

# 2012 discharge: European Insurance and Occupational Pensions Authority (EIOPA)

2013/2238(DEC) - 10/09/2013 - Court of Auditors: opinion, report

**PURPOSE:** presentation of the EU Court of Auditors' report on the annual accounts of the European Insurance and Occupational Pensions Authority (EIOPA) for the year 2012, together with the EIOPA's 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 European Insurance and Occupational Pensions Authority (EIOPA).

In the Court's opinion, EIOPA's **Annual Accounts fairly present, in all material respects, its financial position as of 31 December 2012** and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of its Financial Regulation and the accounting rules adopted by the Commission's accounting officer.

The Court also considers that the **transactions underlying the annual accounts** of the Authority for the financial year ended 31 December 2012 are, in all material respects, **legal and regular**.

The report confirms that the Authority's 2012 budget amounted to EUR 15 655 000

The report also makes a series of observations on the budgetary and financial management of the Authority, accompanied by the latter's response. The main observations may be summarised as follows:

## **The Court's observations:**

- **procurement procedures:** one contract related to the design of a financial database was subdivided into four lots of EUR 60 000 each, which were all directly awarded to two companies. Given the total value of the services to be procured for the same project (EUR 240 000 euro), an open or restricted procedure should have been applied and the related commitments and payments are thus irregular.

## **The Authority's reply:**

- there is sound business rationale backing both the decision to run a procurement, and to do it in 4 separate lots, in order to deepen knowledge on how to design the system, reducing the risk of acquiring the wrong services and products and ensuring sufficient competition in the core stage of the process, namely the main procurement.

Lastly, the Court of Auditors' report contains **a summary of the Authority's activities in 2012**. This is focused on the following:

- regulatory and supervisory tasks;

- consumer protection and financial innovation ;
- common supervisory culture and related events ;
- bi-annual Financial Stability Reports and preparation of Europe-wide stress test for the insurance sector ;
- finalisation of a comprehensive, decision-making framework setting in detail the processes that the Authority will follow in discharging its crisis and management responsibilities ;
- actions relating to external relations.