Basic information

2016/2196(DEC) DEC - Discharge procedure	Procedure completed
2015 discharge: Clean Sky 2 Joint Undertaking **Subject** 8.70.03.05 2015 discharge	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	POCHE Miroslav (S&D)	04/08/2016
	Shadow rapporteur HAYES Brian (PPE) MARIAS Notis (ECR) GERBRANDY Gerben-Jan (ALDE) OMARJEE Younous (GUE/NGL) TARAND Indrek (Verts/ALE) VALLI Marco (EFDD) KAPPEL Barbara (ENF)	

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
11/07/2016	Non-legislative basic document published	COM(2016)0475	Summary
04/10/2016	Committee referral announced in Parliament		
23/03/2017	Vote in committee		
28/03/2017	Committee report tabled for plenary	A8-0094/2017	Summary
26/04/2017	Debate in Parliament		
27/04/2017	Decision by Parliament	T8-0189/2017	Summary
27/04/2017	Results of vote in Parliament		
27/04/2017	End of procedure in Parliament		
29/09/2017	Final act published in Official Journal		

Technical information

Procedure reference	2016/2196(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/07524

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE593.971	01/02/2017	
Amendments tabled in committee		PE599.878	06/03/2017	
Committee report tabled for plenary, single reading		A8-0094/2017	28/03/2017	Summary
Text adopted by Parliament, single reading		T8-0189/2017	27/04/2017	Summary

Council of the EU

Document type	Reference	Date	Summary
Supplementary non-legislative basic document	05875/2017	07/02/2017	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2016)0475	11/07/2016	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofA	Court of Auditors: opinion, report	N8-0144/2016 OJ C 473 16.12.2016, p. 0015	18/10/2016	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Budget 2017/1732
OJ L 252 29.09.2017, p. 0341 Summary

2015 discharge: Clean Sky 2 Joint Undertaking

2016/2196(DEC) - 18/10/2016 - Court of Auditors: opinion, report

PURPOSE: presentation of the EU Court of Auditors' report on the annual accounts of the Clean Sky 2 Joint Undertaking for the financial year 2015, 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 focused on the annual accounts of the Clean Sky 2 Joint Undertaking (clean aeronautical technologies). As a reminder, the objective of the Clean Sky Joint Undertaking is to contribute to the finalisation of research activities of the Seventh Research Framework Programme (FP7) and to improving the environmental impact of aeronautical technologies, as well as to developing a strong and globally competitive aeronautical industry and supply chain in Europe. The objectives of the Clean Sky 2 Joint Undertaking fall under the societal challenge pillar in Horizon 2020 for Smart, Green and Integrated Transport.

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 2, which comprise the financial statements and the reports on the implementation of the budget for the financial year ended 31 December 2015;
- 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 2015, 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 2015 are, in all material respects, legal and regular.

The audit also revealed the following points:

- **budgetary and financial management**: the Court noted that the amount of in-kind contributions entered in the final accounts is based on the information received from the members of the Joint Undertaking other than the EU. From the reported EUR 47 million of in-kind contributions related to H2020 operational expenses, EUR 19 million have been certified in accordance with the Council Regulation, but not yet validated by the Governing Board, and EUR 28 million euros remained to be certified and validated.

Joint Undertaking's reply: the Joint Undertaking stressed that while the members provided their estimates by 31 January 2016, the actual declarations were received later, as many members find it difficult to present their actual figures in such a short deadline, due to longer internal processes.

By 30 September 2016, the Joint Undertaking received and assessed most of the members' financial reports which have already increased the validated in-kind contribution by EUR 17.4 million compared to the amount reported in the final accounts.

2015 discharge: Clean Sky 2 Joint Undertaking

2016/2196(DEC) - 27/04/2017 - Final act

PURPOSE: to grant discharge to the Clean Sky Joint Undertaking for the financial year 2015.

NON-LEGISLATIVE ACT: Decision (EU) 2017/1732 of the European Parliament on discharge in respect of the implementation of the budget of the Clean Sky 2 Joint Undertaking for the financial year 2015.

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 latters budget for the financial year 2015.

This decision is in line with the European Parliament's resolution adopted on 27 April 2017 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 27 April 2017).

Amongst Parliaments main observations in the resolution accompanying the discharge decision, the latter noted that the representation of genders is extremely unbalanced and urged the Joint Undertaking to improve the gender imbalance in its various bodies and to put forward a plan for realising that goal.

Parliament called on the Commission to ensure the direct involvement of the Joint Undertaking in the process of the Horizon 2020 mid-term review in the sphere of further simplifications and harmonisation of Joint Undertakings.

2015 discharge: Clean Sky 2 Joint Undertaking

2016/2196(DEC) - 28/03/2017 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Miroslav POCHE (S&D, CZ) on discharge in respect of the implementation of the budget of the Clean Sky 2 Joint Undertaking for the financial year 2015.

The committee called on the European Parliament to **grant the joint undertaking's Executive Director discharge** in respect of the implementation of the joint undertaking's budget for the financial year 2015.

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 2015, 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:

Follow-up of 2014 discharge: Members took note that the Joint Undertaking disclosed performance indicators and indicators for monitoring cross-cutting issues in its annual activity report as required and that it achieved its targets in majority of them.

Budgetary and financial management: the Joint Undertaking's final budget for 2015 included commitment appropriations of EUR 440 705 606 and payment appropriations of EUR 245 990 262. Members observed with satisfaction that the Joint Undertaking successfully faced the challenge of managing the highest budget in its history (amounting to 192 % in commitments of the 2014 budget and 166 % in payment appropriations of the 2014 budget). The **commitment appropriations utilisation rate was 99.47 %** (compared to 82.58 % in 2014) and the **rate of payment appropriations was 75.44 %** (compared to 90.19 % in 2014).

Members pointed out that **private sector members** experienced difficulties presenting their in-kind contribution figures by the deadline of 31 January and is concerned that this could become a recurring issue.

Other observations: the report also contained a series of observations on calls for procedure, *ex-ante* control procedures, ex-ante control procedures, ex-post audits, anti-fraud and internal controls.

Members appreciated that, in terms of widening participation, during the first year of Clean Sky 2 programme 76 new core partners joined the programme and took note of the progress made by the Joint Undertaking in **involving SMEs** in the programme by achieving 36% participation rate by the end 2016.

The Joint Undertaking is urged to improve the **gender balance** in its various bodies and to put forward a plan for realising that goal.

2015 discharge: Clean Sky 2 Joint Undertaking

2016/2196(DEC) - 27/04/2017 - Text adopted by Parliament, single reading

The European Parliament decided 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 2015.

Based on the statement of assurance provided by the Court of Auditors concerning the reliability of the accounts and the legality and regularity of the underlying transactions, it decided to **approve the closure of the accounts** of the Joint Undertaking for the same financial year.

Noting that the Court of Auditors has stated that it has obtained reasonable assurances that the Joint Undertaking's annual accounts for the financial year 2015 are reliable and that the underlying transactions are legal and regular, Parliament adopted by 502 votes to 92 with 21 abstentions, a resolution containing a series of recommendations which form an integral part of the decision on discharge.

Follow-up of 2015 discharge: Members took note that the Joint Undertaking disclosed performance indicators and indicators for monitoring cross-cutting issues in its annual activity report as required and that it achieved its targets in majority of them.

Budgetary and financial management: the Joint Undertaking's final budget for 2015 included commitment appropriations of EUR 440 705 606 and payment appropriations of EUR 245 990 262. Members noted that:

- the Joint Undertaking successfully faced the challenge of managing the highest budget in its history (amounting to 192 % in commitments of the 2014 budget and 166 % in payment appropriations of the 2014 budget). The **commitment appropriations utilisation rate was 99.47 %** (compared to 82.58 % in 2014) and the **rate of payment appropriations was 75.44 %** (compared to 90.19 % in 2014);
- out of the total amount of EUR 1 755 000 000 for the operational and administrative activities to be funded under Horizon 2020, the Joint Undertaking made operational commitments of EUR 436 682 680 and payments of EUR 89 799 324;
- out of the reported EUR 47 103 981 of in-kind contributions related to Horizon 2020 operational expenses, EUR 27 776 996 were certified but not yet validated by the Governing Board, and EUR 19 326 985 were still to be certified and validated. Members pointed out that private sector members experienced **difficulties presenting their in-kind contribution figures** by the deadline of 31 January and is concerned that this could become a recurring issue.

Other observations: the resolution also contained a series of observations on calls for procedure, *ex-ante* control procedures, ex-post audits, anti-fraud and internal controls.

Members appreciated that, in terms of widening participation, during the first year of Clean Sky 2 programme 76 new core partners joined the programme and took note of the progress made by the Joint Undertaking in **involving SMEs** in the programme by achieving 36% participation rate by the end 2016.

The Joint Undertaking is urged to **improve the gender balance** in its various bodies and to put forward a plan for realising that goal.

2015 discharge: Clean Sky 2 Joint Undertaking

2016/2196(DEC) - 07/02/2017 - Supplementary non-legislative basic document

Having examined the revenue and expenditure accounts for the financial year 2015 and the balance sheet as at 31 December 2015 of the Clean Sky 2 Joint Undertaking, as well as the Court of Auditors' report on the annual accounts of the Joint Undertaking for the financial year 2015, accompanied by the Joint Undertaking's replies to the Court's observations, the Council recommended 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 2015.

The Council welcomed the Court's opinion that, in all material respects, the Joint Undertaking's annual accounts present fairly its financial position as at 31 December 2015 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 2015 are legal and regular in all material respects.

Nevertheless, the Council made the following observations:

- **financial programming**: the Council called on the Joint Undertaking to pay due attention to the proper programming and implementation of commitment and payment appropriations in the course of the budgetary year and to decommit unused appropriations if necessary;
- **planning**: the Council encouraged the Joint Undertaking to implement its action plan on planning, performance monitoring and reporting and the dissemination of research results;
- **conflicts of interest**: the Joint Undertaking is invited to incorporate in its procedures a declaration of absence of a conflict of interest as stated in the Commission's guidelines.

2015 discharge: Clean Sky 2 Joint Undertaking

2016/2196(DEC) - 11/07/2016 - Non-legislative basic document

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2015, as part of the 2015 discharge procedure.

Analysis of the accounts of the **Clean Sky 2 Joint Undertaking**.

CONTENT: the organisational governance of the EU consists of institutions, agencies and other EU bodies whose expenditure is included in the general budget of the Union.

The EU's operational expenditure of these institutions takes different forms, depending on how the money is paid out and managed.

From 2014 onwards, the Commission classifies its expenditure as follows:

- **Direct management**: the budget is implemented directly by the Commission services.
- **Indirect management**: the Commission confers tasks of implementation of the budget to bodies of EU law or national law, **such as the EU agencies**.
- **Shared management**: under this method of budget implementation tasks are delegated to Member States. About 80 % of the expenditure falls under this management mode covering such areas as agricultural spending and structural actions.

This Commission document concerns the EU's consolidated accounts for the year 2015 and details how spending by the EU institutions and bodies was carried out. The consolidated annual accounts of the EU provide financial information on the activities of the institutions, agencies and other bodies of the EU from an accrual accounting and budgetary perspective.

It is the responsibility of the Commission's Accounting Officer to prepare the EU's consolidated annual accounts and ensure that they present fairly, in all material aspects, the financial position, the result of the operations and the cash flows of the EU institutions and bodies, including the Clean Sky 2 JU, with a view to granting discharge.

Discharge procedure: the final step of a budget lifecycle is the discharge of the budget for a given financial year. It represents the political aspect of the external control of budget implementation and is the decision by which the European Parliament, acting on a Council recommendation, "releases" the Commission (and other EU bodies) from its responsibility for management of a given budget by marking the end of that budget's existence. The European Parliament is the discharge authority within the EU.

The discharge procedure may produce three outcomes: (i) the granting; (ii) postponement or; (iii) the refusal of the discharge.

The final discharge report including specific recommendations to the Commission for action is adopted in plenary by the European Parliament and are subject to an annual follow up report in which the Commission outlines the concrete actions it has taken to implement the recommendations made.

Each agency is subject to its own discharge procedure, including the Clean Sky 2 JU.

Clean Sky 2 JU: the Clean Sky 2 Joint Undertaking, which is located in Brussels (BE), was set up Council Regulation (EU) No 558/2014 for the period up to 31 December 2024. The Clean Sky 2 Joint Undertaking replaced and succeeded the Clean Sky Joint Undertaking and aims to contribute to improving the environmental impact of aeronautical technologies, including those relating to small aviation, as well as to developing a strong and globally competitive aeronautical industry and supply chain in Europe.

As regards the JU’s accounts, these are presented in detail in the document published by the Joint Undertaking (please refer to the final accounts of the Clean Sky 2 JU).