2021 discharge: European Institute of Innovation and Technology (EIT)

2022/2107(DEC) - 10/05/2023 - Text adopted by Parliament, single reading

The European Parliament decided to **grant discharge** to the Director of the European Institute of Innovation and Technology (EIT) for the financial year 2021 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 2021 were reliable and that the underlying transactions were legal and regular, Parliament adopted, by 576 votes to 31 with 22 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 2021 was EUR 360 913 825.71 representing a decrease of 42.26 % compared to 2020. EUR 357 511 198 (96 %) have been allocated by the governing board to the Institute’s eight Knowledge and Innovation Communities (KICs) for the implementation of their 2021 business plans.

The budget for the financial year 2021 decreased because of the significantly lower amount of grants awarded and implemented for the KICs in 2021 due to the transition between the previous and the new multi-annual financial framework periods.

Budgetary and financial management

Budget monitoring efforts during the financial year 2021 resulted in a budget implementation rate of current year commitment appropriations of 97.91 %, representing a decrease of 1.94 % compared to 2020. Payment appropriations execution rate was 99.47 %, representing an increase of 0.34 % compared to 2020.

The adoption of the Institute’s strategic innovation agenda (SIA) 2021-2027 marking the Institute’s increased budget of nearly EUR 3 billion for the seven years period and an enhanced mandate.

Other observations

Parliament also made a series of observations concerning performance, staff policy, public procurement and internal controls.

In particular, it noted that:

- the Institute implemented extensively its work programme in 2021; some priorities were postponed to 2022, namely monitoring strategy and transition to eGrants, due to the Institute’s insufficient human resources;

- on 31 December 2021, the establishment plan was 93 % implemented, with 42 temporary agents appointed out of 45 temporary agents authorised under the Union budget (the same number of authorised posts as in 2020). Parliament regretted the lack of gender balance within the Institute's senior and middle management positions, namely five out of six (83 %) men;

- the increased mandate and workload were not accompanied by any new staff resources, leading to a critical understaffing situation putting at risk the implementation of the Institute's multiannual work programme as well as the assurance on the managed funds;

- in 2021, the Institute completed 87 % of procurement procedures in accordance with its plan, thereby exceeding the target of 85 % of procurement procedures completed in 2021;

- more systematic rules on transparency, incompatibilities, conflict of interests, illegal lobbying and revolving doors should be put in place. The Authority should also strengthen its internal control mechanisms, including the setting up of an internal anticorruption mechanism;

- the digitalisation of procedures should be accelerated.