

2013 discharge: European Institute of Innovation and Technology (EIT)

2014/2125(DEC) - 30/01/2015

Having examined the revenue and expenditure accounts for the financial year 2013 and the balance sheet at 31 December 2013 of the European Institute of Innovation and Technology (EIT), as well as the Court of Auditors' report on the annual accounts of the Institute for the financial year 2013, accompanied by the Institute's replies to the Court's observations, the Council recommends the European Parliament to give a discharge to the Director of the Institute in respect of the implementation of the budget for the financial year 2013.

The Council welcomes the Court's opinion that, in all material respects, the Institute's annual accounts present fairly its financial position as at 31 December 2013 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Institute's Financial Regulation and the accounting rules adopted by the Commission's accounting officer, and that the underlying transactions for that financial year are legal and regular with the exception of the matters described below.

The Council made the following observations regarding:

- **qualified opinion:** the Council regrets that the Court, as in the previous year, had to issue a **qualified opinion** regarding weaknesses detected in the grant transactions authorised by the Institute. It calls on the Institute to concentrate even more on reinforcing its *ex-ante* verifications in order to further increase assurance on the legality and regularity of grant expenditure. It notably urges the Institute to take all necessary measures to improve the instructions provided to independent certifying auditors in that respect and thus to further enhance the level of assurance obtained from the audit certificates issued by them;
- **procurement:** the Council is also concerned about the Court's qualified opinion regarding errors in the Institute's procurement procedures. It calls on the Institute to strictly comply with public procurement rules and to limit the use of a negotiated procedure to clearly justified cases;
- **carry-overs:** the Council asks the Institute to improve its financial programming and monitoring of the budget implementation in order to improve budget execution and to reduce the level of appropriations carried over to the next financial year to the strict minimum.