2012 discharge: European Institute of Innovation and Technology (EIT)

2013/2242(DEC) - 21/03/2014 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Petri SARVAMAA (EPP, FI) in which it recommended the European Parliament to grant discharge to the Director of the European Institute of Innovation and Technology in respect of the implementation of the Institute's budget for the financial year 2012.

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts of the Institute for the financial year 2012 are reliable, and that the underlying transactions are legal and regular, Members approved the closure of the Institute’s accounts. They made, however, a number of recommendations that needed to be taken into account when the discharge is granted, in addition to the general recommendations that appear in the draft resolution on performance, financial management and control of EU agencies.

- **Qualified opinion**: Members regretted that the Court of Auditors found the quality of the audit certificates is inadequate in many instances. They also deplored the fact that no ex post verifications have been carried out for transactions related to grants for 2010 activities (EUR 11.3 million). Furthermore, they deplored the fact that given the limited assurances that can be drawn from ex ante verifications, there is **no reasonable assurance as to the legality and regularity of these transactions**. They noted that according to the Court of Auditors, except for the possible effects of the matters described in the basis for a qualified opinion, the transactions underlying the annual accounts for the year 2012 are legal and regular in all material respects.
- **Commitments and carryovers**: Members noted that out of the committed appropriations carried over from 2011 amounting to some EUR 22 million, some EUR 10 million (45%) were cancelled in 2012.

Members also made a series of observations on transfers, procurement and recruitment procedures as well as comments on internal controls.

They acknowledged that the Institute has two framework rules regulating conflicts of interests. They called on the Institute to inform the discharge authority whether it intends to update those framework rules according to the Commission's Guidelines.