OPINION

of the Committee on Transport and Tourism

for the Committee on Budgetary Control

on discharge in respect of the implementation of the general budget of the European Union for the financial year 2015, Section III – Commission and executive agencies (2016/2151(DEC))

Rapporteur: Karima Delli
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. Notes that in 2015
   
   – EUR 2 276 574 666 in commitment appropriations and EUR 1 742 254 807 in payment appropriations was available for transport policies, including the Connecting Europe Facility (CEF), transport security and passengers rights, and transport agencies,
   
   – EUR 241 000 390 in commitment appropriations and EUR 152 559 306 in payment appropriations was available for research and innovation related to transport, including SESAR2 and the Shift2Rail Joint Undertaking (JU),
   
   – EUR 75 145 385 in commitment and payment appropriations was available for administrative expenditure;

2. Regrets that, in order to prepare a discharge on the general budget of the European Union - Commission, several different reports need to be explored in order to have a comprehensive view of the budget execution related to transport; further regrets that there is no harmonisation in the financial reporting of appropriations, i.e. whether recovery orders, participation of third countries, assigned revenues etc. have been taken into account, which makes the preparation of the discharge very difficult;

3. Notes that the total commitments outstanding amount at the end of the year 2015 was EUR 4 243 million (EUR 2 843 million in 2014);

4. Notes that in 2015 EUR 12.8 billion was allocated to 263 transport projects through grant agreements signed in 2015 under the 2014 CEF calls for proposals; further notes that the CEF funding has generated EUR 28.3 billion of total investments, combining a Union contribution with regional and Member States budgets, as well as loans from the European Investment Bank (EIB);

5. Notes that for the area of "Competitiveness for growth and employment", to which transport belongs, the Court of Auditors only audited seven transactions under the responsibility of DG MOVE; notes that errors were found in only one of the transactions audited and that those errors concern non-compliance with public procurement rules;

6. In view of the fact that the creation of the EFSI and of the Guarantee Fund with a 50% target rate has affected the budgetary flexibility in the 2014-2020 Multiannual Financial Framework and that the planned budget for CEF has been reduced, is of the opinion that the Commission's proposal to prolong EFSI should be supported by an impact assessment regarding this instrument;

7. Points out that the EIB's evaluation report notes geographical imbalances and sectoral concentrations in the Infrastructure and Innovation Window portfolio (IIW) and that
financing under the IIW is concentrated (63%) in three Member States; calls on the Commission to urgently assess the impact of EFSI for the Union as a whole; regrets that EFSI is not sufficiently used for the financing of innovative transport projects in all modes of transport, for instance to promote sustainable means of transport or to further encourage the digitalisation process as well as barrier-free accessibility;

8. Regrets that the Commission (DG MOVE) has not yet established a formalised consolidated strategic document for the supervision on the TEN-T core network corridors development; encourages the Commission to adopt such strategic document regarding supervision activities and transparency; recalls that transparency and consultation with all stakeholders contribute to the success of transport projects;

9. Notes that the Innovation and Network Executive Agency (INEA) has not yet formalised a control strategy encompassing all controls to be implemented at the different stages of the grant management process; calls therefore on INEA to develop key performance indicators to measure the effectiveness and efficiency of controls and to fully establish ex-ante and ex-post controls on interim and final payments;

10. Points out that transport projects in 2014-2020 will be financed from several sources, including the CEF, the Cohesion Fund, the European Fund for Regional Development and the EFSI; calls on the Commission, therefore, to develop synergies that will enable these different sources of funding to allocate the funds available more efficiently, as well as the blending of these resources; calls on the Commission to annually deliver and publish, inter alia on its websites, easily accessible lists of transport, including modal share percentages, and tourism projects, that are co-financed through the mentioned funds;

11. Regrets that the Shift2Rail Joint Undertaking has not yet obtained its financial autonomy; notes that as a consequence the budgetary and financial management of the Joint Undertaking is integrated in Commission's (DG MOVE) financial management; however, welcomes the fact that in May 2016 it finally achieved its financial autonomy;

12. Notes that the S2R Joint Undertaking’s annual budget for 2015 was EUR 48,04 million in commitment appropriation, of which EUR 45,33 for operational expenditures and EUR 2,71 million for administrative expenditures; payment appropriations were set at EUR 0,00 for operational expenditures as no grant was signed in 2015, whereas the payment appropriation for administrative expenditures amounted to EUR 2,71 million of which EUR 1,35 of the Union’s contribution;

13. Deeply regrets that the 2014 contributions from the S2R Joint Undertaking’s members has not yet been collected and that the 2015 contribution (EUR 1,35 million) has only been partially collected;

14. Welcomes the completion of the governance structure, the finalisation of the membership of the S2R Joint Undertaking and the adoption of the strategic master plan, which constituted a pre-requisite to the adoption of the Joint Undertaking first annual work plans and therefore the launch of calls for proposals; deplores, however, that in 2015 the Executive Director had not been appointed;

15. Notes that in December 2015, the S2R Joint Undertaking launched four calls for proposals endowed with EUR 170 million to support innovation in railways with EUR 90 million
coming from the Union; notes that the amount of EUR 90 million results from the combination of the 2015 EUR 45,33 million) and 2016 appropriations (EUR 45,25 million);

16. Takes the view that the Commission should further improve transparency in the management of funds;

17. Regrets that appropriations for tourism are not yet adequate, in particular to promote the development of sustainable and accessible tourism projects, and to support SMEs, micro-enterprises as well as developments in the collaborative economy;

18. Proposes that in relation to the sectors for which the Committee on Transport and Tourism is responsible, the Parliament grants to the Commission discharge in respect of the implementation of the Union general budget for the financial year 2015.
RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

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<th>Date adopted</th>
<th>28.2.2017</th>
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<td>Result of final vote</td>
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<td>Substitutes present for the final vote</td>
<td>Jakop Dalunde, Mark Demesmaeker, Markus Ferber, Karoline Graswander-Hainz, Kateřina Konečná, Franck Proust</td>
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