2017 discharge: European Institute of Innovation and Technology (EIT)

2018/2207(DEC) - 26/03/2019 - Text adopted by Parliament, single reading

The European Parliament decided to grant discharge to the interim Director of the European Institute of Innovation and Technology (EIT) for the financial year 2017 and to approve the closure of the accounts for the financial year in question.

Noting that the Court of Auditors has stated that it has obtained reasonable assurances that the Institute's annual accounts for the financial year 2017 are reliable and that the underlying transactions are legal and regular, Parliament adopted by 508 votes to 118 with 9 abstentions, a resolution containing a series of recommendations, which form an integral part of the decision on discharge and which add to the general recommendations set out in the draft resolution on performance, financial management and control of EU agencies:

Institute's financial statement

The final budget of the European Institute of Innovation and Technology for the financial year 2017 was EUR 338 465 181, representing an increase of 15.20 % compared to 2016. The overall contribution of the Union to the Institute's budget for 2017 amounted to EUR 315 147 801.58.

Budget and financial management

The budget monitoring efforts during the financial year 2017 resulted in a budget implementation rate of 91.23 %, representing a decrease of 3.8 % compared to 2016. This low number is linked to the low implementation rate of commitments appropriations of grants. The Institute stated that it will try to improve its budgetary processes to enhance the implementation. Payment appropriations execution rate was 99.5 %, representing a slight increase of 0.36 % compared to 2016.

There was a low implementation rate due to an unforeseen delay in introducing Sysper for human resource management as well as overestimation of other maintenance costs.

The cancellations of carryovers from 2016 to 2017 amounted up to 95 721, representing 16.26 % of the total amount carried forward, and showing a notable increase of 5.33 % in comparison to 2016.

Members also made a series of observations regarding performance, staff policy, procurement, conflicts of interest and internal controls.

In particular, they noted that:

- on 31 December 2017, the establishment plan was 92.68 % filled, with 38 temporary agents appointed out of 41 authorised under the Union budget. Members urged the Institute to refrain from relying too heavily on temporary contracts;

- the Institute's current interim director was appointed in 2014, and has held the post ever since as ad interim. This practice is at odds with the Staff Regulations which limits the duration to a maximum of one year. Members urged the Institute to replace the interim director by a new director, without further delay;

- in 2017 several conflicts of interests cases were identified and assessed and that adequate measures were taken;

- the Commission finally granted the Institute full financial autonomy in December 2017, since it achieved compliance with the internal control standards.