

2013 discharge: SESAR Joint Undertaking to develop the new generation European air traffic management system

2014/2130(DEC) - 21/10/2014 - Court of Auditors: opinion, report

PURPOSE: presentation of the EU Court of Auditors' report on the annual accounts of the SESAR Joint Undertaking for the financial year 2013, together with the Joint Undertaking's replies.

CONTENT: in accordance with the tasks conferred on the Court of Auditors by the Treaty on the Functioning of the European Union, the Court presents to the European Parliament and to the Council, in the context of the discharge procedure, a Statement of Assurance as to the reliability of the annual accounts of each institution, body or agency of the EU, and the legality and regularity of the transactions underlying them, on the basis of an independent external audit.

This audit concerned, amongst others, the annual accounts of the SESAR Joint Undertaking.

Statement of assurance: pursuant to the provisions of Article 287 of the Treaty on the Functioning of the European Union (TFEU), the Court has audited:

- the annual accounts of the SESAR Joint Undertaking, which comprise the financial statements and the reports on the implementation of the budget for the financial year ended 31 December 2013;
- the legality and regularity of the transactions underlying those accounts.

Opinion on the reliability of the accounts: in the Court's opinion, the Joint Undertaking's annual accounts present fairly, in all material respects, its financial position as at 31 December 2013 and the results of its operations and cash flows for the year then ended, in accordance with the provisions of its financial rules and the accounting rules adopted by the Commission's accounting officer.

Opinion on the legality and regularity of the transactions underlying the accounts: in the Court's opinion, the transactions underlying the annual accounts for the year ended 31 December 2013 are, in all material respects, legal and regular.

The audit approach taken by the Court comprises analytical audit procedures, testing of transactions at the level of the Joint Undertaking and an assessment of key controls of the supervisory and control systems. This is supplemented by evidence provided by the work of other auditors and an analysis of management representations and of annual activity reports.

The 2013 audit placed special emphasis on ex post audits.

At the end of this audit, the Court concluded the following:

- **internal audit function:** in accordance with the coordinated strategic audit plan for the SJU for 2012-2014, the IAS carried out a limited review of the closing procedure applicable to grant management projects and a risk assessment of information technology;
- **conflicts of interest:** the SJU has put in place specific measures to prevent conflicts of interest with respect to its three key stakeholders: Administrative Board members, employees and experts. These are adequately documented in a comprehensive written procedure, which was updated in 2012.

Cross-cutting remarks for all the Joint undertakings: the prevention of conflicts of interest is addressed by most Joint Undertakings by the adoption of specific rules and by the development of tools to document all related information. An Interim Evaluation was performed over 2013 assessing all Joint Undertakings in terms of relevance, efficiency, effectiveness and research quality. The reports, while positive, also highlighted areas for further improvement. In general, all Joint Undertakings have produced reliable accounts but there is room for improvement.

Joint Undertaking's replies: the Joint Undertaking replied point by point to all of the technical elements highlighted by the Court of Auditors. The second mid-term evaluation concluded that overall, the SJU undertook the tasks assigned to it during the evaluation period (2010-2012) effectively, thus contributing to the SESAR Programme. It is assessed that the SJU is operating according to the rules and procedures governing it.

As regards the **activities of the Joint Undertaking in 2013**, the report refers to the Annual Activity Report 2013 which can be found at <http://www.sesarju.eu/>.

It should be noted that the budget of the Joint Undertaking for 2013 amounted to EUR 84 141 537 in commitment appropriations and EUR 105 486 020 in payment appropriations.