2012 discharge: SESAR Joint Undertaking to develop the new generation European air traffic management system

2013/2248(DEC) - 03/04/2014 - Text adopted by Parliament, single reading

The European Parliament adopted a decision concerning the discharge to be granted to the Executive Director of the SESAR Joint Undertaking in respect of the implementation of the Joint Undertaking's budget for the financial year 2012. The vote on the discharge decision covered the closure of the accounts (in accordance with Annex VI, Article 5(1) of Parliament's Rules of Procedure).

Noting that the Court of Auditors stated that the 2012 annual accounts of the Joint Undertaking present fairly, in all material respects, its financial position as of 31 December 2012 and the results of its operations and its cash flows for the year then ended, Parliament adopted by 474 votes to 58, with 19 abstentions, a resolution containing a series of recommendations that need to be taken into account when the discharge is granted, in addition to the general recommendations that appear in the draft resolution on performance, financial management and control of EU agencies.

- **Budget and financial management:** Parliament noted that the Joint Undertaking's final budget for the financial year 2012 included commitment appropriations of EUR 156.6 million and payment appropriations of EUR 124.2 million.

- **Utilisation rate and carryovers**: Parliament noted, furthermore, that the utilisation rates for commitment and payment appropriations were 95 % and 86 % respectively. It pointed out that at year-end, cash and cash equivalents amounted to EUR 15.7 million which was at odds with the budgetary principle of equilibrium. It reminded the Joint Undertaking of the need to implement concrete measures to attain budget equilibrium.

- **SESAR programme objectives**: Parliament reiterated its call on the Joint Undertaking to inform the discharge authority about the **stage of implementation of more than 310 research and development and management projects** under the SESAR programme and to present the results achieved. It stated again that the Joint Undertaking should use all the financial resources made available to it to complete the development of the technology and operational improvements necessary for the deployment of SESAR on time. Parliament noted its previous recommendation that **any potential conflicts of interest should not be dismissed** but addressed properly. It points out that the Joint Undertaking's success in the implementation of the SESAR programme is key to developing a modernised air traffic management system for Europe.

Parliament made a series of observations on in-kind contributions, internal controls and internal audits and horizontal aspects of European Research Joint Undertakings. It invited the Court of Auditors to monitor the Joint Undertaking's policies as regards the management and prevention of conflicts of interests by drafting a Special Report on the matter by the next discharge procedure.

JTI: Parliament invited the Court of Auditors to **comprehensively analyse the Joint Technology Initiatives (JTIs)** and the other joint undertakings in a separate report in light of the substantial amounts involved and the risks- notably reputational – presented. It noted that the Joint Undertakings' total 2012 forecasted budgeted income amounted to some EUR 2.5 billion or about 1.8 % of the 2012 Union general budget while approximately EUR 618 million came from the general budget (cash contribution from the Commission) and approximately EUR 134 million came from the industrial partners and members of the

Joint Undertakings. It recalled that the total Union contribution deemed necessary for the Joint Undertakings for their period of existence amounts to EUR 11.5 billion.

It recalled that Parliament has previously requested that the Court of Auditors draw up a special report on the capacity of the joint undertakings, together with their private partners, to ensure added value and efficient execution of Union research, technological development and demonstration programmes. Parliament agreed with the Court of Auditors' conclusion that the JTIs have been set up to support long-term industrial investment, in particular research areas but noted that it has taken on average two years to grant financial autonomy to a JTI, with the Commission usually remaining responsible for one third of the expected operational lifetime of the JTIs.