2013 discharge: IMI Joint Undertaking for the implementation of the Joint Technology Initiative on Innovative Medicines

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The Committee on Budgetary Control adopted the report by Ryszard CZARNECKI (ECR, PL) on discharge in respect of the implementation of the budget of the Joint Undertaking for the implementation of the Joint Technology Initiative on Innovative Medicines (IMI) for the financial year 2013.

It called on the European Parliament to postpone its decision on granting the Executive Director of IMI 2 discharge in respect of the implementation of the budget of the Joint Undertaking for the implementation of the IMI for the financial year 2013.

Members postponed the closure of the accounts of the Joint Undertaking for the financial year 2013. At the same time, they made 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.

- **Budgetary and financial management:** Members noted that the error rate resulting from audits was at 5.82%, which meant that a qualified opinion was issued on the legality and the regularity of the transactions underlying the accounts of the Joint Undertaking, in view of the fact that the rate was above the materiality threshold of 2%. Whilst acknowledging that follow-up actions related to audited beneficiaries with detected errors were launched, Members asked for an **action plan with clear objectives aimed at fixing the deficiencies and errors identified by the Court** to be submitted to the discharge authority in a timely manner. Members also asked IMI 2 to provide the discharge authority with detailed information on the in-kind contributions of EFPIA companies especially on the type of the in-kind contributions and their respective value. They also called on the Joint Undertaking to submit a report to the discharge authority concerning the contributions of all members other than the Commission including the application of the methodology for evaluating in-kind contributions, together with an assessment by the Commission.
- **Internal control:** the committee observed that the Commission's Internal Audit Service (IAS) performed an assurance engagement of project management and reporting on operational performance, and included recommendations regarding improvements particularly regarding risk assessment of the Joint Undertaking's specific IT systems as well as the common infrastructure it shares with the FCH, Clean Sky, ENIAC and ARTEMIS Joint Undertakings.

Members went on to make a series of observation on conflicts of interests at the Joint Undertaking as well as on the management of calls for proposals and the legal framework of IMI 2.

Other observations: lastly, the committee called on IMI 2 to submit a report to the discharge authority on the social-economic benefits of the already completed projects and for that report to be submitted to the discharge authority together with an assessment by the Commission. It recalled that the discharge authority had previously requested the Court to draw up a special report on the capacity of the joint undertakings, together with their private partners, to ensure **added value and efficient execution** of Union research, technological development and demonstration programmes.