2022 discharge: Innovative Health Initiative Joint Undertaking (IHI JU)

2023/2179(DEC) - 11/04/2024 - Text adopted by Parliament, single reading

The European Parliament decided to **grant discharge** to the Executive Director of the Innovative Health Initiative Joint Undertaking (IHI) in respect of the implementation of its budget for the financial year 2022 and approve the closure of the Joint Undertaking's accounts.

Noting that the Court of Auditors found that the annual accounts of the Joint Undertaking for the financial year 2022 present fairly the financial situation of the Joint Undertaking on 31 December 2022, as well as the results of its operations, Parliament adopted, by 535 votes to 49 with 10 abstentions, a resolution containing a series of observations which form an integral part of the discharge decision.

Budgetary and financial management

The IHI JU available budget for 2022 was **EUR 272.4 million** in commitment appropriations (EUR 11 million in 2021) and EUR 174.8 million in payment appropriations (EUR 210.4 million in 2021). The budget execution of the commitment appropriations and the payment appropriations reached 96.60 % (75.91 % in 2021) and 86.25 % (95.39 % in 2021) respectively.

At the end of 2022, the IHI JU had fully committed the maximum Union operational contributions of **EUR 966 million** for signed grant agreements under the programme; notes, ten years after the end of the FP7 programme, around EUR 44.9 million (or 5 %) still remains to be paid for projects yet to be completed. This gap corresponds to 5 projects carrying out research on antimicrobial resistance (AMR).

Private members had legally committed to provide in-kind contributions of EUR 914.2 million or 94.6 % of the minimum operational target of EUR 966 million and that, of that committed amount, they reported EUR 831.9 million (or 86 % of the target) at the end of 2022.

Members noted that the IHI JU has performed well against the majority of the IMI2 key performance indicators (KPIs), often exceeding the established targets. They welcomed, in particular, the fact that the IHI JU's projects funded under IMI2 have completed 24 regulatory procedures.

Moreover, Parliament noted with satisfaction that a share of 58.3 % (above the 50 % target) of the IHI JU' s projects funded under IMI2 have made their resources and outputs accessible beyond the consortia partners. Members highlighted examples such as the library of chemical compounds, the European Compound Collection, established by the ESCulab project, the open source RADAR-base data platform developed by RADAR-CNS, the European federated data network, established by the EHDEN project, or the self-sustaining pluripotent stem cells biobank delivered by EBiSC2.

Other observations

The resolution also contains a series of observations on management and control systems, procurement and staff policy.

In particular, it noted the following:

- the majority of IHI JU's contractual commitments in 2022 were concluded on the basis of existing multiannual framework contracts;

- all procedures were administered in compliance with the IHI JU Financial Rules and the Financial Regulation to ensure fair competition amongst economic operators, and the most sound and efficient use of IHI JU funds;

- the staff establishment plan allows for 39 temporary agents, 15 contract agents and 1 seconded national expert, in total 55 members of staff; notes that, on 31 December 2022, there were 49 positions occupied;

- as regards gender balance and geographical balance, that around 65 % of staff are women and around 35 % are male, coming from 15 different nationalities;

- the Joint Undertaking reported a representative error rate of 2.1% and a residual error rate of 0.8% for its FP7 expenditure and a representative error rate of 2.7% and a residual error rate of 0.9% for its Horizon 2020 expenditure;

- the Court found no errors or control weaknesses at the level of the Joint Undertaking's beneficiaries;

- the Joint Undertaking developed and implemented a comprehensive risk-based approach to ex-ante controls taking into account the specific risk circumstances of the IHI Joint Undertaking;

- the Joint Undertaking developed a risk-based ex-post audit approach with the aim of reducing its error rate through a more targeted sample to detect beneficiaries most at risk of error. The Court concluded that Joint Undertakings with a well-developed risk-based ex-post audit approach have a lower residual error rate than the average Joint Undertaking without such an approach, due to the systematic identification and audit of the beneficiaries most at risk.