

2016 discharge: IMI 2 Joint Undertaking

2017/2184(DEC) - 22/03/2018 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Brian HAYES (EPP, IE) on discharge in respect of the implementation of the budget of the Innovative Medicines Initiative (IMI2) Joint Undertaking for the financial year 2016.

The committee called on the European Parliament to **grant the joint undertaking's Executive Director discharge** in respect of the implementation of the joint undertaking's budget for the financial year 2016.

Noting that the Court of Auditors issued a statement of assurance as to the reliability of the accounts and the legality and regularity of the underlying transactions for the financial year 2016, Members called on Parliament to **approve the closure of the joint undertaking's accounts**.

They made, however, a number of recommendations that need to be taken into account when the discharge is granted. They may be summarised as follows:

Financial management: the final 2016 budget available for the Seventh Framework Programme and Horizon 2020 programme implementation included commitment appropriations of EUR 307 053 000 and payment appropriations of EUR 263 423 000. The **utilisation rates for commitment appropriations were 94.1 %** (increase of 3.06 % compared to 2015).

Members regretted to note that payment appropriations were for the third consecutive year below 75 %: in 2016 they were at 69.6 %. The Joint Undertaking is asked to improve the payment appropriations for the procedure next year.

Other observations: the report also contained a series of observations on the anti-fraud strategy, internal control systems and the prevention and management of conflicts of interests.

Members regretted to discover that in 2016 one instance of suspicion was communicated to OLAF which decided to dismiss the case based on the documentation provided. The Joint Undertaking undertook in parallel an independent financial audit which concluded with a minor adjustment and no significant material findings.

Members also regretted to note that the IMI 2 Joint Undertaking experienced some delays in payments to beneficiaries (universities, research organisations and small and medium-sized enterprises). The time-to-pay target of 90 days for interim payments was exceeded by 5 days in 2016. Corrective measures were taken by the IMI 2 Joint Undertaking to improve the situation, notably by enhancing cooperation with project consortia, by reviewing internal procedures and by hiring more staff for the financial unit.

Lastly, the Commission is called on to ensure the direct involvement of the IMI 2 Joint Undertaking in the process of the Horizon 2020 mid-term review in the sphere of further simplifications and harmonisation of joint undertakings.