2019 discharge: European Insurance and Occupational Pensions Authority (EIOPA)

2020/2175(DEC) - 28/04/2021 - Text adopted by Parliament, single reading

The European Parliament decided by 613 votes in favour, 54 against and 31 abstentions to **grant discharge** to the Executive Director of the European Insurance and Occupational Pensions Authority (EIOPA) for the financial year 2019 and to approve the closure of the accounts for that year.

Noting that the Court of Auditors stated that it had obtained reasonable assurance that the Authority's annual accounts for the financial year 2019 were reliable and that the underlying transactions were legal and regular, Parliament adopted, by 602 votes to 64 with 25 abstentions, a resolution containing a series of recommendations which form an integral part of the discharge decision and which complement the general recommendations contained in the resolution on the performance, financial management and control of EU agencies.

Financial statements of the Authority

The Authority's final budget for the financial year 2019 was EUR 27 138 027.61, which represents an increase of 7.66% compared to 2018. The Authority is financed by a contribution from the Union (EUR 10 083 336 or 37.16%) and by contributions from the Member States' national supervisory authorities (EUR 17 054 691.61 or 62.84%).

Budgetary and financial management

Parliament welcomed the budget monitoring efforts made during the 2019 financial year, which resulted in a budget implementation rate of 100%, similar to that recorded in 2018. The execution rate of payment appropriations stood at 85.63%, an increase of 0.15% compared to 2018.

Members noted that, according to the Court of Auditors' report, the 2019 budget documents do not fully describe how the contributions of the Union and the competent national authorities (CNAs) of the EFTA States were calculated and that the estimated value of the CNAs' contributions to the pension scheme for employer contributions had not been adjusted to the actual amount in 2019, resulting in a higher contribution than necessary. The Authority is invited to improve its reporting policies to avoid excessive inconsistencies in the future.

Other observations

Members also made a number of observations concerning performance, staff policy and the prevention of conflicts of interest.

In particular, they noted that:

- 91% of the Authority's work programme, including 303 different products and services, had been completed. The remaining 9% were delayed due to the priority given to other more urgent demands;

- the Authority is proactive in identifying opportunities for synergies with other agencies, in particular the European Banking Authority and the European Securities and Markets Authority, through the Joint Committee of European Supervisory Authorities and joint procurement procedures. The Authority works with other agencies in areas related to financial technology, innovation and cyber resilience;

- the Authority has made efforts to establish a more coordinated supervisory regime across the European financial system: Members are awaiting an update on future steps in this direction, including measures to address the challenges posed by the digital transition of the economy and sustainability measures;

- new measures have been taken by the Authority to strengthen consumer protection, including support for national competent authorities and the development of cooperation platforms focusing on cross-border issues, in order to address the need for closer supervision in some Member States, thereby tackling weaknesses in insurance markets and protecting consumers from unfair practices by multinational insurance companies;

- as the responsibilities of the Authority have increased progressively since its creation, increases in the budget should be gradual and continuous, in line with the increase in its competences;

- as the Authority's workload evolves from regulatory tasks to tasks increasingly focused on the application and enforcement of Union law, budgetary and human resources should be reallocated internally;

- at the end of 2019, 98.26% of the establishment plan was implemented on 31 December 2019, with 113 temporary agents appointed out of the 115 temporary agents authorised under the EU budget. In addition, 36 contract agents and 17 seconded national experts worked for the Authority in 2019; a lack of gender balance is reported for senior management and the Management Board;

- the Authority should publish the CVs and declarations of interest of the members of the Management Board and consider extending the mandatory 12-month cooling-off period for senior members of staff that contemplate a move that may give rise to post-public employment conflicts of interest.