2014 discharge: Innovative Medicines Initiative 2 Joint Undertaking (IMI2 Joint Undertaking)

2015/2200(DEC) - 06/10/2015 - Court of Auditors: opinion, report

PURPOSE: presentation of the EU Court of Auditors' report on the annual accounts of the **Innovative Medicines Initiative (IMI) 2** Joint Undertaking for the financial year 2014, together with the Joint Undertaking'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 IMI 2 Joint Undertaking (initiative on innovative medicine).

Statement of assurance: pursuant to the provisions of Article 287 of the Treaty on the Functioning of the European Union (TFEU), the Court has audited:

- the annual accounts of the IMI 2 Joint Undertaking, which comprise the financial statements and the reports on the implementation of the budget for the financial year ended 31 December 2014;
- the legality and regularity of the transactions underlying those accounts.

Opinion on the reliability of the accounts: in the Court's opinion, the Joint Undertaking's annual accounts present fairly, in all material respects, its financial position as at 31 December 2014, and the results of its operations and its cash flows for the year then ended in accordance with the provisions of its financial rules and the rules adopted by the Commission's accounting officer.

Opinion on the legality and regularity of the transactions underlying the accounts: in the Court's opinion, the transactions underlying the annual accounts for the year ended 31 December 2014 are, in all material respects, legal and regular.

The audit also revealed the following points:

- **budgetary and financial management**: the budgetary implementation rate for commitment appropriations ranged between 90 % and 100 % for most Joint Undertakings including IMI 2 and the rate for payment appropriations was 74 %;
- **procurement**: the Court notes that with regard to calls for proposals, the final rate of appropriations committed achieved a figure between 90 % and 100 %, including IMI 2.

Cross-cutting remarks for all the Joint undertakings: the monitoring and reporting of research results is laid down in the Seventh Framework Programme (FP7). In the grant agreements signed with members and other beneficiaries, the Joint Undertakings have included specific provisions governing intellectual property rights and the dissemination of research activities and results. The implementation of these provisions is monitored by the Joint Undertakings at different stages of the funded projects and significant progress has been achieved in 2014. However, in order to meet the requirements of Horizon 2020 and to

better contribute to the dissemination of FP7 research results, the Court considers that cooperation between the Joint Undertakings and the Commission must be developed as much as possible with special regard to the further integration of some of the Joint Undertakings' data into the Commission's systems.

The Court also indicates that there is room to improve procedures, in particular in the implementation of the ex-post audit strategy, and cooperation with the Commission as regards the integration of the research results.

Replies of the Joint Undertaking: the Joint Undertaking states that it remains committed to managing its funding under the principle of sound financial management and through a trust-based approach with the participants in the projects whilst ensuring sufficient control and accountability. This approach will also contribute towards ensuring a successful outcome of the IMI projects as many of them are already starting to generate promising results, in the interest of patients and society at large.

With regard to the **activities of the Joint Undertaking in 2014**, the report refers to the Joint Undertaking' s latest available annual activity report for 2014 available at the following address: www.imi.europa.eu

It should be noted that the budget for IMI 2 for 2014 was EUR 223 294 603 in commitment appropriations and EUR 170 801 250 EUR in payment appropriations.