



2024/2319

10.10.2024

RESOLUTION (EU) 2024/2319 OF THE EUROPEAN PARLIAMENT

of 11 April 2024

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Union Agency for Railways for the financial year 2022

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the European Union Agency for Railways for the financial year 2022,
- having regard to Rule 100 of and Annex V to its Rules of Procedure,
- having regard to the opinion of the Committee on Transport and Tourism,
- having regard to the report of the Committee on Budgetary Control (A9-0092/2024),
- A. whereas, according to its statement of revenue and expenditure ⁽¹⁾, the final budget of the European Union Agency for Railways (the 'Agency') for the financial year 2022 was EUR 34 814 691, representing an increase of 9,38 % compared to 2021; whereas the budget of the Agency derives mainly from the Union budget;
- B. whereas the Court of Auditors (the 'Court'), in its report on the annual accounts of the Agency for the financial year 2022 (the 'Court's report'), has stated that it has obtained reasonable assurance that the Agency's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes with appreciation that the budget monitoring efforts during the financial year 2022 resulted in a budget implementation rate of current year appropriations of 99,95 %, representing a slight increase of 0,13 % compared to 2021; further notes that the current year payment appropriations execution rate was 94,97 %, representing an increase of 1,43 % compared to 2021; notes that the budget outturn in 2022 was EUR 81 821, up from EUR 69 638 in 2021;
2. Acknowledges that the main impact on the budget implementation in 2022 was due to global external factors such as the volatile geopolitical context and the energy crisis, which led to high volatility resulting in unpredictable increase of the Agency's costs; notes that the Agency has implemented strong measures to control its expenditure, has adjusted the fees and charges level (i.e. hourly rate increased and regularly adjusted according to inflation rate) and has put in place a regular monitoring process of the budget execution with several planning and monitoring tools to automatise that process;
3. Notes that the Agency joined the Commission's pilot phase of replacing its budgetary and accounting system with a new system, SUMMA; notes in this context, from the Court's report, the observations on the shortcomings and deficiencies experienced by the Agency, namely lack of risk management and control strategy for implementing the new system, non-updated financial circuits and *ex ante* and *ex post* checks strategy, as well as with regard to user attribution rights not being checked; notes from the Agency's replies to the Court's observations that mitigation measures have pro-actively been taken along the inherent learning curve, including by starting to update in the second half of 2022 the Agency's financial circuits and *ex ante* and *ex post* checks strategy, with the relevant documents expected to be updated in 2023; calls on Agency to address the Court's observations in full and keep the discharge authority informed on the progress on this matter;
4. Notes the Court's observation on the non-respect by the Agency of the time limit foreseen in the Financial Regulation regarding payments, with 12,2 % of payments being late by more than 30 days in 2022; acknowledges the Agency's position that such delays were linked to the implementation of the new system SUMMA and that measures have been in the meantime been put in place to avoid payments delays;

⁽¹⁾ OJ C 38, 31.1.2023, p. 51.

5. Notes further that the Agency also incurred delays in issuing invoices (or 'debit notes') for the associated fees and charges, whereas such delays are also attributed by the Agency to the implementation of the new system SUMMA, and in receiving statements of cost from the National Safety Authorities (NSAs), thus being in breach of the relevant articles of the Financial Regulation and Commission Implementing Regulation (EU) 2018/764 ⁽⁷⁾ on the Agency's fees and charges; acknowledges from the Agency's replies to the Court's observations that avoiding or reducing such delays would be possible if the NSAs would submit their statements of costs in good time to the Agency, but the Agency has no lever to ensure NSAs respect deadlines;
6. Recalls that the Agency has the smallest budget among the transport agencies despite the outstanding environmental benefits of rail prioritised by Commission; commends the rise in the fiscal year 2022 budget, accompanied by various efforts to enhance competitiveness, improve safety, and promote cross-border interoperability; nevertheless, calls for a budget increase to ensure the Agency has essential resources to function as an efficient authority and effectively fulfil its tasks;

Performance

7. Notes that the Agency reported a 81,13 % achievement of its 2022 annual work programme AWP), compared to 76,41 % in 2021, a welcomed increase for a second year in a row; notes that in 2022 the Agency adopted a new structure of its work programme, moving from an activity-based work programme to a strategic statement-based one and launched a new platform for monthly reporting of all projects and services and a new monitoring dashboard; notes that the AWP includes 9 strategic statements which have been designed according to the impact the Agency strives to have on society; acknowledges that the Agency has successfully delivered on its strategic statements with a high degree of achievement of the Agency's targets for the various outputs and its set KPIs in 2022; notes, however, that some KPIs have not been achieved, such as those related to the launch of the 'Study-Phase 3' for the new building of the Agency in Valenciennes, the implementation of a new system (ARES) for document management, payments made by contractual deadlines linked to the adoption in pilot phase of a new financial system (SUMMA) and the Women in Transport initiative;
8. Notes some of the Agency's main achievements in 2022, such as the adoption of the Strengthening Action Plan (SAP) 2023-2027, the timely delivery of a substantially increasing number of Vehicle Authorisations (1861) and Single Safety Certificates (66), the finalisation of the Agency's recommendation on the TSI revision package 2022 which will support the strengthening of rail interoperability across the Union, the launch of the second NSA monitoring audit cycle encompassing all tasks assigned to NSA by Union legislation, the delivery of an exceptionally high number of reports (eight instead of three expected) in the area of monitoring Notified Bodies and the work on the Agency's first report based on the results of the Safety Climate Survey (which, launched in 2021, has received 46 500 replies); commends the Agency for the development of safety training modules on Just Culture, which would enhance safety across the sector, as well as for its achievements (toolkit, guidance and training material, actions for raising awareness, training modules) with regard to the integration of Human and Organisational Factors, which will help improve railway safety performance and efficiency;
9. Stresses the importance of continuing support all initiatives for a better common understanding of Technical Specifications for Interoperability (TSIs) contributing to the development of a strong and competitive European rail industry; insists for more support for innovation in rail freight and intermodal transport services to achieve competitive integration into the logistic value chain, with automation and digitalisation of freight rail;
10. Welcomes the report on EU Railway safety and interoperability; acknowledges the continuous commitment to the objective of the Agency to creating a Single European Railway Area and its sustained work in key areas such as reducing national rules and ensuring the maturity of technical specifications for interoperability; notes that such an important work will support the strengthening of rail interoperability across Europe, in line with the Commission policy expectations; welcomes the Agency's continued contribution within the field of national rules with the cleaning up in 2022 of the remaining national technical rules (for Czechia and the Netherlands) constituting obstacles to smooth rail operations;

⁽⁷⁾ Commission Implementing Regulation (EU) 2018/764 of 2 May 2018 on the fees and charges payable to the European Union Agency for Railways and their conditions of payment (OJ L 129, 25.5.2018, p. 68).

11. Commends the Agency's proactive response to the recommendations put forth in the previous year's observation, urging the Agency to introduce effective checks for verifying SME status of applicants; welcomes the implementation of enhanced controls for verifying the SMEs status for Single Safety Certificates and Vehicle Authorisations applications; remarks that the Agency has driven several initiatives aimed at boosting rail traffic (both passenger and freight), including measures to coordinate international rail traffic and the development of new technologies, such as train automation, contributing to the cohesion, boosting EU economy and green and digital transition; welcomes that the Railway Package Steering Group successfully continued its activities evaluating the Agency's preparedness for the 4th Railway Package;
12. Stresses that the illegal and unjustified Russian war of aggression against Ukraine has showcased the crucial role railways can play; notes that since the invasion of the Ukraine, railways have been a significant asset for the movement of people and goods, especially with the closure of Ukraine's airspace for civil aviation; points out that Ukrainian railways have transported soldiers, essential workers, residents, as well as numerous vital goods such as agricultural goods; acknowledges that the Agency contributed to EU cooperation with Ukraine on resilience and development of rail links, it supported Ukraine and the people around the world by finding additional ways to increase the volume of transport of Ukrainian food products by rail;

Efficiency and gains

13. Commends the Agency for having adopted in 2022 the Strengthening Plan (SP) and the Strengthening Action Plan (SAP) 2023-2027; notes that the SAP is organised along components and objectives and is at the core of the Agency's strategy for efficiency gains for the upcoming five years; notes that an internal task force has been set up across the Agency on the SAP and its milestones and a rapporteur will be appointed to support, guide, and monitor the implementation of the SAP;
14. Notes that thanks to its SAP, the Agency received 12 additional temporary agents (TAs) in 2022, representing an increase that can offer a good basis for the Agency to proceed with the implementation of the SP; regrets that the allocation of posts was not accompanied by a corresponding subsidy allocation which, together with the extraordinary indexation of salaries and the general increase of prices for utilities, has put additional constraints on the Agency's planning of work and resources, with several negative priorities noted for 2022, such as the work on the NSA annual performance review or the development of the information sharing system for safety occurrences in Europe;
15. Notes that, based on the continuous screening of services provided by the Agencies and Commission services, 'sharing capacities' were identified with items of cooperation being gradually implemented by the Agency in the field of meeting organisation, IT security, HR (e.g. payroll and management of individual entitlements of staff, investigations related to harassment cases), procurement (e.g. inter-agency tenders, shared framework contracts), translation and accounting; notes that in 2022 the Agency has concluded a Memorandum of Cooperation with the European Union Aviation Safety Agency (EASA) that establishes a regular structured dialogue between those two agencies and enhances the sharing of information, knowledge and experience in various cooperation areas, including on the exploration of the possibility to adapt one of the existing IT solutions in the aviation sector (European Coordination centre for Accident and Incident Reporting Systems) to fit the Rail Information Sharing System for the collection and analysis of railway safety occurrence reporting; calls on the Agency to report to the discharge Authority on the outcome of that exploration phase;
16. Notes that the Agency's first Environment management strategy was drafted and published in 2022, as part of the Agency's Single Programming Document (SPD) 2023-2025; commends the Agency for anticipating and accomplishing already some initiatives and actions by the end of 2022, such as reducing temperature in the building, repairing/replacing faulty sensors to solve lights always on in some offices, adjusting auto-off settings of lights, and setting-up of ERA Environment (Volunteering) Group to drive dissemination actions, collect ideas and push for the progress of environment actions; notes with satisfaction from the Court's report that the Agency is among the agencies that plan to improve energy efficiency and climate neutrality of their operations; encourages the Agency to include in that plan quantified baselines and targets for reducing carbon footprint and energy consumption, as well as to ensure that its new building in Valenciennes will be EMAS certified;
17. Acknowledges that the Agency has achieved a very high degree of digitalisation to increase its efficiency, eliminating paper-processes and bringing forward online solutions such as e-procurement, e-invoicing, electronic travel booking, including through the roll out in 2022 of the HR management system (Sysper) of the Commission and the migration, in pilot phase, to the new budgetary, accounting and financial system, SUMMA; welcomes that the Agency's SPD 2023-2025 foresees to further digitise its workflows;

18. Observes from the Agency's Opinion with regard to the follow-up measures taken in light of the discharge in respect of the implementation of the budget of the Agency's for the financial year 2021 (hereinafter The 'Agency's Opinion') that the Agency has implemented several measures to reduce the cost of operations in Lille (i.e. missions and travel expenses for staff and external stakeholders have been significantly reduced) and has ended the current lease contract for Lille premises; notes that the intention of the Agency is to organise only the mandatory meetings in Lille in order to comply with the European Council decision on the double seat 'Lille-Valenciennes'; welcomes that the Agency has approved its HR strategy (2023-2027) in 2022 based on the Parliament's observation, with a focus on improving its effectiveness and efficiency; notes in this regard the positive experience and development within the Agency with regard to the use of the teleworking regime during after the COVID-19 pandemic, leading the Agency to conclude that the new normal is that teleworking is accepted as being equal as working at the office for most of the staff, while physical presence remains key for some specific jobs;

Staff policy

19. Notes that, on 31 December 2022, the establishment plan was 97,40 % executed, with 150 temporary agents appointed out of 154 temporary agents authorised under the Union budget (compared to 151 authorised posts in 2021); notes that, in addition, 36 contract agents (out of 36 authorised) and 2 seconded national experts (out of 4 authorised) worked for the Agency in 2022;
20. Notes with concern the lack of gender balance within the Agency's senior management, with 8 out of 10 (80 %) being men; notes the gender distribution within the Agency's management board (MB), with 34 out of 64 (53 %) being men; further notes the gender distribution within the Agency's overall staff, with 120 out of 188 (64 %) being men; recalls the importance to ensure gender balance and calls on the Agency to take this aspect into consideration with regard to future recruitments of staff and appointments within its senior management; notes the Agency's continuous work towards closing the gender gap, with specific projects such as 'Women in transport' to strengthen women's employment and equal opportunities in the transport sector; notes in this context the Agency's endeavours to increase the number of women in the transport sector through deliverables such as speed networking events and webinars focusing on diversity and inclusion in 2022;
21. Notes from the Agency's opinion that the Agency performed a Participatory Gender Audit in the second half of 2022 the findings of which were thereafter used to help prioritise between the objectives of the Agency's Human Resources Strategy 2023-2027 and served as input for a document describing the commitments of the Agency's management team for diversity and inclusion; notes further that concrete, short-term actions are defined to improve diversity and inclusion within the Agency on all levels, e.g. work done on recruitment and engagement (use of the reserve lists, on boarding, mentorship);
22. Welcomes that the Agency strives to ensure a geographical balance of its staff members with encouraging candidates from all Member States to apply for its positions; notes that the temporary posts are published in all EU languages and the calls for application are not only published on the Agency's website, but also disseminated at the level of Member States' permanent representations;
23. Notes from the Agency's replies to Parliament's written questions that, with regard to the reported cases of harassment within the Agency, that are handled by the internal Confidential Counsellors, four members of staff were put on the register, two of which were taken off the register at the end of 2022, with no investigation carried out or conclusion drawn; encourages the Agency to further develop its policies and methods to prevent such cases more efficiently in the future;

Procurement

24. Notes that the Agency carried out 2 open calls for tenders, 3 negotiated procedures and one reopening of competition in 2022 and 2 open calls for tenders and 3 negotiated procedures financed by administrative appropriations;
25. Notes from the Agency's replies to Parliament's written questions that Green Public Procurement implementation is underway and is one of the initiatives/actions of the Agency's environment management strategy;
26. Notes from the Agency's replies to the questions of the discharge authority that, in 2022, the Agency's procurement processes were already fully digitalised; welcomes the fact that in July 2023 the Agency started the onboarding of the Public Procurement Management Tool;

Prevention and management of conflicts of interest, and transparency

27. Notes that the Agency has published the CVs and declaration of interests of management board members and its senior management on the Agency's website; notes that the Agency does not publish the CVs of external experts and in-house experts;
28. Welcomes the Agency's efforts to enhance the transparency of the Agency's activities by regularly publishing on its website information on all meetings held by the Executive Director with organisations or self-employed individuals; notes that the Agency uses several mechanisms to identify and avoid conflicts of interest through the listing of interests belonging to specific categories (e.g. professional, family), reviewing of declarations of interests, requiring spontaneous declarations of absence of conflicts of interest and regular training;
29. Commends the Agency for its whistleblowing procedures through which staff members can report potential conflicts without fear of retaliation; notes in this context that in 2022 potential situations of conflict of interests have been reported at the level of the Agency's MB members and members of staff, with mitigating measures having been taken and recorded in the MB meetings or documented in the declarations of interest of the staff members concerned;
30. Notes from the Agency's replies to Parliament's written questions that the Agency has procedures in place for the handling of potential 'revolving door' situations in the case of former members of staff; regrets in this context that the Agency does not conduct a systematic monitoring of compliance with the applicable rules, with the effect that undeclared 'revolving door' situations may remain undetected or compliance with instructions previously imposed on members of staff having left the Agency may not be ensured;
31. Notes that the Agency continued the training sessions on Ethics and Antifraud, which are mandatory for all staff, being part of a 4-year rolling cycle of training sessions with the purpose of reaching 100 % participation at the end of the cycle; notes that the overall rate of participation in 2022 was 22,1 % for antifraud and 31,11 % for ethics, and that both trainings are tailor made, in line with the Agency's risk environment;

Internal control

32. Notes with concern from the Court's report the observations on some shortcomings in the Agency's management and control systems, namely a lack of a policy for classifying and protecting sensitive information and the use of non-valid approval methods, other than physical or qualified electronic signatures, in the area of procurement procedures; notes from the Agency's replies to the Court's observations that those shortcomings have in the meantime been addressed through various actions and measures; calls on the Court to include those actions and measures in its follow-up audits;
33. Notes from the Agency's opinion that, concerning the recommendations made by the Internal Audit Service (IAS) after the audit performed in 2019 on Information Management and Information Security, the Agency has implemented the very important recommendation on data governance framework and the important recommendation on data and IT operations (already closed by IAS), while work is ongoing to implement the remaining three recommendations in 2023 (on data interoperability and quality, data and IT security, and IT continuity and physical security); calls on the Agency to report to the budgetary authority on the progress made in this regard;
34. Notes that within the Agency, each deviation from an established process or procedure is documented, justified and approved at the appropriate management level; notes with satisfaction a decrease in the number of registered nonconformities (NCs) from 35 in 2021 to 28 in 2022; observes that, in 2022, 28 NCs were registered concerning compliance with, for example, administrative rules (deviation from teleworking rules), procurement procedures/rules (irregular use of the negotiated procedure), mission rules (going on missions without an authorised mission order) as well as with rules in areas such as contract management, commitments and selection of staff; notes that 13 of the 28 NCs were exceptional (*ex ante* nonconformities) and transparently documented and justified for, e.g. ensuring business continuity or economic reasons; welcomes the fact that the Agency has put in place mitigating or monitoring actions to address every NC; invites the Agency to continue performing risk based and periodical assessments of the functioning of the main areas of internal control supporting the assurance process;
35. Notes that, in 2022, the Agency has carried out the risk assessment exercise aligned with its annual strategic planning and has reviewed the relevance of the risks and the related mitigating measures continuously throughout the year; takes note of the major challenges/risks identified relating to budget execution, implementation of a new IT corporate financial tool (SUMMA), staff constraints, IT security issues, and COVID fallout;

36. Notes that the OLAF investigation has been closed in December 2022 with no findings or further recommendations;

Other comments

37. Notes that, following the steps which have been taken with the European Parliament and the Council in relation to the new building of the Agency, the Executive Director debriefed the Management Board on the several meetings with Valenciennes Métropole in 2023; notes further that the building permit should be ready in March 2024 and the construction could start in the summer of 2024 with the building ready in 2026;
38. Welcomes the continued efforts of the Agency in strengthening its communication, implemented through various channels to reach the largest public possible; notes the development and launch of the new ERA website in November 2022, which provides a clearer, streamlined, and modern tool to present the Agency's contribution to the railway sector and EU citizens at large; acknowledges the Agency's efforts of organising 9 webinars and preparing several publications and videos in 2022; welcomes that the Agency maintained a strong presence in the media and increased its social media following in 2022;
39. Stresses that in 2022, European railway companies continued their recovery from the COVID-19 pandemic; railway sector's continuous resilience, along with its low carbon emissions are two essential contributing factors to return to pre-pandemic levels in the future;
40. Regrets that the current requirements on the reporting of railway safety accidents and incidents are fragmented across Europe, limited to an oversight function only, and not supported by an appropriate enabling tool, and calls therefore on the Commission to address this gap and provide any necessary funding to that end;
41. Notes that upon EU candidate countries joining the Union, they will have implemented the framework and the EU *acquis*; points out that this will allow EU citizens to use rail as environmentally friendly and safe mode of transport and transport their goods from/to South-Eastern Europe, as rail freight corridors are today connecting the Western Balkans with the EU; stresses the IPA and Western Balkan Project's role in supporting the Interoperability Directive and Safety Directive implementation among the project beneficiaries; also notes that this will provide the base for a market opening of rail services and seamless train rides from and to this neighbouring region;
42. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 11 April 2024 ⁽³⁾ on the performance, financial management and control of the agencies.

⁽³⁾ Texts adopted, P9_TA(2024)0280.