



2015/2193(DEC)

4.3.2016

AMENDMENTS

1 - 13

Draft report
Derek Vaughan
(PE569.753v01-00)

On discharge in respect of the implementation of the budget of the European
Institute of Innovation and Technology for the financial year 2014
(2015/2193(DEC))

AM_Com_NonLegReport

Amendment 1
Anders Primdahl Vistisen

Proposal for a decision 1
Paragraph 1

Proposal for a decision

1. ***Grants*** the Director of the European Institute of Innovation and Technology discharge in respect of the implementation of the Institute's budget for the financial year 2014;

Amendment

1. ***Postpones its decision on granting*** the Director of the European Institute of Innovation and Technology discharge in respect of the implementation of the Institute's budget for the financial year 2014;

Or. en

Amendment 2
Raffaele Fitto, Ryszard Czarnecki, Beata Gosiewska, Richard Sulík

Proposal for a decision 1
Paragraph 1

Proposal for a decision

1. ***Grants*** the Director of the European Institute of Innovation and Technology discharge in respect of the implementation of the Institute's budget for the financial year 2014;

Amendment

1. ***Postpones its decision on granting*** the Director of the European Institute of Innovation and Technology discharge in respect of the implementation of the Institute's budget for the financial year 2014;

Or. en

Amendment 3
Anders Primdahl Vistisen

Proposal for a decision 2
Paragraph 2

Proposal for a decision

2. ***Approves*** the closure of the accounts of

Amendment

2. ***Postpones*** the closure of the accounts of

the European Institute of Innovation and Technology for the financial year 2014;

the European Institute of Innovation and Technology for the financial year 2014;

Or. en

Amendment 4

Raffaele Fitto, Ryszard Czarnecki, Beata Gosiewska, Richard Sulík

Proposal for a decision 2

Paragraph 2

Proposal for a decision

2. **Approves** the closure of the accounts of the European Institute of Innovation and Technology for the financial year 2014;

Amendment

2. **Postpones** the closure of the accounts of the European Institute of Innovation and Technology for the financial year 2014;

Or. en

Amendment 5

Barbara Kappel

Motion for a resolution

Paragraph 2

Motion for a resolution

2. Notes that the Institute's budget monitoring efforts during the financial year 2014 resulted in a budget implementation rate of 94,13 %, **representing** a decrease of 2,84 % compared with 2013; notes, furthermore, that the payment appropriations execution rate was 92,79 %, **representing** a decrease of 4,07 % compared with the previous year;

Amendment

2. Notes that the Institute's budget monitoring efforts during the financial year 2014 resulted in a budget implementation rate of 94,13 %; **deplores the fact that this represents** a decrease of 2,84 % compared with 2013; notes, furthermore, that the payment appropriations execution rate was 92,79 %; **deplores, similarly, the fact that this represents** a decrease of 4,07 % compared with the previous year;

Or. de

Amendment 6

Petri Sarvamaa, Tamás Deutsch

Motion for a resolution
Paragraph 5

Motion for a resolution

5. Notes from the Court's report that, while the KICs are to develop strategies for financial sustainability, to date, and in the fifth year of their existence, they remain fully dependent on financing by the Institute and KIC partners; acknowledges from the Institute that, following its adoption of the principles on KIC's financial sustainability, all KICs have made the latter one of their priority objectives and activities are reviewed accordingly to create a return of income from activities as well as the establishment of several revenue streams; notes that the Institute's Governing Board adopted a set of principles in March 2015 stating that the maximum Institute's contribution to a KIC will be reduced from up to 100 % funding after 10 years of a KIC's designation to 80 %, on average, in year 11 and thereafter progressive reductions: 60% in year 12, 40% in year 13, 20% in year 14 and 10% in year 15; notes, furthermore, that the Institute will continue monitoring the KICs' progress towards financial sustainability and take specific corrective actions when necessary;

Amendment

5. Notes **with concern** from the Court's report that, while the KICs are to develop strategies for financial sustainability, to date, and in the fifth year of their existence, they remain fully dependent on financing by the Institute and KIC partners; acknowledges from the Institute that, following its adoption of the principles on KIC's financial sustainability, all KICs have made the latter one of their priority objectives and activities are reviewed accordingly to create a return of income from activities as well as the establishment of several revenue streams; notes that the Institute's Governing Board adopted a set of principles in March 2015 stating that the maximum Institute's contribution to a KIC will be reduced from up to 100 % funding after 10 years of a KIC's designation to 80 %, on average, in year 11 and thereafter progressive reductions: 60% in year 12, 40% in year 13, 20% in year 14 and 10% in year 15; **encourages the Institute to consider a tighter schedule for the reductions**; notes, furthermore, that the Institute will continue monitoring the KICs' progress towards financial sustainability and take specific corrective actions when necessary;

Or. en

Amendment 7
Tamás Deutsch

Motion for a resolution
Paragraph 5 a (new)

Motion for a resolution

Amendment

5a. Welcomes that the Institute revised its internal procedures, circuits and

templates in order to fully comply with the respective public procurement rules, with special attention given to the sound planning and estimation of needs; acknowledges that the Institute recruited an additional procurement officer in 2015 and that it carried out a series of trainings on procurement for its staff;

Or. en

Amendment 8

Petri Sarvamaa, Tamás Deutsch

Motion for a resolution

Paragraph 8

Motion for a resolution

8. Understands from the Institute that one of the two Heads of Unit posts mentioned by the Court as being vacant since 2013 was filled in August 2015 and that the other has been advertised and the selection process is ongoing, with the vacancy expected to be filled in the first half of 2016; ascertains from the Court's report that both posts were occupied ad interim from 2013, which is in contradiction with the Staff Regulations that stipulate a maximum period of one year; acknowledges that in 2014 one post was occupied by the Chief Operating Officer who served as the interim Director at the same time and who thus fulfilled three roles simultaneously; acknowledges from the Institute that there has been progress on those issues and that management vacancies are gradually being filled;

Amendment

8. Understands from the Institute that one of the two Heads of Unit posts mentioned by the Court as being vacant since 2013 was filled in August 2015 and that the other has been advertised and the selection process is ongoing, with the vacancy expected to be filled in the first half of 2016; ascertains from the Court's report that both posts were occupied ad interim from 2013, which is in contradiction with the Staff Regulations that stipulate a maximum period of one year; acknowledges that in 2014 one post was occupied by the Chief Operating Officer who served as the interim Director at the same time and who thus fulfilled three roles simultaneously; acknowledges from the Institute that there has been progress on those issues and that management vacancies are gradually being filled; ***calls on the Institute to proceed ambitiously with its effort to improve its recruitment procedures, and to take further measures to tackle the instability at management level in the interests of ensuring better operational continuity; calls on the Institute to inform the discharge authority***

on progress made in this regard;

Or. en

Amendment 9
Tamás Deutsch

Motion for a resolution
Paragraph 9

Motion for a resolution

9. **Takes note** that the Institute's Governing Board adopted a comprehensive revision of the Code of Good Conduct applicable to Governing Board members in June 2015; notes that, in line with the new Code of Conduct, the annual declarations of interests and independence of the Institute's Governing Board members have been published on its website; acknowledges from the Institute its plan to publish on its website the declarations of interest of senior management as part of the revision of the Code of Conduct applicable to its staff; calls on the Institute to proceed with that action and to report to the discharge authority once it is completed;

Amendment

9. **Welcomes** that the Institute's Governing Board adopted a comprehensive revision of the Code of Good Conduct applicable to Governing Board members in June 2015; notes that, in line with the new Code of Conduct, the annual declarations of interests and independence of the Institute's Governing Board members have been published on its website; acknowledges from the Institute its plan to publish on its website the declarations of interest of senior management as part of the revision of the Code of Conduct applicable to its staff; calls on the Institute to proceed with that action and to report to the discharge authority once it is completed;

Or. en

Amendment 10
Barbara Kappel

Motion for a resolution
Paragraph 10

Motion for a resolution

10. Notes that the Commission's Internal Audit Service (IAS) carried out a follow-up audit in February 2014 in order to review the implementation of actions stemming from the "limited review" it

Amendment

10. Notes that the Commission's Internal Audit Service (IAS) carried out a follow-up audit in February 2014 in order to review the implementation of actions stemming from the "limited review" it

performed in 2012; notes that the IAS issued a final follow-up report in June 2014, in which it acknowledged progress made by the Institute, closed two recommendations out of the original six, re-rated one from “critical” to “very important”; observes that the IAS still considered a number of actions as open; calls on the Institute to inform the discharge authority of the outcome of the next IAS evaluation as regards the implementation of those recommendations;

performed in 2012; notes that the IAS issued a final follow-up report in June 2014, in which it acknowledged progress made by the Institute, closed two recommendations out of the original six, re-rated one from “critical” to “very important”; observes that the IAS still considered a number of actions as open; calls on the Institute ***to complete the actions in question without delay and*** to inform the discharge authority of the outcome of the next IAS evaluation as regards the implementation of those recommendations;

Or. de

Amendment 11

Petri Sarvamaa, Tamás Deutsch

Motion for a resolution

Paragraph 11

Motion for a resolution

11. Notes from the Court's report that the Institute gradually improved its financial verification of the KICs' cost claims; ***observes***, however, that the operational verification of deliverables falls behind and that the KICs' annual business plans still includes an inadequate definition of deliverables, as well as that no clear link between planned deliverables and eligible cost per partner and cost category exists; is concerned about the cases identified by the Court where full amount of the Institute's grant was paid out even if some of the objectives set in the business plan had not been achieved; acknowledges from the Institute that the level of detail in the ex-ante technical assessment of the implementation of KIC activities has improved significantly in comparison with previous years and that a more robust methodology is now in place to assess the

Amendment

11. Notes from the Court's report that the Institute gradually improved its financial verification of the KICs' cost claims; ***notes with concern***, however, that the operational verification of deliverables falls behind and that the KICs' annual business plans still includes an inadequate definition of deliverables, as well as that no clear link between planned deliverables and eligible cost per partner and cost category exists; is concerned about the cases identified by the Court where full amount of the Institute's grant was paid out even if some of the objectives set in the business plan had not been achieved; acknowledges from the Institute that the level of detail in the ex-ante technical assessment of the implementation of KIC activities has improved significantly in comparison with previous years and that a more robust methodology is now in place to assess the KICs' performance based on

KICs' performance based on the reporting;

the reporting;

Or. en

Amendment 12
Tamás Deutsch

Motion for a resolution
Paragraph 15 a (new)

Motion for a resolution

Amendment

15a. Calls on all the EU institutions and agencies to enhance their procedures and practices aimed at safeguarding the financial interests of the Union and to actively contribute to a results-oriented discharge process;

Or. en

Amendment 13
Tamás Deutsch

Motion for a resolution
Paragraph 15 b (new)

Motion for a resolution

Amendment

15b. Acknowledges the actions taken by the Institute in order to mitigate the high staff turnover; notes in particular the improvements in the vacancy management, the establishment of an appraisal and re-classification system, providing a better career perspective and strengthening middle management level;

Or. en