

RESOLUTION (EU) 2019/1531 OF THE EUROPEAN PARLIAMENT**of 26 March 2019****with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European GNSS Agency for the financial year 2017**

THE EUROPEAN PARLIAMENT,

- having regard to its decision on discharge in respect of the implementation of the budget of the European GNSS Agency for the financial year 2017,
 - having regard to Rule 94 of and Annex IV to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0142/2019),
- A. whereas, according to its statement of revenue and expenditure ⁽¹⁾, the Union subsidy to the final budget of the European GNSS Agency (the 'Agency') for the financial year 2017 was EUR 28 467 648, representing a decrease of 2,13 % compared to 2016; whereas the Agency's budget derives mainly from the Union budget;
- B. whereas the Court of Auditors (the 'Court'), in its report on the Agency's annual accounts for the financial year 2017 (the 'Court's report'), stated that it had obtained reasonable assurances that the Agency's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes with satisfaction that the budget monitoring efforts during the financial year 2017 resulted in a budget implementation rate of 100 %, representing the same rate as in 2016; notes furthermore that the execution rate of payment appropriations was 86,20 %, representing an increase of 3,78 % compared to 2016;
2. Notes that in addition to its core budget, the Agency continued to manage a large amount of delegated budget in 2017 following the signature of the European Geostationary Navigation Overlay Service (EGNOS) and the Galileo Delegation Agreement amendments; notes that a total of EUR 416 000 000 was committed under a delegated budget in 2017 and EUR 638 000 000 made in payments;

Cancellation of carry-overs

3. Notes with concern that the cancellations of carry-overs from 2016 to 2017 amounted to EUR 270 961, representing 5,30 % of the total amount carried forward, showing however a slight decrease of 1,15 % in comparison to 2016;

Performance

4. Welcomes the fact that the Agency uses certain Key Performance Indicators to measure the added value provided by its activities and to enhance its budget management;
5. Notes that the handover of the service provision to the Galileo Service Operator was completed, and that the first Galileo User Assembly in Madrid took place, in 2017;
6. Welcomes the fact that the Agency has outsourced its accounting services to the Commission and that it shares the provision of the services related to business continuity management and the internal audit capability with other Agencies;
7. Notes that, according to the Court's report, in 2017 a mid-term evaluation of the Galileo and EGNOS programmes and of the Agency's performance in the period 2014 to 2016 was carried out on behalf of the Commission; calls on the Agency to report to the discharge authority on the results of this evaluation;

⁽¹⁾ OJ C 84, 17.3.2017, p. 127

Staff policy

8. Notes that on 31 December 2017 the establishment plan was 91,38 % executed, with 106 temporary agents appointed out of 116 temporary agents authorised under the Union budget (compared with 113 authorised posts in 2016); notes that, in addition, 55 contract agents and 5 seconded national experts worked for the Agency in 2017; notes that, in order to support the Agency's extended remit, new temporary employees were recruited as a first step towards boosting staff numbers with a view to giving the Agency the additional resources it needs to meet the challenges ahead;
9. Notes that the Agency has adopted a policy on protecting the dignity of the person and preventing harassment; acknowledges that it offers confidential counselling as well as training sessions;
10. Regrets the gender imbalance within the Agency's senior management members, with 10 out of 12 being male and 2 being female; asks the Agency to take measures with a view to ensuring better gender balance within its senior management;
11. Welcomes the suggestion of the Court to publish vacancy notices also on the website of the European Personnel Selection Office in order to increase publicity; understands the Agency's concern for what concerns translation costs; notes furthermore that the Agency introduced new job posting tools, advertising extensively on social media and improving the job opportunities webpage;

Procurement

12. Notes that, according to the Court's report, the Agency signed a framework contract regarding the exploitation of the Galileo satellite system for 2017 to 2027 on 15 December 2016, amounting to EUR 1 500 000 000; notes moreover that the contract was awarded following a public procurement procedure; points out that one of the tenderers involved has launched legal proceedings, challenging the outcome of the procurement procedure; notes that the judgment of the Court of Justice of the European Union will rule on the legality and regularity of the procurement procedure for the framework contract and all related specific contracts and future payments; points out that the Agency disclosed and explained the matter in the financial statements 2017, together with the information that EUR 49 000 000 (7 % of the 2017 budget including amounts received through delegation agreements) were paid under the framework contract in 2017; calls on the Agency to prepare to mitigate any financial or operational risks that may occur, and report to the discharge authority on the developments in the process;
13. Notes that, according to the Court's report, the Agency was not, at the end of 2017, yet using any of the tools launched by the Commission aiming to introduce a single solution for the electronic exchange of information with third parties participating in public procurement procedures (e-procurement); notes that the Agency is undertaking the needed steps to use the 'e-submission' module; calls on the Agency to introduce all of the necessary tools to manage procurement procedures and report to the discharge authority on their implementation;

Prevention and management of conflicts of interests and transparency

14. Notes that one former Commission official occupies an advisory role under the Active Senior Initiative, without receiving salary entitlements from the Agency;
15. Notes that, according to the Agency, both the declarations of interest and the short CVs of its top management have been published in its website; regrets however that the CVs of the Administrative board members are not published; calls on the Agency to report to the discharge authority on the actions taken in that regard;
16. Notes that the Agency adopted an internal whistleblowing policy in June 2018, after receiving an approval from the Commission;

Other comments

17. Notes that, following the United Kingdom's decision to withdraw from the Union, an important decision for Galileo was taken to relocate the secondary Galileo Security Monitoring Centre (GSMC) from Swanwick to Madrid and that, at the same time, the Agency has been working closely with the French authorities on the upgrade and future extension of the main GSMC in Saint-Germain-en-Laye;

18. Welcomes the Agency's commitment and cooperation with the Commission in order to minimise any negative operational or financial impact that might stem from the United Kingdom's decision to withdraw from the Union; notes that in 2017 the Agency set up an inventory of contracts and grants affected by the United Kingdom's decision to withdraw from the Union with an analysis of the potential consequences, and is currently negotiating mitigating measures with relevant contractors; calls on the Agency to keep the discharge authority informed of the outcome of the negotiations and the analysis conducted;
 19. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 26 March 2019 ⁽²⁾ on the performance, financial management and control of the agencies.
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⁽²⁾ Texts adopted, P8_TA(2019)0254. See page 361 of this Official Journal.