

2016 discharge: SESAR Joint Undertaking

2017/2181(DEC) - 18/04/2018 - Text adopted by Parliament, single reading

The European Parliament has decided to **grant discharge** to the Director of the SESAR Joint Undertaking on the implementation of the budget of the Joint Undertaking for the financial year 2016 and to approve the closure of the accounts of the undertaking common for the same financial year.

Noting that the Court of Auditors considered that the annual accounts of the Joint Undertaking for the financial year 2016 accurately reflected the financial position of the Joint Undertaking as at 31 December 2016, as well as the results of its operations, Parliament adopted by 494 votes in favor, 193 against and 10 abstentions, a resolution containing a series of observations which form an integral part of the discharge decision:

Budget and financial management: in 2016, the payment budget of the Joint Undertaking was EUR 157 100 000 (2015: EUR 136 900 000). The final 2016 budget available from the Seventh Framework Programme (“FP7”) and Horizon 2020 included commitment appropriations of EUR 101 400 000 and payment appropriations of EUR 162 800 000.

The utilisation rates for commitment and payment appropriations were 95.7 % and 63.2 % respectively. **The low implementation rate for payment appropriations** was caused by delays in the implementation of the studies and developments conducted by the members of the Joint Undertaking. One of the main reasons for the delay in implementation of payments for member studies and developments has been difficulties in adapting the common Horizon 2020 IT tools to the special needs of the Joint Undertaking; however prioritisation should be given to ensure these issues do not arise again in the future.

Members deplored that EUR 14.5 million payment appropriations – related to SESAR 2020 calls for proposals and activities initially budgeted in 2016 – had to be cancelled by an amended budget for 2016 due to external factors beyond control of the Joint Undertaking. They are concerned about the continuing **rising trend for outstanding commitments** (RAL), which increased from EUR 72.1 million to EUR 83.8 million during 2016, and called for this trend to be reversed following transition to SESAR 2020.

Parliament also highlighted the **signing of the renewed Eurocontrol/SESAR Joint Undertaking agreement in 2016**, which outlines the new role of Eurocontrol as a co-founder of SESAR and includes a series of commitments and engagements regarding the implementation of SESAR 2020. Members welcomed the **expansion of membership to 19 members**, representing over 100 companies across the industry, who will participate in the industrial research, validation and demonstration activities of SESAR 2020.

Other observations: the resolution also contained a series of observations on procurement and recruitment procedures, the prevention and management of conflicts of interests, calls for proposal, internal audits and control systems.

Members noted that **all SESAR 1 projects were closed from an operational standpoint at the end of 2016** and that 61 solutions which are ready for industrialisation and deployment, contained in the first edition of the SESAR Solution Catalogue, have been delivered to the aviation community. 54 solutions initiated in SESAR 1 will be further developed in SESAR 2020, **exemplifying the efforts to ensure an effective transition** between the two programmes.

Parliament called on the Joint Undertaking to evaluate the results of the deployment of SESAR solution, especially from the point of view of assuring the interoperability and of the steps forward in completion of the Single European Sky.

In its procedures for the **procurement of services**, the Joint Undertaking sets a maximum contract budget. Parliament was concerned by the fact that this maximum amount is not based on a systematic cost estimation process and a reasonable market price reference system.

The Joint Undertaking was asked to establish a systematic internal procedure to reassess a finding of weak **financial viability** in respect of a grant project coordinator.

Lastly, Members drew attention to the importance of the **resolving the problem of the fragmentation of the European sky**, as at present the European Single Market is not exploiting to the full the advantages offered by the Single European Sky. They reiterated the vital role of the Joint Undertaking in coordinating and implementing research into the SESAR project, which is a pillar project of the Single European Sky, although the deadline for meeting the SESAR project objectives has been deferred from the original date of 2020 to 2035.