2016 discharge: European Union Agency for Railways

2017/2162(DEC) - 18/04/2018 - Text adopted by Parliament, single reading

The European Parliament decided to **grant discharge** to the Executive Director of the European Union Agency for Railways in regard to the implementation of the agency's budget for the 2016 financial year and to approve the closure of the accounts for the financial year in question.

Noting that the Court of Auditors has stated that it has obtained reasonable assurances that the agency's annual accounts for the financial year 2016 are reliable and that the underlying transactions are **legal and regular**, Parliament adopted by 552 votes to 133 with 9 abstentions, a resolution containing a series of recommendations, which form an integral part of the decision on discharge and which add to the general recommendations set out in the resolution on performance, financial management and control of EU agencies:

- **Agency's financial statements:** the final budget of the European Union Agency for Railways for the financial year 2016 was EUR 27 545 879, representing an increase of 4.56 % compared to 2015. The budget of the agency derives mainly from the Union budget.
- **Follow-up of 2014 and 2015 discharges:** single location: it was stressed that it is likely that costs would be reduced if all operations were **centralised** in one location as opposed to the current double seat Lille/Valenciennes. The Council is called to reconsider its previous decision regarding the double seat and opt instead for centralising all the agency's operations into one location.
- **Budget and financial management:** budget monitoring efforts during the financial year 2016 resulted in a budget implementation rate of 99.20 %,representing an increase of 0.10 % compared to 2015 and that the payment appropriations execution rate was 91.57 %, representing an increase of 1.79 % compared to 2015. Members welcomed that with the provisions of the new Agency Regulation that entered into force in June 2016, the agency is authorised to charge fees for some of its new competences.
- **Commitments and carry-overs:** the level of the carryovers were below the indicative ceilings used by the Court to assess the budget execution for all budgetary titles.

Members also made a series of observations regarding staff policy, the prevention and management of conflicts of interests, procurement and internal audits and controls. They deplored the **significant gender imbalance** in the senior management level and the management board of the agency while welcoming the training organised to increase the awareness of the staff about harassment. As regards conflicts of interest, they emphasised the need to establish an independent body with sufficient budgetary resources to support **whistleblowers** wishing to disclose information on possible irregularities negatively impacting on the Union's financial interests, while ensuring their confidentiality is protected.

Overall, they welcomed the adoption of the Agency Regulation, which entered into force on 15 June 2016. By the end of the transitional period (16 June 2019), this expected strategic change will **transform the agency's role** from one of mere policy preparation and dissemination into an authority working directly for the industry as regards authorisations for safety certifications and rolling stock. This transition is expected to deliver huge benefits in terms of reduced costs.

Members recalled the European Parliament's position in budgetary procedure for recovering total amounts relocated from the Connecting Europe Facility to the European Fund for Strategic Investments.

Funding for the completion of the single European rail area should be safeguarded also with a view to modernising and expanding rail infrastructures in the outlying regions of the Union. The deployment of the European Rail Traffic Management System (ERTMS) should be brought forward in order to further implement common technical standards and maximise the benefits in terms of interoperability.

Lastly, Members noted that the 2016 risk assessment exercise highlighted **new risks**, as compared to 2015, related to the late and inconsistent transposition of the 4th Railway Package legislation, to the obsolescence of **European Railway Traffic Management System** (ERTMS) change management tools, to railway noise reduction, to delays in the reduction of national rules and to data management.