2019 discharge: European Institute of Innovation and Technology (EIT)

2020/2179(DEC) - 28/04/2021 - Text adopted by Parliament, single reading

The European Parliament decided by 635 votes to 24, with 39 abstentions, to **grant discharge** to the Director of the European Institute of Innovation and Technology (EIT) 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 Institute's annual accounts for the financial year 2019 were reliable and that the underlying transactions were legal and regular, Parliament adopted, by 630 votes to 29 with 32 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.

Institute's financial statements

The Institute's final budget for the financial year 2019 amounted to EUR 557 896 982.73, an increase of 21.80% compared to 2018. The overall EU contribution to the Institute's budget amounted to EUR 378 562 704.82 in 2019, an increase of 20.99% compared to 2018.

Budgetary and financial management

The budget monitoring efforts during the financial year 2019 resulted in a budget execution rate of 97.04%, which represents an increase of 4.99% compared to 2018. The execution rate for payment appropriations was 97.57%, a decrease of 0.23% compared to 2018.

Other observations

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

In particular, they noted that:

- the Institute implemented 95% of its 2019 work programme; it is currently working on the development of an impact assessment framework to measure the socio-economic impact of Knowledge and Innovation Communities (KICs) activities;

- the Institute has identified and evaluated the possibility of cooperation and sharing of resources with the European Union Agency for Law Enforcement Training and is exploring other possibilities;

- at the end of 2019, the establishment plan was 97.73 % implemented with 43 temporary agents hired out of the 44 temporary agents authorised under the EU budget. The Institute's staff was equally divided between men and women (46% men and 54% women);

- according to the Court's report, the Institute's budget will increase by a further EUR 600 million, or 25%, under the 2021-2027 multiannual financial framework (MFF), compared with the current MFF, while staff numbers remain capped at 70. There is a risk that the Institute will not have sufficient capacity to cope with the increased workload in the future;

- at the end of 2019, the Institute launched a new activity to monitor the procurement policies and procedures of the legal entities of the KICs and their co-location centres as a follow-up to the 2016-2017 expert mission;

- the Institute published the conflict of interest declarations and CVs of its Governing Board members and senior staff on its website; self-assessments provided by some officials on their compliance with ethical standards are not sufficient and require further monitoring;

- the Institute will have to report on the results of the process of implementing its general information security policy, including the ICT aspects of cyber security.