



Brussels, 5 February 2021  
(OR. en)

5795/21  
ADD 1

FIN 86  
PE-L 7

## 'I' ITEM NOTE

---

From: Budget Committee  
To: Permanent Representatives Committee

---

Subject: Council recommendations on the discharge to be given to the joint undertakings in respect of the implementation of the budget for the financial year 2019  
– *Adoption*

---

ANNEX 1:	European Joint Undertaking for ITER and the Development of Fusion Energy .....	2
ANNEX 2:	Single European Sky Air Traffic Management Research (SESAR) Joint Undertaking .....	5
ANNEX 3:	Clean Sky 2 Joint Undertaking.....	8
ANNEX 4:	Innovative Medicines Initiative 2 Joint Undertaking .....	10
ANNEX 5:	Fuel Cells and Hydrogen 2 Joint Undertaking .....	13
ANNEX 6:	Electronic Components and Systems for European Leadership (ECSEL) Joint Undertaking .....	15
ANNEX 7:	Bio-based Industries Joint Undertaking .....	18
ANNEX 8:	Shift2Rail Joint Undertaking.....	21

**COUNCIL RECOMMENDATION**  
**of**  
**on the discharge to be given to the Director**  
**of the European Joint Undertaking for ITER and the Development of Fusion Energy**  
**in respect of the implementation of the budget**  
**of the European Joint Undertaking for ITER and the Development of Fusion Energy**  
**for the financial year 2019**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Decision 2007/198/Euratom of 27 March 2007 establishing the European Joint Undertaking for ITER and the Development of Fusion Energy and conferring advantages upon it<sup>1</sup>, and in particular Article 5(3) thereof and the fourth subparagraph of Article 15(1) of the Annex thereto,

Having regard to the Financial Regulation of the European Joint Undertaking for ITER and the Development of Fusion Energy adopted by its Governing Board on 2 December 2015,

Having examined the revenue and expenditure accounts for the financial year 2019 and the balance sheet as at 31 December 2019 of the European Joint Undertaking for ITER and the Development of Fusion Energy, hereinafter referred to as the "Joint Undertaking", as well as the Court of Auditors' report on the annual accounts of the Joint Undertaking for the financial year 2019, accompanied by the Joint Undertaking's replies to the Court's observations<sup>2</sup>,

---

<sup>1</sup> OJ L 90, 30.3.2007, p. 58.

<sup>2</sup> OJ C 380, 11.11.2020, p. 6.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2019 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

Whereas, following the above examination, the implementation of the budget of the Joint Undertaking is such as to allow a discharge to be given in respect of that implementation,

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Director of the Joint Undertaking in respect of the implementation of the budget for the financial year 2019.

Done at Brussels,

*For the Council*  
*The President*

---

**COMMENTS ACCOMPANYING**  
**THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO**  
**THE EUROPEAN JOINT UNDERTAKING FOR ITER AND THE DEVELOPMENT OF**  
**FUSION ENERGY**

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 2019 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Joint Undertaking's Financial Rules, and that the underlying transactions for 2019 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council notes with concern that risks of further cost increases and delays in project implementation compared to the new baseline proposed in 2016 still exist.

Furthermore, the Council encourages the Joint Undertaking to revise the nomenclature of its annual budget in order to increase the transparency of its operational expenditure.

---

**COUNCIL RECOMMENDATION**  
**of**  
**on the discharge to be given to the Executive Director**  
**of the Single European Sky Air Traffic Management Research (SESAR) Joint Undertaking**  
**in respect of the implementation of the budget**  
**of the SESAR Joint Undertaking**  
**for the financial year 2019**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EC) No 219/2007 of 27 February 2007 on the establishment of a Joint Undertaking to develop the new generation European air traffic management system (SESAR)<sup>1</sup>, and in particular Article 4b thereof,

Having regard to the Financial Rules of the SESAR Joint Undertaking adopted by its Administrative Board on 25 June 2015,

Having examined the revenue and expenditure accounts for the financial year 2019 and the balance sheet as at 31 December 2019 of the SESAR Joint Undertaking, hereinafter referred to as the "Joint Undertaking", as well as the Court of Auditors' report on the annual accounts of the Joint Undertaking for the financial year 2019, accompanied by the Joint Undertaking's replies to the Court's observations<sup>2</sup>,

---

<sup>1</sup> OJ L 64, 2.3.2007, p. 1.

<sup>2</sup> OJ C 380, 11.11.2020, p. 6.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2019 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

Whereas, following the above examination, the implementation of the budget of the Joint Undertaking is such as to allow a discharge to be given in respect of that implementation,

HEREBY RECOMMENDS to 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 2019.

Done at Brussels,

*For the Council*  
*The President*

---

**COMMENTS ACCOMPANYING**  
**THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO**  
**THE SINGLE EUROPEAN SKY AIR TRAFFIC MANAGEMENT RESEARCH (SESAR)**  
**JOINT UNDERTAKING**

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 2019 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Joint Undertaking's Financial Rules, and that the underlying transactions for 2019 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council notes with concern that at the end of 2019 the members' contributions for Horizon 2020 activities have only achieved 44 % of the target set. Therefore, the Council calls for continued efforts to meet the target set for member's contributions.

The Council supports the Court's observation that a pragmatic solution is needed to enable the Joint Undertaking to reimburse to the Commission the FP7 and TEN-T funds paid in excess, as well as to the other members the cash contributions received in excess for the implementation of SESAR 1 actions, before the formal closure of the Joint Undertaking in 2024.

**COUNCIL RECOMMENDATION**  
**of**  
**on the discharge to be given to the Executive Director**  
**of the Clean Sky 2 Joint Undertaking**  
**in respect of the implementation of the budget**  
**of the Clean Sky 2 Joint Undertaking**  
**for the financial year 2019**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EU) No 558/2014 of 6 May 2014 establishing the Clean Sky 2 Joint Undertaking<sup>1</sup>, and in particular Article 12 thereof,

Having regard to the Financial Rules of the Clean Sky 2 Joint Undertaking adopted by its Governing Board on 19 April 2016,

Having examined the revenue and expenditure accounts for the financial year 2019 and the balance sheet as at 31 December 2019 of the Clean Sky 2 Joint Undertaking, hereinafter referred to as the "Joint Undertaking", as well as the Court of Auditors' report on the annual accounts of the Joint Undertaking for the financial year 2019, accompanied by the Joint Undertaking's replies to the Court's observations<sup>2</sup>,

---

<sup>1</sup> OJ L 169, 7.6.2014, p. 77.

<sup>2</sup> OJ C 380, 11.11.2020, p. 6.



Whereas the Council welcomes the fact that the observations in the Court of Auditors' report in relation to the financial year 2019 do not call for any comments,

Whereas, following the above examination, the implementation of the budget of the Joint Undertaking is such as to allow a discharge to be given in respect of that implementation,

HEREBY RECOMMENDS to 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 2019.

Done at Brussels,

*For the Council*

*The President*

---

**COUNCIL RECOMMENDATION**  
**of**  
**on the discharge to be given to the Executive Director**  
**of the Innovative Medicines Initiative 2 Joint Undertaking**  
**in respect of the implementation of the budget**  
**of the Innovative Medicines Initiative 2 Joint Undertaking**  
**for the financial year 2019**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EU) No 557/2014 of 6 May 2014 establishing the Innovative Medicines Initiative 2 Joint Undertaking<sup>1</sup>, and in particular Article 12 thereof,

Having regard to the Financial Rules of the Innovative Medicines Initiative 2 Joint Undertaking adopted by its Governing Board on 22 December 2015,

Having examined the revenue and expenditure accounts for the financial year 2019 and the balance sheet as at 31 December 2019 of the Innovative Medicines Initiative 2 Joint Undertaking, hereinafter referred to as the "Joint Undertaking", as well as the Court of Auditors' report on the annual accounts of the Joint Undertaking for the financial year 2019, accompanied by the Joint Undertaking's replies to the Court's observations<sup>2</sup>,

---

<sup>1</sup> OJ L 169, 7.6.2014, p. 54.

<sup>2</sup> OJ C 380, 11.11.2020, p. 6.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2019 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

Whereas, following the above examination, the implementation of the budget of the Joint Undertaking is such as to allow a discharge to be given in respect of that implementation,

HEREBY RECOMMENDS to 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 2019.

Done at Brussels,

*For the Council*

*The President*

---

**COMMENTS ACCOMPANYING  
THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO  
THE INNOVATIVE MEDICINES INITIATIVE 2 JOINT UNDERTAKING**

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 2019 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Joint Undertaking's Financial Rules, and that the underlying transactions for 2019 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council notes with concern that at the end of 2019 the members' contributions for Horizon 2020 activities have only achieved 26 % of the target set. Therefore, the Council calls for continued efforts to meet the target set for member's contributions.

The Council encourages the Joint Undertaking to further improve its planning and monitoring of the need for operational commitment appropriations.

---

**COUNCIL RECOMMENDATION**  
**of**  
**on the discharge to be given to the Executive Director**  
**of the Fuel Cells and Hydrogen 2 Joint Undertaking**  
**in respect of the implementation of the budget**  
**of the Fuel Cells and Hydrogen 2 Joint Undertaking**  
**for the financial year 2019**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EU) No 559/2014 of 6 May 2014 establishing the Fuel Cells and Hydrogen 2 Joint Undertaking<sup>1</sup>, and in particular Article 12 thereof,

Having regard to the Financial Rules of the Fuel Cells and Hydrogen 2 Joint Undertaking adopted by its Governing Board on 20 May 2016,

Having examined the revenue and expenditure accounts for the financial year 2019 and the balance sheet as at 31 December 2019 of the Fuel Cells and Hydrogen 2 Joint Undertaking, hereinafter referred to as the "Joint Undertaking", as well as the Court of Auditors' report on the annual accounts of the Joint Undertaking for the financial year 2019, accompanied by the Joint Undertaking's replies to the Court's observations<sup>2</sup>,

---

<sup>1</sup> OJ L 169, 7.6.2014, p. 108.

<sup>2</sup> OJ C 380, 11.11.2020, p. 6.

Whereas the Council welcomes the fact that the observations in the Court of Auditors' report in relation to the financial year 2019 do not call for any comments,

Whereas, following the above examination, the implementation of the budget of the Joint Undertaking is such as to allow a discharge to be given in respect of that implementation,

HEREBY RECOMMENDS to 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 2019.

Done at Brussels,

*For the Council*

*The President*

---

**COUNCIL RECOMMENDATION**  
**of**  
**on the discharge to be given to the Executive Director**  
**of the Electronic Components and Systems for European Leadership (ECSEL) Joint**  
**Undertaking**  
**in respect of the implementation of the budget**  
**of the ECSEL Joint Undertaking**  
**for the financial year 2019**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EU) No 561/2014 of 6 May 2014 establishing the ECSEL Joint Undertaking<sup>1</sup>, and in particular Article 12 thereof,

Having regard to the Financial Rules of the ECSEL Joint Undertaking adopted by its Governing Board on 10 October 2016,

Having examined the revenue and expenditure accounts for the financial year 2019 and the balance sheet as at 31 December 2019 of the ECSEL Joint Undertaking, hereinafter referred to as the "Joint Undertaking", as well as the Court of Auditors' report on the annual accounts of the Joint Undertaking for the financial year 2019, accompanied by the Joint Undertaking's replies to the Court's observations<sup>2</sup>,

---

<sup>1</sup> OJ L 169, 7.6.2014, p.152.

<sup>2</sup> OJ C 380, 11.11.2020, p. 6.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2019 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

Whereas, following the above examination, the implementation of the budget of the Joint Undertaking is such as to allow a discharge to be given in respect of that implementation,

HEREBY RECOMMENDS to 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 2019.

Done at Brussels,

*For the Council*  
*The President*

---



**COMMENTS ACCOMPANYING**  
**THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO**  
**THE ELECTRONIC COMPONENTS AND SYSTEMS FOR EUROPEAN LEADERSHIP**  
**(ECSEL) JOINT UNDERTAKING**

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 2019 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Joint Undertaking's Financial Rules, and that the underlying transactions for 2019 are legal and regular. Nevertheless, some observations need to be made.

The Council notes the risk that private members' contributions to Horizon 2020 activities can only be validated at the end of the programme, when the contribution of the Participating States is definite.

Furthermore, the Council encourages the Joint Undertaking to improve the internal communication process to identify beneficiaries threatened with bankruptcy.

---

**COUNCIL RECOMMENDATION**  
**of**  
**on the discharge to be given to the Executive Director**  
**of the Bio-based Industries Joint Undertaking**  
**in respect of the implementation of the budget**  
**of the Bio-based Industries Joint Undertaking**  
**for the financial year 2019**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EU) No 560/2014 of 6 May 2014 establishing the Bio-based Industries Joint Undertaking<sup>1</sup>, and in particular Article 12 thereof,

Having regard to the Financial Rules of the Bio-based Industries Joint Undertaking adopted by its Governing Board on 23 December 2015,

Having examined the revenue and expenditure accounts for the financial year 2019 and the balance sheet as at 31 December 2019 of the Bio-based Industries Joint Undertaking, hereinafter referred to as the "Joint Undertaking", as well as the Court of Auditors' report on the annual accounts of the Joint Undertaking for the financial year 2019, accompanied by the Joint Undertaking's replies to the Court's observations<sup>2</sup>,

---

<sup>1</sup> OJ L 169, 7.6.2014, p. 130.

<sup>2</sup> OJ C 380, 11.11.2020, p. 6.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2019 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

Whereas, following the above examination, the implementation of the budget of the Joint Undertaking is such as to allow a discharge to be given in respect of that implementation,

HEREBY RECOMMENDS to 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 2019.

Done at Brussels,

*For the Council*  
*The President*

---

**COMMENTS ACCOMPANYING  
THE DRAFT COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO  
THE BIO-BASED INDUSTRIES JOINT UNDERTAKING**

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 2019 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Joint Undertaking's Financial Rules, and that the underlying transactions for 2019 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council notes with concern that at the end of 2019 the members' contributions for Horizon 2020 activities have only achieved 38% of the target set. Therefore, the Council calls for continued efforts to meet the target set for member's contributions.

The Council encourages the Joint Undertaking to further improve the planning of its budget for commitment and payment appropriations.

---

**COUNCIL RECOMMENDATION**  
**of**  
**on the discharge to be given to the Executive Director**  
**of the Shift2Rail Joint Undertaking**  
**in respect of the implementation of the budget**  
**of the Shift2Rail Joint Undertaking**  
**for the financial year 2019**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EU) No 642/2014 of 16 June 2014 establishing the Shift2Rail Joint Undertaking <sup>1</sup>, and in particular Article 12 thereof,

Having regard to the Financial Rules of the Shift2Rail Joint Undertaking adopted by its Governing Board on 11 December 2015,

Having examined the revenue and expenditure accounts for the financial year 2019 and the balance sheet as at 31 December 2019 of the Shift2Rail Joint Undertaking, hereinafter referred to as the "Joint Undertaking", as well as the Court of Auditors' report on the annual accounts of the Joint Undertaking for the financial year 2019, accompanied by the Joint Undertaking's replies to the Court's observations<sup>2</sup>,

---

<sup>1</sup> OJ L 177, 17.6.2014, p. 9.

<sup>2</sup> OJ C 380, 11.11.2020, p. 6.

Whereas the Council welcomes the fact that the observations in the Court of Auditors' report in relation to the financial year 2019 do not call for any comments,

Whereas, following the above examination, the implementation of the budget of the Joint Undertaking is such as to allow a discharge to be given in respect of that implementation,

HEREBY RECOMMENDS to 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 2019.

Done at Brussels,

*For the Council*

*The President*

---