

Procedure file

Basic information		
DEC - Discharge procedure	2012/2217(DEC)	Procedure completed
2011 discharge: Clean Sky Joint Undertaking		
Subject 8.70.03.07 Previous discharges		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	CONT Budgetary Control		29/02/2012
		ALDE GERBRANDY Gerben-Jan	
		Shadow rapporteur PPE RÜBIG Paul S&D AYALA SENDER Inés Verts/ALE STAES Bart ECR BRADBURN Philip EFD ANDREASEN Marta NI EHRENHAUSER Martin	
	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 Budget	Commissioner ŠEMETA Algirdas	

Key events			
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		
21/03/2013	Committee report tabled for plenary	A7-0086/2013	Summary
16/04/2013	Debate in Parliament		

17/04/2013	Results of vote in Parliament		
17/04/2013	Decision by Parliament	T7-0166/2013	Summary
17/04/2013	End of procedure in Parliament		
16/11/2013	Final act published in Official Journal		

Technical information

Procedure reference	2012/2217(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/7/10577

Documentation gateway

Non-legislative basic document	COM(2012)0436	25/07/2012	EC	Summary
Court of Auditors: opinion, report	N7-0038/2013 OJ C 006 10.01.2013, p. 0009	13/11/2012	CofA	Summary
Committee draft report	PE497.949	29/01/2013	EP	
Document attached to the procedure	05755/2013	01/02/2013	CSL	Summary
Amendments tabled in committee	PE506.001	27/02/2013	EP	
Committee report tabled for plenary, single reading	A7-0086/2013	21/03/2013	EP	Summary
Text adopted by Parliament, single reading	T7-0166/2013	17/04/2013	EP	Summary

Final act

[Decision 2013/616](#)
[OJ L 308 16.11.2013, p. 0340](#) Summary

2011 discharge: Clean Sky Joint Undertaking

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 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 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 Clean Sky Joint Undertaking

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

- description of the Joint Undertaking's tasks: 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 objective of the Clean Sky Joint Undertaking is to accelerate the development, validation and demonstration of clean air transport technologies in the EU for earliest possible deployment;
- the Joint Undertaking's budget for the 2011 financial year: the maximum EU contribution to the Clean Sky Joint Undertaking is EUR 800 million to be paid from the budget of the Seventh Research Framework Programme until 2017. The other members of the Joint Undertaking contribute resources that are at least equivalent to the EUs contribution, including contributions in kind.

The complete version of the Joint Undertakings final accounts may be found at the following address: <http://www.cleansky.eu/content/homepage/about-us>

or consult the following document:

<http://www.europarl.europa.eu/document/activities/cont/201210/20121004ATT52932/20121004ATT52932EN.pdf>

2011 discharge: Clean Sky Joint Undertaking

PURPOSE: presentation of the EU Court of Auditors report on the annual accounts of the Clean Sky Joint Undertaking for the financial year 2011, together with the Joint Undertakings 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.

In the Courts opinion, the Clean Sky Joint Undertakings 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.

It considers that the transactions underlying the annual accounts of the Centre for the financial year ended 31 December 2011 are, in all material respects, partially legal and regular.

The basis for this qualified opinion on the legality and the regularity of the transactions underlying the accounts concerns the ex-post audits completed as of September 2012 which covered EUR 44.3 million (18.8% of all cost claims received by the Joint Undertaking in 2008, 2009 and 2010). The error rate resulting from these ex-post audits was 6.16%.

The report confirms that the Clean Sky Joint Undertakings budget for 2011 amounted to EUR 192 350 991. Staff totalled 24 at the year end.

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:

Courts comments:

- implementation of the budget: the Court states that the 2011 final amending budget included commitment appropriations of EUR 175 million and payment appropriations of EUR 159.8 million. The utilisation rate for commitment appropriations was 94 %, while the rate of payment appropriations was 64 %. The payment appropriation rate reflects delays in the implementation of the Joint Undertakings activities. The low implementation of the budget is also reflected in the cash balance, which stood at EUR 51 million at the end of the year (32 % of the available payment appropriations in 2011). The Joint Undertaking, contrary to its financial rules, carried over EUR 68 million of payment appropriations to 2012 without a decision by the Governing Board.
- internal audit: despite the progress made during 2011, the Joint Undertaking has not yet fully established reliable internal control and financial information systems. In particular, further work is needed on the ex-ante control procedures applied for the validation of cost claims. The financial rules of the Joint Undertaking have not yet been amended to include the provision of the Framework Regulation referring to the powers of the Commissions internal auditor.

Joint Undertakings replies:

- qualified opinion: the JU has implemented its ex-post audit process in the year 2011, approximately one year after having achieved its autonomy in November 2009. The scope of the first audits covered the validation process of the year 2010, which was the first one carried out by the JU. In the year 2010 the JU was still in a start-up phase and the ex-ante controls related to the grant management were not yet fully mature to manage the high volume of grants. With a view to the results of the first ex-post audit exercise carried out, the JU wishes to highlight the effectiveness of this element of its internal control system, through which the management has detected and corrected errors incurred during the JUs ex-ante validation of cost claims. Final corrective actions are still on-going. Since 2010, the JU has significantly developed its processes governing the validation of cost claims by setting up dedicated procedures including a database for grant management. The JUs management considers it important to ensure a multi-annual control architecture for the grant management of the Clean Sky JU, which takes into account the opportunities for standard recovery procedures as well as for preventive measures. This is why the JUs management has established control mechanisms and objectives for the multi-annual duration of the project, which are measured by indicators covering the entire program duration;
- on budgetary and financial management: the JU acknowledges the delay of the Governing Board decision approving the carry-over of payment appropriations to the budget plan of the year 2012. The time schedule for the JUs budgetary planning and reporting cycle has been revised in order to take care of the appropriate timely approval of the Governing Board for the carry-overs to the year 2013;
- as regards the internal audit: the JU had been made aware by the Internal Audit Officer (IAO) on the involvement of the IAO in some core processes in the financial management of the JU and the potential consequences on the independence of the IAO. The risk of a potential lack of assurance regarding the concerned processes will be mitigated through the involvement of the IAS if required.

Lastly, the Court of Auditors report contains a summary of the Joint Undertakings activities in 2011. The main tasks of the Clean Sky Joint Undertaking may be found at the following address: www.cleansky.eu

2011 discharge: Clean Sky Joint Undertaking

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 Clean Sky Joint Undertaking in respect of the implementation of the Undertakings 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 but has delivered a qualified opinion on the legality and the regularity of the transactions underlying the Undertakings accounts, Members approve the closure of its 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: Members recall that the maximum contribution for the period of 10 years from the Union

to the Joint Undertaking is EUR 800 million to be paid from the budget of the Seventh Research Framework Programme. They take note that the Joint Undertaking's final amending budget for the financial year 2011 included commitment appropriations of EUR 175 million and payment appropriations of EUR 159.8 million.

- Implementation rate of appropriations and carryovers: they further acknowledge that the utilisation rates for commitment and payment appropriations were 94% and 64% respectively. They call for a detailed progress report on those shortcomings which makes specific proposals for a gradual improvement in utilisation rates. Members express concern that the low rate for the payment appropriation reflects delays in the implementation of the Joint Undertakings activities.
- Qualified opinion of the Court of Auditors: Members are concerned that annual accounts of the Joint Undertaking received a qualified opinion from the Court of Auditors on the legality and the regularity of the transactions underlying those accounts on the grounds that the error rate resulting from the ex post audits was 6.16%. They reiterate that the Joint Undertaking should reinforce without delay the quality of its ex-ante controls related to the grant management. They request that the discharge authority is informed of the results of the following ex-post audit processes conducted by the Joint Undertaking and that a detailed progress report be produced which makes specific proposals for a gradual reduction in error rates.

Members made a series of observations as regards the Joint Undertakings internal audit as well as other management matters.

Lastly, Members invite the Court to provide, within a reasonable deadline, a special report to Parliament on common issues 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 note, furthermore, that the report should include an assessment of the effectiveness of the joint undertakings' establishment and structure.

2011 discharge: Clean Sky Joint Undertaking

The European Parliament adopted a decision on discharge to be granted to the Executive Director of the Clean Sky 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 Parliaments 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 but that it had delivered a qualified opinion on the legality and the regularity of the transactions underlying the Undertakings accounts, Parliament approved the closure of the accounts. It, however, adopted a series 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: Parliament recalls that the maximum contribution for the period of 10 years from the Union to the Joint Undertaking is EUR 800 million to be paid from the budget of the Seventh Research Framework Programme. It takes note that the Joint Undertaking's final amending budget for the financial year 2011 included commitment appropriations of EUR 175 million and payment appropriations of EUR 159.8 million.
- Implementation rate of appropriations and carryovers: Parliament further acknowledges that the utilisation rates for commitment and payment appropriations were 94% and 64% respectively. It calls for a detailed progress report on those shortcomings which makes specific proposals for a gradual improvement in utilisation rates. Parliament expresses concern that the low rate for the payment appropriation reflects delays in the implementation of the Joint Undertakings activities.
- Qualified opinion of the Court of Auditors: Parliament is concerned that the annual accounts of the Joint Undertaking received a qualified opinion from the Court of Auditors regarding the legality and the regularity of the transactions underlying those accounts on the grounds that the error rate resulting from the ex post audits was 6.16%. It reiterates that the Joint Undertaking should reinforce without delay the quality of its ex-ante controls related to the grant management. It requests that the discharge authority is informed of the results of the following ex-post audit processes conducted by the Joint Undertaking and that a detailed progress report be produced which makes specific proposals for a gradual reduction in error rates.

Parliament also makes a series of observations as regards the Joint Undertakings internal audit as well as other management matters.

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: Clean Sky Joint Undertaking

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

NON-LEGISLATIVE ACT: Decision 2013/616/EU of the European Parliament on discharge in respect of the implementation of the budget of the Clean Sky 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 Clean Sky 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, 2013/617/EU, adopted on the same day, approves the closure of the Undertakings accounts for the 2011 financial year.