Basic information

2014/2131(DEC) DEC - Discharge procedure	Procedure completed
2013 discharge: Clean Sky Joint Undertaking **Subject** 8.70.03.03 2013 discharge	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	CZARNECKI Ryszard (ECR)	26/09/2014
	Shadow rapporteur MARINESCU Marian-Jean (PPE) BALČYTIS Zigmantas (S&D) DLABAJOVÁ Martina (ALDE) ŠOLTES Igor (Verts/ALE) VALLI Marco (EFDD)	

Committee for opinion	Rapporteur for opinion	Appointed
ENVI Environment, Public Health and Food Safety	The committee decided not to give an opinion.	
ITRE Industry, Research and Energy	The committee decided not to give an opinion.	
TRAN Transport and Tourism	The committee decided not to give an opinion.	

European Commission

Commission DG	Commissioner
Budget	GEORGIEVA Kristalina

Key events

Date	Event	Reference	Summary

30/07/2014	Non-legislative basic document published	COM(2014)0510	Summary
20/10/2014	Committee referral announced in Parliament		
23/03/2015	Vote in committee		
31/03/2015	Committee report tabled for plenary	A8-0107/2015	Summary
28/04/2015	Debate in Parliament		
29/04/2015	Decision by Parliament	T8-0164/2015	Summary
29/04/2015	Results of vote in Parliament		
29/04/2015	End of procedure in Parliament		
30/09/2015	Final act published in Official Journal		

Technical information

Procedure reference	2014/2131(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/01584

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE541.308	28/01/2015	
Amendments tabled in committee		PE549.356	05/03/2015	
Committee report tabled for plenary, single reading		A8-0107/2015	31/03/2015	Summary
Text adopted by Parliament, single reading		T8-0164/2015	29/04/2015	Summary

Council of the EU

Document type	Reference	Date	Summary
Document attached to the procedure	05306/2015	30/01/2015	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2014)0510	30/07/2014	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary

CofA	Court of Auditors: opinion, report	N8-0003/2015 OJ C 452 16.12.2014, p. 0017	21/10/2014	Summary

Additional information		
Source	Document	Date
European Commission	EUR-Lex	

Final act	
Budget 2015/1695 OJ L 255 30.09.2015, p. 0371	Summary

2013 discharge: Clean Sky Joint Undertaking

2014/2131(DEC) - 29/04/2015 - Final act

PURPOSE: to grant discharge to the Clean Sky Joint Undertaking for the financial year 2013.

NON LEGISLATIVE ACT: Decision (EU) 2015/1695 of the European Parliament on discharge in respect of the implementation of the budget of the Clean Sky Joint Undertaking for the financial year 2013.

CONTENT: with the present decision, the European Parliament grants discharge to the Executive Director of the Clean Sky Joint Undertaking for the implementation of the latter's budget for the financial year 2013.

This decision is in line with the European Parliament's resolution adopted on 29 April 2015 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 29 April 2015).

Amongst Parliament's main observations, the latter called on Clean Sky to strengthen its links with the SESAR Joint Undertaking. It invited the Commission to work with both joint undertakings in order to improve the communication and **reinforce synergies and complementarities,** ensuring at the same time that there was no risk of overlapping between the activities of the two joint undertakings in question.

2013 discharge: Clean Sky Joint Undertaking

2014/2131(DEC) - 21/10/2014 - Court of Auditors: opinion, report

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

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 Clean Sky 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 Clean Sky 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 its cash flows for the year then ended in accordance with the provisions of its financial rules and the 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:

- **financial and budgetary management**: the average time for the launch of the 2013 call for proposal and the signing of grant agreements was 9 months for Clean Sky (versus 12 months for 2012);
- **key controls of the supervisory and control systems**: the Court's report noted weaknesses were noted in respect of the ex-ante control of cost claims submitted by Clean Sky partners.
- **conflicts of interest**: on 13 December 2013, the Joint Undertaking adopted the Code of Conduct for the prevention and mitigation of conflicts of interest applicable to private members of the Governing Board.

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. It noted that in order to ensure the sound functioning of the control system, the JU has updated the financial back-up system by introducing new actors to perform the roles of financial verifier and authorising officer by delegation and is now closely monitoring the continuity of operations during absences.

As regards the **activities of the Joint Undertaking in 2013**, the report refers to the Annual Activity Report 2012 which can be found at http://www.cleansky.eu

It should be noted that the budget for the Joint Undertaking for 213 amounted to EUR 306 043 097.

2013 discharge: Clean Sky Joint Undertaking

2014/2131(DEC) - 29/04/2015 - Text adopted by Parliament, single reading

The European Parliament decided by 557 votes to 105, with 27 abstentions, to grant discharge to the Executive Director of the **Clean Sky 2 Joint Undertaking** for the financial year 2013. The vote on the discharge decision approved the closure of the accounts (in accordance with Annex VI, Article 5(1) of the Rules of Procedure of the European Parliament).

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts of the Clean Sky 2 JU for the financial year 2013 are reliable, and that the underlying transactions are legal and regular, Parliament adopted by 565 votes to 74, with 31 abstentions, a resolution containing a number of recommendations that form an integral part of the discharge decision and as well as the general recommendations that appear in the resolution on performance, financial management and control of EU agencies:

- **Budgetary and financial management**: Parliament noted that the commitment appropriations utilisation rate was 90.6% while the rate for payment appropriations was 87.7%. It was concerned that the lower rate for payment appropriations still reflected **delays in budget implementation**, although the rate improved in comparison to the previous year (75%). It also noted that the members of the Joint Undertaking other than the Commission must contribute resources of at least EUR 600 million, including their contributions to cover running costs. Members pointed out that at the time of the Court's audit, the contribution committed by the Union amounted to EUR 713 million while the resources from the members amounted to EUR 409 million. They called on the Joint Undertaking to submit a report to the discharge authority concerning **the contributions of all members**, other than the Commission, including the application of the evaluation rules, together with an assessment by the Commission.
- **Internal controls**: Parliament noted that several weaknesses were identified when the Grant Management Tool was tested by the accounting officer. It agreed that **follow-up on resolving these weaknesses** was needed, in particular regarding the management of grants and internal governance regarding verification and validation of commitments.

Other observations: Members noted the Joint Statement by the Parliament, the Council and the Commission on the **separate discharge for Joint Undertakings**. They called on the Court to present a complete and appropriate financial assessment of the rights and obligations of the Joint Undertaking for the period up to the date of Clean Sky 2 starting activity. Parliament asked the Joint Undertaking to submit a report to the discharge authority on the social-economic benefits of the completed projects already. It recalled that the discharge authority had previously requested the Court to draw up a **special report** on the capacity of the joint undertakings, together with their private partners, to ensure added value and efficient execution of Union research, technological development and demonstration programmes.

Parliament made a series of observations regarding conflicts of interests and urged the Joint Undertaking to provide a track record of all the conflict of interest cases resolved by the end of September 2015. In particular, it invited the Joint Undertaking to adopt comprehensive policies for the management of conflict of interest situations such as divestment of the interest by the public official, recusal of the public official from involvement in an affected decision-making process, restriction of access by the affected public official to particular information, rearrangement of the public official's duties or **resignation of the public official from their office**.

Lastly, it believed that **links between the Joint Undertaking and the SESAR Joint Undertaking should be strengthened** in order to improve communication and reinforce synergies and complementarities.

2013 discharge: Clean Sky Joint Undertaking

2014/2131(DEC) - 31/03/2015 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Ryszard CZARNECKI (ECR, PL) on discharge in respect of the implementation of the budget of the **Clean Joint Undertaking** for the financial year 2013.

It called on the European Parliament to grant the Executive Director of the Clean Sky 2 Joint Undertaking discharge in respect of the implementation of the Joint Undertaking's budget for the financial year 2013.

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts of the Centre for the financial year 2013 are reliable, and that the underlying transactions are legal and regular, Members called on the Parliament to approve the closure of the Centre's accounts. They made, however, a number of recommendations that needed 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.

- **Budgetary and financial management:** Members noted that the commitment appropriations utilisation rate was 90.6 % while the rate for payment appropriations was 87.7 %. They were concerned that the lower rate for payment appropriations still reflected **delays in budget implementation**, although the rate improved in comparison to the previous year (75 %). They also noted that the members of the Joint Undertaking other than the Commission must contribute resources of at least EUR 600 000 000, including their contributions to cover running costs. Members pointed out that at the time of the Court's audit, the contribution committed by the Union amounted to EUR 713 000 000 while the resources from the members amounted to EUR 409 000 000. They called on the Joint Undertaking to submit a report to the discharge authority concerning **the contributions of all members**, other than the Commission, including the application of the evaluation rules, together with an assessment by the Commission.

- **Internal controls:** Members noted that several weaknesses were identified when the Grant Management Tool was tested by the accounting officer. They agreed that **follow-up on resolving these weaknesses** was needed, in particular regarding the management of grants and internal governance regarding verification and validation of commitments.

- **Other observations:** Members noted the Joint Statement by the Parliament, the Council and the Commission on the **separate discharge for Joint Undertakings**. They called on the Court to present a complete and appropriate financial assessment of the rights and obligations of the Joint Undertaking for the period up to the date of Clean Sky 2 starting activity. The committee asked the Joint Undertaking to submit a report to the discharge authority on the social-economic benefits of the completed projects already. It recalled that the discharge authority had previously requested the Court to draw up a **special report** on the capacity of the joint undertakings, together with their private partners, to ensure added value and efficient execution of Union research, technological development and demonstration programmes.

- Members made a series of observations regarding conflicts of interests and urged the Joint Undertaking to provide a track record of all the conflict of interest cases resolved by the end of September 2015.

- Lastly, they believed that **links between the Joint Undertaking and the SESAR Joint Undertaking should be strengthened** in order to improve communication and reinforce synergies and complementarities.

2013 discharge: Clean Sky Joint Undertaking

2014/2131(DEC) - 30/01/2015

Having examined the revenue and expenditure accounts for the financial year 2013 and the balance sheet at 31 December 2013 of the Clean Sky Joint Undertaking, and the report by the Court of Auditors on the annual accounts of the Joint Undertaking for the financial year 2013, 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 successor Joint Undertaking in respect of the implementation of the budget of the Joint Undertaking for the financial year 2013.

The Council recalls that the Clean Sky 2 Joint Undertaking has replaced and succeeded the Clean Sky Joint Undertaking and that discharge should therefore be given to the Executive Director of the Clean Sky 2 Joint Undertaking.

Overall, 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 2013 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 Regulation and the accounting rules adopted by the Commission's accounting officer, and that the underlying transactions for that financial year are legal and regular.

Nevertheless, the Court has made some observations. They may be summarised as follows:

- **carry-overs**: in order to avoid excessive carry-overs, the Council calls on the successor Joint Undertaking to pay due attention to the proper implementation of commitment and payment appropriations in the course of the budgetary year and to decommit unused appropriations if necessary, in line with the budgetary principle of annuality;
- **procurement**: the Council invites the successor Joint Undertaking, to implement further improvements as regards expenditure relating to calls for proposals, and in particular to shorten the delay of signature of grant agreements, in order to achieve a better execution rate of payment appropriations in the future;
- **internal controls**: the Council invites the successor Joint Undertaking to continue the efforts related to the improvement of control systems and procedures, notably the ex-ante control of cost claims, and to provide more clarity to all actors through dedicated workshops and trainings. It invites the Joint Undertaking to bring its own Financial Rules concerning the internal audit arrangements, and in particular those regarding the powers of the Commission's internal auditor, in line with the revised Framework Financial Regulation;
- **research results**: the Council also invites the successor Joint Undertaking to improve the monitoring and reporting of research results.

2013 discharge: Clean Sky Joint Undertaking

2014/2131(DEC) - 30/07/2014 - Non-legislative basic document

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2013, as part of the 2013 discharge procedure.

Analysis of the accounts of the **Clean Sky Joint Undertaking**.

CONTENT: this Commission document sets out the consolidated annual accounts of the European Union for the financial year 2013 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 Clean Sky Joint Undertaking.

The document contains the figures on which the discharge procedure is based.

Discharge procedure of the EU Joint Undertakings: the EU Budget finances a wide range of policies and programmes throughout the EU. In accordance with the priorities set by the European Parliament and the Council in the multi-annual financial framework (MFF), the European Commission carries out specific programmes, activities and projects in the field with the technical support of some specialised agencies.

The consolidated annual accounts of the EU provide information on the activities of the institutions, agencies and other bodies of the EU from a budgetary and accrual accounting perspective.

The consolidated reports on the implementation of the general budget of the EU include the budget implementation of all Institutions. **Agencies and Joint Undertakings (JUs) do not have a separate budget inside the EU budget**; and they are partially financed by a Commission budget subsidy.

Each JU is subject to its own discharge procedure.

Clean Sky: in 2013, the tasks and budget of the Joint Undertaking were as follows:

- **description of the tasks of the Joint Undertaking**: the Clean Sky Joint Undertaking, which is located in Brussels, was established in 2007 by Regulation (EC) No 71/2008 for the period up to 31 December 2017. The aim of this entity is to accelerate the development, validation and demonstration of clean air transport technologies in the EU and in particular to create a radically innovative Air Transport System with the target of reducing the environmental impact of air transport;
- **accounts of the JU**: the maximum indicative contribution of the Commission amounts to EUR 800 million until 2017. The cumulative unrecognised share of losses is EUR 72 million (57.8% ownership participation).

Please also consult Clean Sky Joint Undertaking's final accounts.