Basic information

2012/2216(DEC) DEC - Discharge procedure	Procedure completed
2011 discharge: SESAR Joint Undertaking to develop the new generation European air traffic management system **Subject** 8.70.03.07 Previous discharges	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	GERBRANDY Gerben-Jan (ALDE)	29/02/2012
	Shadow rapporteur RÜBIG Paul (PPE) AYALA SENDER Inés (S&D) STAES Bart (Verts/ALE) BRADBOURN Philip (ECR) SØNDERGAARD Søren Bo (GUE/NGL) ANDREASEN Marta (EFD) EHRENHAUSER Martin (NI)	

Committee for opinion	Rapporteur for opinion	Appointed
TRAN Transport and Tourism	MEISSNER Gesine (ALDE)	26/10/2012

European Commission

Commission DG	Commissioner
Budget	ŠEMETA Algirdas

Key events

Date	Event	Reference	Summary
25/07/2012	Non-legislative basic document published	COM(2012)0436	Summary

13/09/2012	Committee referral announced in Parliament		
19/03/2013	Vote in committee		
22/03/2013	Committee report tabled for plenary	A7-0101/2013	Summary
16/04/2013	Debate in Parliament		
17/04/2013	Decision by Parliament	T7-0171/2013	Summary
17/04/2013	Results of vote in Parliament		
17/04/2013	End of procedure in Parliament		
16/11/2013	Final act published in Official Journal		

Technical information

Procedure reference	2012/2216(DEC)
Procedure type	DEC - Discharge procedure
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	CONT/7/10574

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee opinion	TRAN	PE500.418	24/01/2013	
Committee draft report		PE497.954	29/01/2013	
Amendments tabled in committee		PE506.005	27/02/2013	
Committee report tabled for plenary, single reading		A7-0101/2013	22/03/2013	Summary
Text adopted by Parliament, single reading		T7-0171/2013	17/04/2013	Summary

Council of the EU

Document type	Reference	Date	Summary
Document attached to the procedure	05755/2013	01/02/2013	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2012)0436	25/07/2012	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofA	Court of Auditors: opinion, report	N7-0042/2013 OJ C 006 10.01.2013, p. 0046	15/11/2012	Summary

Additional information		
Source	**Document**	**Date**
European Commission	EUR-Lex	

Final act	
Decision 2013/0626 OJ L 308 16.11.2013, p. 0369	Summary

2011 discharge: SESAR Joint Undertaking to develop the new generation European air traffic management system

2012/2216(DEC) - 15/11/2012 - Court of Auditors: opinion, report

PURPOSE: presentation of the EU Court of Auditors' report on the annual accounts of the SESAR Joint Undertaking, 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.

In the Court's opinion, the **SESAR Joint Undertaking's Annual Accounts fairly present, in all material respects, its financial position as of 31 December 2011** and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of its Financial Regulation.

The Court also considers that the **transactions underlying the annual accounts** of the Authority for the financial year ended 31 December 2011 are, in all material respects, **legal and regular**.

The report confirms that the SESAR Joint Undertaking's 2011 budget amounted to EUR 147.7 million. The number of staff employed by the SESAR Joint Undertaking at the end of the year was 42 out of which 35 were occupied at year end 2011.

The report also makes a series of observations on the budgetary and financial management of the Joint Undertaking, accompanied by the latter's response. The main observations may be summarised as follows:

Court's comments:

- Budgetary balance: in 2011, the contributions from members (EUR 34 million) together with the outturn of the previous year (EUR 57 million) and other sources of revenue (EUR 200 000) amounted to EUR 91.2 million, against payments of EUR 75.6 million. This led to a positive budget outturn of EUR 15.6 million and deposits in bank accounts at the end of the year totalling EUR 15.3 million. This is at odds with the budgetary principle of equilibrium.
- Late payment of membership contributions: the deadline of 1 July 2011 for payment to the Joint Undertaking of the cash contributions for the year from its members was not respected. At the end of August 2011 there remained 17 outstanding recovery orders, totalling EUR 3.7 million. One member had paid no annual contribution at all by the end of 2011.

Joint Undertaking's replies:

- the Joint Undertaking considers that it has further progressed in respect of the budgetary principle of equilibrium. The 2011 year end cash balance decreased from EUR 572 million to EUR 15.3 million, corresponding to a decrease of 73.2 %. SESAR will continue its efforts to ensure optimal cash management and the respect of budgetary principles;

- the late contribution still pending at year end was cashed in February 2012. SESAR will further discuss with its Members the most appropriate approach to ensure the respect of the contractual deadlines for the payment of membership cash contributions.

Lastly, the Court of Auditors' report contains a summary of the **Joint Undertaking's activities in 2011**. 2011 constitutes a key year in the progress to achieve the mid-term objectives and Vision 2012. In particular:

- Objective No 1- initial 4D trajectory is validated in an operational environment supported by satellite based technology (including the development and integration of the two FMS prototypes as well as a number of simulation activities connecting ground and airborne simulation platforms. It is expected that as planned the objective will be mostly met in 2012, although the use of satellite based technologies is being introduced after the 2013 timeframe;
- Objective No 2- 10 000 flights, including 500 military, are SESAR labelled including AIRE (Atlantic Interoperability Initiative to Reduce Emissions) and OPTIMI (Oceanic position tracking improvement and monitoring) flight demonstrations;
- Objective No. 3 - 80 % of SESAR projects have tested their outputs in a real life environment;
- Objective No 4 - first SWIM (System Wide Information Management) pilots are in place to exchange data across at least five domains;
- Objective No 5 - the first remote tower is ready for operation;
- Objective No 6 - SESAR benefits are demonstrated in city pairs connecting 8 European airports (Paris, Vienna, Madrid, Cologne, Dusseldorf, Prague, Brussels, Toulouse) and the involvement of some 40 partners in Europe and beyond. The quality of these results is high not only in terms of reduction of fuel burn and therefore CO2 emissions, but because the high conversion rate from projects into daily ATM practice;
- Objective No 7 - airspace users have signed up to the SESAR business case for time based operations: substantial effort has been invested in developing business case methodologies for ANSPs, airspace users and airports. Step 1 of the 4D Time Based Operations deliverables has been validated in 2011 and will continue to be validated in 2012 and will also be made in standardisation activities.

It should be noted that a table sets out the 310 research and development and management projects under the Joint Undertaking's responsibility by project status at the end of 2011.

2011 discharge: SESAR Joint Undertaking to develop the new generation European air traffic management system

2012/2216(DEC) - 01/02/2013

Having examined the revenue and expenditure accounts for the financial year 2011 and the balance sheet at 31 December 2011 of the SESAR Joint Undertaking, and the report by the Court of Auditors on the annual accounts of the Joint Undertaking for the financial year 2011, accompanied by the Joint Undertaking's replies to the Court's observations, the Council recommends the European Parliament to give a discharge to the Executive Director of the Joint Undertaking in respect of the implementation of the budget for the financial year 2011.

The observations in the Court of Auditors' report in relation to the financial year 2011 call for some comments by the Council, which may be summarised as follows:

- the Council welcomes the Court's opinion that, in all material respects, the Joint Undertaking's annual accounts present fairly its financial position as at 31 December 2011 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Joint Undertaking's Financial Rules, and that the underlying transactions for that financial year are legal and regular;
- nevertheless, as in previous years, the Council calls on the Joint Undertaking to **improve its financial programming and to avoid over-budgeting** , in line with the budgetary principle of equilibrium;
- it encourages the Joint Undertaking to pursue its efforts to **avoid the late payment of membership contributions**.

2011 discharge: SESAR Joint Undertaking to develop the new generation European air traffic management system

2012/2216(DEC) - 22/03/2013 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Gerben-Jan GERBRANDY (ADLE, NL) on 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 2011.

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts of the Joint Undertaking for the financial year 2011 are reliable and that the underlying transactions are legal and regular, Members approve the closure of the Undertaking's accounts. However, they make a number 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:

Financing, budget and financial management: the budget for the 2008-2013 development phase of the SESAR project is EUR 2.1 billion. The Joint Undertaking's final budget for the financial year 2011 included commitment appropriations of EUR 148 million and payment appropriations of EUR EUR 91.7 million.

Implementation rate of appropriations and carryovers: Members further acknowledge that the utilisation rates for commitment and payment appropriations were 99.4% and 82.4% respectively. They point out that that year-end deposits in bank accounts totalling EUR 15.3 million still represents a **breach of the budgetary principle of equilibrium**. They call on the Joint Undertaking to continue to implement concrete measures to attain budget equilibrium.

Members also made a series of observations as regards the Undertaking's control and internal audit systems, late payments of membership contributions and other management issues.

Lastly, Members reiterate the invitation for the Court of Auditors to provide, within a reasonable deadline, a special report to Parliament on common issues which occur due to the nature of the joint undertakings in order to ensure their **added value and efficient execution of Union research, technological development and demonstration programmes. They further note that the same report should include an assessment of the effectiveness of the joint undertakings' establishment and structure**.

2011 discharge: SESAR Joint Undertaking to develop the new generation European air traffic management system

2012/2216(DEC) - 17/04/2013 - Text adopted by Parliament, single reading

The European Parliament adopted a decision on discharge to be granted to the Executive Director of the SESAR Joint Undertaking for the financial year 2011. The vote on the decision to grant discharge covers the closure of the accounts (in accordance with Annex VI, Article 5(1) of the European Parliament's Rules of Procedure).

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts of the Joint Undertaking for the financial year 2011 are reliable and that the underlying transactions are legal and regular, Parliament adopted a resolution containing a number 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.

- **Financing, budget and financial management:** the budget for the 2008-2013 development phase of the SESAR project is EUR 2.1 billion. The Joint Undertaking's final budget for the financial year 2011 included commitment appropriations of EUR 148 million and payment appropriations of EUR EUR 91.7 million.
- **Implementation rate of appropriations and carryovers:** Parliament further acknowledges that the utilisation rates for commitment and payment appropriations were 99.4% and 82.4% **respectively. It points out that that year-end deposits in bank accounts totalling EUR 15.3 million still represents a** breach of the budgetary principle of equilibrium. It calls on the Joint Undertaking to continue to implement concrete measures to attain budget equilibrium.
- **Membership contributions:** Parliament deplores the fact that the deadline for the payment of cash contributions to the Joint Undertaking from its members was not respected; notes that at the end of August 2011. It urges the Joint Undertaking to nevertheless ensure the respect of contractual deadlines for the payment of cash contributions by its members that represent 10 % of their global contributions to the project.

Parliament also makes a series of observations as regards the Undertaking's control and internal audit systems, and other management issues.

Lastly, Parliament invites the Court of Auditors to provide, within a reasonable deadline, a special report to Parliament on common issues which occur due to the nature of the joint undertakings in order to ensure their **added value and efficient execution of Union research, technological development and demonstration programmes.** It further notes that the same report should include **an assessment of the effectiveness of the joint undertakings' establishment and structure**.

2011 discharge: SESAR Joint Undertaking to develop the new generation European air traffic management system

2012/2216(DEC) - 17/04/2013 - Final act

PURPOSE: to grant discharge to the SESAR Joint Undertaking for the financial year 2011.

NON-LEGISLATIVE ACT: Decision 2013/626/EU of the European Parliament on discharge in respect of the implementation of the budget of the SESAR Joint Undertaking for the financial year 2011.

CONTENT: with the present decision, and in accordance with Article 319 of the Treaty on the Functioning of the European Union (TFEU), the European Parliament grants discharge to the Executive Director of the SESAR Joint Undertaking in respect of its budget for the financial year 2011.

This decision is in line with the European Parliament's resolution adopted on 17 April 2013 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 17 April 2013).

A parallel decision, 2013/627/EU, adopted on the same day, approves the closure of the Undertaking's accounts for the 2011 financial year.

2011 discharge: SESAR Joint Undertaking to develop the new generation European air traffic management system

2012/2216(DEC) - 25/07/2012 - Non-legislative basic document

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2011, as part of the 2011 discharge procedure.

Analysis of the accounts of the **SESAR Joint Undertaking.**

CONTENT: this Commission document sets out the consolidated annual accounts of the European Union for the financial year 2011 as prepared on the basis of the information presented by the institutions, organisations and bodies of the EU, in accordance with Article 129 (2) of the Financial Regulation applicable to the EU's General Budget, including the SESAR Joint Undertaking.

In 2011, the tasks and budget of this agency were as follows:

- **description of the tasks of the Joint Undertaking:** SESAR Joint Undertaking, located in Brussels, was set up in 2007 by Regulation (EC) 219 /2007 for a period extending to 31 December 2017. It aims to modernise air traffic management (ATM) in Europe;
- **budget of the Joint Undertaking for the 2011 financial year:** the budget for SESAR's development phase (2008-2013) amounts to EUR 2.1 billion to be provided in equal parts by the EU, by Eurocontrol and by public and private partners. The EU's contribution is financed by the 7th Framework RTD Programme and the trans-European Networks for transport programme. Around 90% of the funding from Eurocontrol and other partners will take the form of contributions in kind.

The complete version of SESAR's final accounts may be found at the following address:

http://www.sesarju.eu/about/funding

or consult the following document:

http://www.europarl.europa.eu/document/activities/cont/201210/20121004ATT52957/20121004ATT52957EN.pdf