Official Journal
of the European Union

EN
L series

2024/2298

10.10.2024

RESOLUTION (EU) 2024/2298 OF THE EUROPEAN PARLIAMENT

of 11 April 2024

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Insurance and Occupational Pensions Authority for the financial year 2022

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European Insurance and Occupational Pensions Authority for the financial year 2022,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the report of the Committee on Budgetary Control (A9-0097/2024),

A. whereas, according to its statement of revenue and expenditure ([1]), the final budget of the European Insurance and Occupational Pensions Authority (the 'Authority') for the financial year 2022 was EUR 34 571 120, representing an increase of 5,27 % compared to 2021; whereas the Authority is financed by a contribution from the Union (EUR 12 932 000, representing 37,40 %) and contributions from national supervisory authorities from the Member States (EUR 21 076 120, representing 60,96 %);

B. whereas the Court of Auditors (the 'Court'), in its report on the annual accounts of the European Insurance and Occupational Pensions Authority for the financial year 2022 (the 'Court's report'), states that it has obtained reasonable assurance that the Authority's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes with satisfaction that budget monitoring efforts during the financial year 2022 resulted in a budget implementation rate of 99,46 %, representing a decrease of 0,52 % compared to 2021; notes however that the payment appropriations execution rate was 92,07 %, representing an increase of 12,95 % compared to 2021;

Performance

2. Notes that the Authority uses certain measures such as key performance indicators to assess the added value provided by its activities and other measures to improve its budget management; notes that in 2022 the Authority set 17 strategic level targets for performance across its seven main areas of work; notes with appreciation that the Authority achieved or exceeded 15 of those targets, while the other two targets were deemed not applicable to be reported upon due to their dependency on the legislative timelines of the Digital Operational Resilience Act (DORA) and technological disruption;

3. Observes that 342 products and services, representing 91 % of the total, were delivered as planned by the Authority, with a further 20 products and services experiencing minor delays and 13 not taken forward, often as a result of dependency on timelines of legislative decisions such as the Solvency II Review or on technological developments in the market, and competing priorities; commends the Authority for an increase in its speaking engagements from 167 in 2021 to 214 in 2022;

4. Recognises the Authority's numerous achievements in 2022 that delivered to a great extent on its objectives in the areas of supervision convergence, consumer protection and financial stability; notes in particular that the Authority carried out its first IORP climate stress test to gain insights into the effects of environmental risks on the European occupational pension sector, submitted to the Commission implementing technical standards laying down supervisory reporting and disclosure requirements under Solvency II, published a number of papers, reports and guidance on the integration of sustainability risks in the risk management of insurers, reinsurers and occupational pension funds, and provided input and technical advice to the European Parliament and the Council throughout the

([1]) OJ C 38, 31.1.2023, p. 78.

legislative process with regard to the Artificial Intelligence Act and DORA; commends the Authority for its various initiatives and actions in the area of digital transformation supporting the objectives of Union's Digital Finance Strategy, including by contributing, together with several stakeholders, such as the European University Institute, to the setting up of the 'EU Supervisory Digital Finance Academy';

5. Notes that the Authority used for the first time a number of powers and tools conferred on it by the EIOPA Regulation; notes in that context that in 2022 the Authority issued a recommendation to the National Bank of Slovakia (NBS) following the Authority's conclusions that a breach of capital requirements committed by a Slovakian insurance company had not been appropriately addressed from a supervisory perspective; notes further with concern that the NBS was found by the Authority to be in breach of Union law and, as a consequence, the Commission issued a formal opinion requiring it to take the action necessary to comply with Union law and an inquiry was conducted on the basis of Article 22 of the EIOPA Regulation; calls on the Authority to keep the discharge authority informed on the follow-up and results of that inquiry;

6. Notes that the Authority contributed to ensure financial stability and protect consumers by thoroughly monitoring the markets and assessing impact in the new context of Russia's unprovoked and illegal invasion of Ukraine and the progressive monetary policy tightening in response to record-high inflation rates across Europe; welcomes the timely publication in 2022 of a supervisory statement on inflation focusing on how inflation affects technical provisions, investments and solvency capital requirements;

7. Notes that in September 2022, the Authority set out its strategy for the period 2023–2026, in which it has identified strategic priorities, including strengthening the resilience and sustainability of the insurance and pensions sectors, and ensuring the strong and consistent protection of consumer interests across the Union;

Efficiency and gains

8. Notes that the European Supervisory Authorities (ESAs) coordinate, share and support each other in many areas, both in core business and support areas; welcomes the fact that the ESAs joined forces on strategic initiatives such as software application development, network infrastructure and IT consultancy by, for example, sharing the same suppliers; notes in that context that the Authority's Cloud Strategy, which was approved in 2022, was developed by the Authority together with the two other ESAs, other Union Institutions and the national competent authorities (NCAs) and aims to deliver more autonomous, automated and self-service products to serve the Authority's experts and NCAs;

9. Commends the Authority for its investment in and allocation of staff for projects in the area of digital transformation, to reach new levels of efficiency by automatising and streamlining business processes and improving the time-to-market and the collaboration within and across functions, among others; welcomes in this context the Authority's projects carried out in 2022 focussing on improving data analysis capabilities to achieve the goal of turning the Authority into a fully digital, data-driven organisation;

10. Observes that as regards day-to-day business practices, the Authority has implemented a range of measures to enhance cost-efficiency, such as hybrid working, desk-sharing, as well as modern video conferencing solutions that have prompted the reduction of business travel; notes that in order to preserve institutional knowledge, expertise and efficiency in executing core tasks, the Authority further enhanced its integrated Talent Management System that allows for strategically aligned HR processes, better sourcing of candidates and more leveraged learning and development; invites the Authority to provide the discharge authority with data and figures regarding the impact of that system;

11. Notes from the Court's report that the Authority is among the agencies that have a corporate plan to improve the energy efficiency and climate neutrality of their operations, and that issue an environmental statement (e.g. on carbon footprint reporting) as part of their annual activity reports; further commends the Authority for having been certified EMAS (European Union's Eco-Management and Audit Scheme) in 2022 with a view to achieving the formal EMAS accreditation in 2023;

Staff policy

12. Notes that, on 31 December 2022, 99 %, the same as in 2021, of the establishment plan was completed, with 137 temporary agents appointed out of 138 temporary agents authorised under the Union budget; notes that, in addition, 36 contract agents and 24 seconded national experts were employed by the Authority in 2022;

13. Notes the Authority's gender breakdown reported for 2022 with 15 men (65,20 %) and 8 women (34,80 %) in middle and senior management positions and in its Management Board, and 104 men (53,60 %) and 90 women (46,40 %) in its overall staff; recalls the importance of ensuring gender balance and calls on the Authority to take that into consideration with regard to the future recruitment of staff and appointments within its senior and middle management;

14. Welcomes the fact that in 2022 the Authority continued the implementation of the diversity and inclusion strategy (adopted in 2021) and its detailed action plan in line with the EUAN Charter on Diversity through initiatives that cover cross-cutting measures such as collaborating with other institutions, attracting and selecting a more diverse workforce, preventing discrimination, harassment, conscious and unconscious bias, and monitoring diversity and inclusion related data; notes that in 2022, one case of alleged harassment was reported, but the case was closed without further actions since, upon preliminary assessment, no prima facie evidence was found;

15. Welcomes the fact that the Authority is devoted to fostering and providing a diverse and inclusive work environment that is also attuned to the needs of persons with disabilities; notes in that context that in 2022 the Authority's internal disability coordinator and ambassador was nominated to further strengthen and focus the attention on that particular area, a dedicated survey of staff and management was carried out and awareness-raising actions were taken;

16. Notes with satisfaction that the Authority remained deeply committed to improving staff well-being and work-life balance, with positive outcomes seen in staff engagement and satisfaction; notes that the key areas of focus included flexible work arrangements, teleworking, lifelong guidance and career development, wellness programmes and supportive management;

Procurement

17. Notes the observation in the Court's report that the Authority made payments totalling EUR 25 607 after the end of a contract through which the Authority procured telecommunication services for mobile phone communication for a period of 4 years (2017–2021); notes the Court's conclusion that those payments were irregular; notes further the Court's observation that an amendment to that contract, signed in April 2022, was made in breach of point 1.1 of Annex I of the Financial Regulation;

18. Recalls from the Court's annual report on Union agencies for 2021 the observation on an amount of EUR 288 125 irregularly paid by the Authority with regard to the rental contract for its premises; notes in that context from the Authority's report on measures taken in light of the discharge authority's recommendations (discharge 2021) the Authority's position that disregarding the contractual obligations would have had a negative legal and reputational effect on the Authority; notes from the Court's report that the status of that observation remains open; calls on the Authority to make all the necessary efforts when launching the procurement procedure for a new lease contract to prevent any conflict between the obligations imposed by the rental agreement and the relevant provisions of the Financial Regulation;

Prevention and management of conflicts of interest and transparency

19. Welcomes the fact that, in accordance with the Authority's legal requirements, the CVs of the Members of the Authority's board of supervisors and management board, the resume of the Authority's Chairperson and Executive Director and a short resume of the Authority's Heads of Department are published on the Authority's website; notes that individual declarations of interests and declaration of intention are publicly available for each Management Board member, each member of the board of supervisors and of the Authority's senior management; welcomes further the publication of the Authority's staff meetings with lobbyists on the Authority's website;

20. Welcomes the fact that in 2022 the Authority strengthened its ethics rules for staff and non-staff members, thereby addressing the observations from the Court's report on the Authority's annual accounts for 2021 and aiming to preserve impartial, objective and independent decision-making and promptly identify and handle any possible conflicts of interest; notes in that regard the revision of the Authority's Rules of Procedure, the adoption of a policy on independence and decision-making processes to avoid conflicts of interest for non-staff, the approval of a revision of the decision regarding the appraisal of the chairperson and the executive director and the adoption of a revision of the Authority's Ethics Rules for staff members;

21. Observes with regard to whistleblowing that in 2022 one staff member raised concerns about a potential case of irregularities and that those concerns have been managed by the Authority in line with the applicable rules; notes in that context that the Authority informed the European Anti-Fraud Office (OLAF) thereof without delay and that OLAF carried out an assessment and dismissed the case on grounds that there was no sufficient suspicion to open an investigation;

22. Welcomes the fact that in July 2022, the Authority's board of supervisors revised its Rules of Procedure implementing the Court's observation regarding the presence of conflicted members of the board of supervisors during discussions and voting; further notes that the Authority's management board approved in December 2022 a revised decision regarding the appraisal of the chairperson and the executive director, in line with the Court's observations;

Internal control

23. Notes that in 2022 the Authority carried out the annual assessment of its internal control framework, concluding that all components and principles are implemented and function as intended, with some improvements required due to a moderate deficiency detected;

24. Observes that in 2022 the internal audit service issued a report regarding the audit carried out in 2021 on the 'EIOPA Intervention Measures' targeting NCAs and the market operators in the Union's insurance and occupational pensions sectors; observes further that the Authority's quality control committee issued a review report on the 'Lessons learned from the cooperation and interaction between EIOPA and the NCAs during the COVID-19 pandemic'; calls on the Authority to keep the discharge authority updated with regard to the implementation of the recommendations issued by the internal audit service and the quality control committee;

25. Notes with appreciation that in 2022, the Authority identified, monitored and took measures to mitigate the effects of risks with regard to not having sufficient capacity to implement new powers and tasks, whilst delivering existing commitments, lack of skilled staff with the required competences due to issues related to attractiveness and recruitment and cyber security threats and business continuity;

26. Notes that the Authority continued in 2022 to address the remaining recommendations from the audit on the 'Oversight Tools in the Consumer Protection Area' (2019–2020); notes further that this audit resulted in four recommendations which have been addressed such that two recommendations were officially closed by the IAS in November 2021 and two recommendations were officially closed in June 2022;

Other comments

27. Notes that in 2022 the Authority, together with the other ESAs, issued warnings to consumers in relation to the high-risk and speculative activities associated with many crypto-assets;

28. Notes from the Authority's replies to the questions of the discharge authority that the Authority is currently benefiting from the Commission e-tendering tools (e-tendering, e-submission, e-invoicing) and the public procurement management tool (PPMT) has meanwhile been implemented (from July 2023); welcomes the fact that EIOPA tender procedures include requirements of green public procurement criteria, where possible, and EIOPA tenderers have to sign the Declaration on Honour on Compliance with environmental and social obligations, among others;

29. Notes that in 2022, the Authority published the results of its work in the form of reports, on its website and social media, most of the reports being accompanied by a press release; welcomes the fact that in some instances, the reports are also accompanied by summaries, short social media clips, or short interviews to explain the content in simpler terms;

30. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 11 April 2024 ([2]) on the performance, financial management and control of the agencies.

([2]) Texts adopted, P9_TA(2024)0280.