2017 discharge: Shift2Rail Joint Undertaking (S2R Joint Undertaking)

2018/2217(DEC) - 06/03/2019 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Martina DLABAJOVÁ (ALDE, CZ) on discharge in respect of the implementation of the budget of the Shift2Rail Joint Undertaking for the financial year 2017.

The committee called on the European Parliament to grant the Executive Director discharge in respect of the implementation of the Joint Undertaking's budget for the financial year 2017.

Noting that the Court of Auditors issued a statement of assurance as to the reliability of the accounts and the legality and regularity of the underlying transactions for the financial year 2017, Members called on Parliament to approve the closure of the joint undertaking's accounts.

They made, however, a number of recommendations that need to be taken into account when the discharge is granted. They may be summarised as follows:

Budget and financial management:

Members noted that the final 2017 budget available for implementation included commitment appropriations of EUR 68 600 000 and payment appropriations of EUR 44 100 000. The utilisation rates for commitment and payment appropriations were 94 % and 79 % respectively which represent a low level especially for payment appropriations. Most of the payments made by the Joint Undertaking in 2017 were pre-financing payments for Horizon 2020 projects selected under the 2017 calls for proposals.

Other observations

The report also contained a series of observations on procurement, recruitment, performance, internal audits and the legal framework. It noted in particular:

- in 2017, the Joint Undertaking recruited seven members of staff in accordance with its Staff Establishment Plan: a legal officer, an administrative and finance assistant, an operation and grant support officer and four Programme managers. The JU's staff consisted of 20 members out of 23 foreseen in the Staff Establishment Plan;

- some qualitative shortcomings were observed in the Joint Undertaking's open procedure for the procurement of communication and event services of an estimated budget of EUR 1 200 000 over four years. The Joint Undertaking decided not to introduce minimum financial capacity in order not to discourage the participation of SMEs to the call for tender;

- that the Joint Undertaking has put in place a tailor-made anti-fraud strategy complementing the Horizon 2020 strategy, including an assessment of its risks and opportunities.