



2023/2176(DEC)

23.1.2024

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 Europe's
Rail Joint Undertaking for the financial year 2022
(2023/2176(DEC))

Rapporteur for opinion: Vlad Gheorghe

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 Court of Auditors' findings that the transactions underlying Europe's Rail Joint Undertaking ('JU') for the financial year 2022 are, in all material respect, legal and regular;
2. Welcomes the successful commencement of the activities by Europe's Rail Joint Undertaking (EU-Rail) in the end of 2021, established under the Horizon Europe programme (2021-2022) as the universal successor to the Shift2 Rail Joint Undertaking (S2R) in 2022; commends the responsibility role of EU-Rail for the coordination of the Back Office Arrangement (BOA)-Accounting Services, according to Article 13 of the Single Basic Act;
3. Notes some challenges in the implementation of the 2022 budget payments for Horizon 2020 activities, leading to increased costs and delivery issues for beneficiaries; notes a decline in the JU's implementation rate to 47% for operational payment appropriations, compared to 61% in 2021; acknowledges that the duration of most Horizon 2020 projects had to be extended, and final payments were postponed to 2023 to address beneficiaries difficulties;
4. Acknowledges that for Horizon 2020 expenditure (clearings and final payments), the JU reported a representative error rate of 2.2 % and a residual error rate of 1.3%, well below the threshold;
5. Notes that the estimated total value of the activities in 2022 amounts to EUR 102.4 million (of which EUR 90 million from Members other than the EU);
6. Notes that in the 2022 annual accounts of the Undertaking, the amounts of contributions recognized per member category (EU and private members) exhibit a significant disparity; this is due to the EU's cash contributions being recognized at the beginning of the project implementation, while members' in-kind contributions are acknowledged only after validation of the costs incurred; calls for improved transparency in the JU's contribution recording, specifically distinguishing between cash and in-kind contributions for accuracy;
7. Commends the pivotal milestones achieved by the S2R Programme by the end of 2022, with full commitment of resources and about 86% of the Programme realized and 91% in term of financial Programme execution for 2023, in view of reaching the TRL6/7 operational demonstrations planned for conclusion during 2023;
8. Notes the JU's final annual budget for 2022 was EUR 171.4 million in commitment appropriations and EUR 180.8 million in payment appropriations; notes that the implementation rate was 100 % for the former and 79.1 % for the latter; acknowledges that in 2022, a significant portion of payment appropriations was allocated towards the pre-financing of grants resulting from the first 2022 call for proposal;

9. Notes that, with regard to the provisional accounts of EU-Rail no audit certificate on 2022 IKOP/IKAA was received; awaits validation of 2022 IKOP following project cost submissions in February 2023;
10. Notes that, in 2022 the cumulative value of activities awarded by EU-Rail to S2R for Research and Innovation activities amount to EUR 619.4 million and realised for EUR 92 million;
11. Stresses the importance of delivering a sustainable and resilient rail system by developing a zero-emission, silent rail system and climate resilient infrastructure, applying circular economy, piloting innovative processes, technologies, designs and materials in the life cycle of rail systems and developing other innovative solutions for guided surface transport;
12. Calls for more support for innovation in rail freight and intermodal transport services to achieve competitive integration into the logistic value chain, with automation and digitalisation of freight rail at the core; stresses the importance of supporting demonstration projects in Member States, contributing to the development of a strong and competitive European rail industry; also calls for the promotion, and exploitation of synergies with other Union policies, programmes, initiatives, instruments and funds to maximise impact and added value;
13. Welcomes the EU-Rail's Master Plan and the JU's ongoing work on its implementation; notes the alignment of the Plan with the "Rail Strategic Research and Innovation Agenda" of the European Rail Research Advisory Council (ERRAC), aiming to deliver a vision of the railway's future enabled by Research and Innovation activities;
14. Welcomes the new Europe's Rail Programme presented during the 5th FCC-EC Joint Workshop for Railways; notes discussions about the structure of Europe's Rail, with an emphasis on the System Pillar, the Innovation Pillar, and the Deployment Group; welcomes that explanatory research, such as Hyperloop and potential cooperation with GCC were also discussed; salutes the conclusion of the initial research on Hyperloop, delivering the Observatory, Technical definitions, the Transferability and a roadmap for future research;
15. Welcomes the JU's commitment to facilitate research and innovation activities for the establishment of the Single European Railway Area (SERA) ensuring interoperability sustainability, and resilience in the railway sector; notes that the collaboration of EU-Rail in its research and innovation component and ERA as the key authority for ERTMS and telematics applications creates the opportunity for the European rail industry to present its views and ambitions with "one voice", awaiting a systemic approach at institutional level; points out, however, that the EU-Rail program lacks coverage for essential developments in telecommunications and localization, requiring increased attention in 2022;
16. Calls for increased support for Research and Innovation activities to deliver an integrated European railway network, eliminating barriers to interoperability and providing solutions for full integration, covering traffic management, vehicles and infrastructure, and integration with non-standard gauges (such as 1520, 1000 or 1668 mm railway, which showed to be important for the Solidarity Lanes in Ukraine); highlights the importance of

addressing the needs of passengers and businesses, accelerating the adoption of innovative solutions to support the Single European Railway Area, while increasing capacity, reliability and decreasing costs of railway transports;

17. Calls for a fast transition to more attractive, user-friendly, competitive, affordable, easy to maintain, efficient and sustainable European rail system integrated into the wider mobility system for supporting the development of a strong and globally competitive European rail industry;
18. Commends close collaboration with key stakeholders, namely ERRAC, ERA, and other programs/partnerships, signifies a proactive effort to foster synergies and explore opportunities for joint projects within the European rail sector; welcomes EU-Rail's engagement with associations and third-country programs, aimed at enhancing the competitiveness of the industry;
19. Commends EU-Rail for aligning its employer's pension contributions with the Commission's calculation; welcomes the cooperative approach to solve discrepancies and the commitment to adhere to clarified legal provisions and acknowledges EU-Rail's prompt payment of contributions in 2023 and ongoing commitment to future payments, contributing to the stability of the Union pension scheme; encourages continued collaboration for effective resolution of any outstanding issues;
20. Proposes that Parliament grants discharge to the Executive Director of the Undertaking for the financial year 2022 budget implementation.

**ANNEX: ENTITIES OR PERSONS
FROM WHOM THE RAPPORTEUR HAS RECEIVED INPUT**

The rapporteur declares under his exclusive responsibility that he did not receive input from any entity or person to be mentioned in this Annex pursuant to Article 8 of Annex I to the Rules of Procedure.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	23.1.2024
Result of final vote	+: 32 -: 2 0: 1
Members present for the final vote	Magdalena Adamowicz, Andris Ameriks, Izaskun Bilbao Barandica, Ciarán Cuffe, Karima Delli, Carlo Fidanza, Mario Furore, Isabel García Muñoz, Elsi Katainen, Kateřina Konečná, Bogusław Liberadzki, Peter Lundgren, Elżbieta Katarzyna Łukacijewska, Marian-Jean Marinescu, Tilly Metz, Cláudia Monteiro de Aguiar, Caroline Nagtegaal, Philippe Olivier, Rovana Plumb, Tomasz Piotr Poręba, Bergur Løkke Rasmussen, Dominique Riquet, Thomas Rudner, Vera Tax, Achille Variati, Petar Vitanov, Elissavet Vozemberg-Vrionidi, Lucia Vuolo
Substitutes present for the final vote	Markus Ferber, Vlad Gheorghe, Roman Haider, Pär Holmgren, Ljudmila Novak, Dorien Rookmaker
Substitutes under Rule 209(7) present for the final vote	Viola von Cramon-Taubadel

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

32	+
ECR	Carlo Fidanza, Tomasz Piotr Poręba, Dorien Rookmaker
NI	Mario Furore
PPE	Magdalena Adamowicz, Markus Ferber, Elżbieta Katarzyna Łukacijewska, Marian-Jean Marinescu, Cláudia Monteiro de Aguiar, Ljudmila Novak, Elissavet Vozemberg-Vrionidi, Lucia Vuolo
Renew	Izaskun Bilbao Barandica, Vlad Gheorghe, Elsi Katainen, Caroline Nagtegaal, Bergur Løkke Rasmussen, Dominique Riquet
S&D	Andris Ameriks, Isabel García Muñoz, Bogusław Liberadzki, Rovana Plumb, Thomas Rudner, Vera Tax, Achille Variati, Petar Vitanov
The Left	Kateřina Konečná
Verts/ALE	Ciarán Cuffe, Karima Delli, Pär Holmgren, Tilly Metz, Viola von Cramon-Taubadel

2	-
ECR	Peter Lundgren
ID	Philippe Olivier

1	0
ID	Roman Haider

Key to symbols:

+ : in favour

- : against

0 : abstention