RESOLUTION (EU) 2022/1810 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European GNSS Agency (now the European Union Agency for the Space Programme – EUSPA) for the financial year 2020

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 2020,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the report of the Committee on Budgetary Control (A9-0117/2022),

A. whereas, according to its statement of revenue and expenditure ([1]), the final budget of the European GNSS Agency (the 'Agency') for the financial year 2020 was EUR 35 449 479,85, representing an increase of 5,54 % compared to 2019; whereas the Agency's budget derives mainly from the Union budget; whereas the inflation rate was 0,7 % in the EU in 2020;

B. whereas the Court of Auditors (the 'Court'), in its report on the Agency's annual accounts for the financial year 2020 (the 'Court's report'), states that the Court has 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 appreciation that the budget monitoring efforts during the financial year 2020 resulted in a budget implementation rate of 100,00 %, representing the same rate as in 2019; notes furthermore that the execution rate of payment appropriations was 83,38 %, representing a decrease of 2,57 % compared to 2019;

2. Notes that in addition to its core budget, the Agency continued to manage a large amount of delegated budget, in particular under the European Geostationary Navigation Overlay Service (EGNOS) Exploitation, Galileo Exploitation, and Horizon 2020 Delegation Agreements; notes also that in 2020 the Agency started the management of the Govsatcom preparatory actions contribution agreement; further notes that in 2020 a total of EUR 402 000 000 was committed under a delegated budget and an amount equal to EUR 753 000 000 was made in payments;

Performance

3. Notes, with regard to the follow-up observations on the outage of Galileo services in 2019, that the Agency implemented all short-term and mid-term recommendations issued by its security accreditation board; further notes that the Agency has implemented most of the long-term recommendations, but it is expected to apply the remaining observations by the end of the year 2021, in particular those concerning the execution of the 3rd Orbital Synchronisation Processing Facility and the maintenance of the validation and operational chain handover; calls on the Agency to report to the discharge authority on the developments in that regard;

4. Notes that, despite the challenges raised by the COVID-19 pandemic, the Agency declared the Galileo Return Link Service operational; notes that the Agency successfully introduced the EGNOS GEO-3 payload mechanism in 2020;

([1]) OJ C 114, 31.3.2021, p. 107.

5. Recalls that, according to the Court's Special Report 22/2020 on the Future of the Agencies (the 'Court's Special Report'), the Agency has very limited autonomy in practice regarding its main task is to exploit the Galileo global satellite navigation system under a delegation agreement with the Commission; calls on the Commission to review the autonomy of the Agency particularly regarding its competencies on implementing the delegation agreement through a number of complex contracts with industrial partners and public sector entities; calls on the Agency to report back on the developments in this regard to the discharge authority;

6. Notes that, regarding the follow-up observations from previous years, the Agency adopted a new information and communication technology (ICT) strategy and ICT security strategy, as well as ICT security policy and its Implementing rules in the second quarter of 2020; further notes that the Agency approved in August 2020 a digital transformation programme, also in connection to the transformation from the European GNSS Agency to the European Union Agency for the Space Programme (EUSPA), with the aim to modernise the Agency's working environment, extend the possibilities of teleworking with EU classified information, and develop modern applications supporting the core business, coupled with increasing the security level reflected in the aspiration to establish 24/7 cyber defence capabilities along with the new modernised systems;

7. Notes that, according to the Court's Special Report, the Agency significantly needs to improve its cooperation with Member States, other agencies and internationally; calls on the Agency to build up better cooperation and knowledge sharing with all Member States; calls on the Agency to report back on the developments in this regard to the discharge authority;

Staff policy

8. Notes that on 31 December 2020 the establishment plan was 100,00 % implemented, with 150 temporary agents appointed out of 150 temporary agents authorised under the Union budget (compared to 139 authorised posts in 2019); notes that, in addition, 65 contract agents and 7 seconded national experts worked for the Agency in 2020;

9. Notes with concern the gender balance within the Agency's senior management, with three out of three (100 %) men and within the Agency's administrative board, with 24 out of 28 (85,7 %) men; further, notes with concern the lack of gender balance among the Agency's overall staff, with 135 out of 202 (66,8 %) men; appreciates the efforts of the Agency to improve gender balance from 7 % in 2017 to 33 % in 2020 of female representatives in senior management positions; reiterates its call to the Agency to take additional measures as soon as possible with a view to ensure better gender balance within its senior management; asks the Commission and the Member States to take into account the importance of ensuring gender balance when nominating their members to the Agency's administrative board; reminds the Agency that in the selection of candidates, skills, knowledge and experience are important, as well as the geographical and gender balance among staff;

10. Regrets, regarding the follow-up from the 2019 discharge observations, the persisting geographical imbalances in the composition of the Agency's staff, especially at middle and senior management levels; calls on the Agency to establish a proper representation of nationals from all Member States, while at the same time respecting the competencies and merits of the candidates as indicated in the Article 27 of the Staff Regulations of Officials;

11. Is concerned that the Agency struggles to recruit staff with the necessary technical expertise and in order to compensate for a shortage of posts or national experts, the Agency increasingly outsources core tasks to private contractors, on whom it may then become dependent; calls on the Commission to examine the situation carefully and to provide the Agency with the necessary means to recruit the necessary staff; calls on the Commission to report back to the discharge authority on this matter;

12. Is concerned about the large size of the Agency's management board which makes decision making difficult and generates considerable administrative costs;

13. Regrets that all CVs of the administrative board members are still not published in the Agency's website; calls on the Agency to report to the discharge authority on the actions taken in that regard;

14. Notes that, following the negotiations in 2020 leading to the adoption of Regulation (EU) 2021/696 of the European Parliament and of the Council ([2]), the Agency has been transformed into the EUSPA in May 2021 with an increased set of core and delegated tasks and a new associated EUSPA legislative financial statement; notes that this transformation includes a relocation of 251 temporary agents and 34 contract staff by 2023; notes that the changes could hamper decision making and generate considerable administrative costs; calls on the Agency to report to the discharge authority on the risks for the Agency's operations and the mitigating measures taken by the Agency;

15. Welcomes the efforts made in staff policy to promote teleworking and healthy life and continues to encourage the Agency to pursue the development of a long-term human resources policy framework that addresses work-life balance, lifelong guidance and career development, gender balance, teleworking, geographical balance and the recruitment and integration of people with disabilities;

Procurement

16. Notes that the Agency managed in total five procurements procedures between 2017 and 2020, comprising the DISPATCH and PRISMA projects; welcomes the fact that the Agency had 100 % of its planned contracts in place and on time in 2020;

17. Notes, regarding the follow-up of previous year's findings of the Court, that the Agency has taken steps to implement e-procurement and e-submission modules as procurement tools in the management of its activities, with particular reference to administrative procurement which can be implemented through open tenders; notes that the Agency has provided dedicated trainings and administrative fulfilments have been completed for its use; calls on the Agency to report to the discharge authority on the developments in this regard;

Prevention and management of conflicts of interest and transparency

18. Acknowledges the Agency's existing measures and ongoing efforts to secure transparency, prevention and management of conflicts of interests; notes that the Agency had one whistleblowing case during 2020 comprising repeated similar whistleblowing reports to multiple stakeholders; notes that the case resulted in investigations in which whistleblowing claims were found to be unsubstantiated;

Internal control

19. Notes from the follow-up and Court's report that there is a risk that the Agency's payments to the European Space Agency (ESA) in relation to the implementation of the EGNOS and GALILEO programmes may be calculated on the basis of inaccurate costs due to the absence of a comprehensive ex-ante or ex post strategy; notes from the Agency's reply regarding ex ante controls that the Agency has provided the Court with an updated cost reporting methodology and also demonstrated that it uses ESA's milestone achievement certificates to reconcile the costs claimed from the ESA; notes from the Agency's reply that in relation to the ex post control strategy the Agency and the Commission's Directorate-General for Defence Industry and Space are auditing ESA's activity in 2020; calls on the Agency to report the results of this audit and to incorporate its lessons learned in a future ex post strategy;

20. Welcomes the implementation of its internal control framework and the approval of its business continuity plan in 2020, which has been the subject of follow-up enquiries by the Court since 2015;

([2]) Regulation (EU) 2021/696 of the European Parliament and of the Council of 28 April 2021 establishing the Union Space Programme and the European Union Agency for the Space Programme and repealing Regulations (EU) No 912/2010, (EU) No 1285/2013 and (EU) No 377/2014 and Decision No 541/2014/EU (OJ L 170, 12.5.2021, p. 69).

21. Notes that the Commission's internal audit service (IAS) delivered an audit report on EGNOS Exploitation in November 2019, with five important recommendations and one issue identified for consideration; notes from the Agency's reply that the recommendations are awaiting IAS review; calls on the Agency to report to the discharge authority on the progress made in that regard;

22. Notes, with regard to the Agency's actions to follow-up on the discharge authority's 2019 discharge, that the internal audit capability performed an audit of the 'Capacity Building of GSA's staff' in 2019 and that, although the report was not finalised in 2019, it was planned to include one very important and four important recommendations; calls on the Agency to report to the discharge authority on the progress made in the implementation of those recommendations;

COVID-19 response and business continuity

23. Notes that the Agency's external events moved online, turning the physical restrictions imposed by the COVID-19 pandemic into an opportunity to reach new user communities and go global, as it was the case for the User Consultation Platform and the annual European Space Week, which attracted more than 3 000 participants from over 100 countries;

Other comments

24. Recalls the importance to increase the digitalisation of the agency in terms of internal operation and management but also in order to speed up the digitalisation of procedures; stresses the need for the agency to continue to be proactive in this regard in order to avoid a digital gap between the agencies at all costs;

25. Notes from the Agency's replies to the Agency's 2019 discharge report that the Agency has implemented in 2020 a set of measures to increase cybersecurity including the execution of the Splunk Enterprise Security programme, the adoption of its ICT Security Strategy and the implementation of the Mobile Device Management, which is based on Microsoft Intune;

26. Notes from its replies to Parliament's standard questionnaire that the Agency is putting in place a number of measures to ensure a sustainable and environmentally-friendly workspace such as the participation in the Environmental Management & Audit Scheme contractual and coordination framework, the implementation of recycling practices and the inclusion of specific environment-related provisions into all new contracts;

27. Notes that the Agency is seeking new premises for its headquarters in Prague; notes that other sites for the Agency in France and Spain are undergoing construction and refurbishment; notes that the Agency reports to follow the national environmental standards and latest methodology for these renovation and building projects;

28. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([3]) on the performance, financial management and control of the agencies.

([3]) Texts adopted, P9_TA(2022)0196.