

Opinion of the European Insurance and Occupational Pensions Authority on the decision of the European Parliament in the discharge procedure in respect of the implementation of the budget for the financial year 2021(2022/2106(DEC))

The Board of Supervisors of the European Insurance and Occupational Pensions Authority (EIOPA) has adopted the following Opinion.

1. Introduction

The European Parliament has granted on 10 May 2023 discharge in respect of the implementation of the budget of the European Insurance and Occupational Pensions Authority (EIOPA) for the financial year 2021¹. In accordance with article 64(11) of the EIOPA Regulation², the Authority shall provide a reasoned opinion on the position of the European Parliament and on any other observations made by the European Parliament in the discharge procedure.

The current Opinion provides EIOPA's views on the Parliament's decision and observations. It also highlights the measures taken by EIOPA to address the recommendations made by the European Parliament acting as Discharge Authority in respect of the implementation of the budget for the financial year 2021 in accordance with Article 106 of the EIOPA Financial Regulation³.

2. Discharge 2021: European Parliament's observations and measures taken by EIOPA

The below table lists the observations from the European Parliament and the measures taken by EIOPA to address these observations.

¹ [Texts adopted - Discharge 2021: European Insurance and Occupational Pensions Authority - Wednesday, 10 May 2023 \(europa.eu\)](https://www.europa.eu)

² Regulation (EU) No 1094/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Insurance and Occupational Pensions Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/79/EC (OJ L 331, 15.12.2010, p. 48).

³ Financial Regulation of the European Insurance and Occupational Pensions Authority (2019), available on EIOPA's webpage ([eiopa-mb-19-057-financial-regulation.pdf \(europa.eu\)](https://www.eiopa.europa.eu))



Ref ⁴	Observation of the Discharge Authority	Response and measures taken by EIOPA
Budget and financial management		
1	<p>Notes with satisfaction that budget monitoring efforts during the financial year 2021 resulted in a budget implementation rate of 99.98 %, representing a decrease of 0.02 % compared to 2020; notes, however, that the payment appropriations execution rate was 79.12 %, representing a decrease of 3.67 % compared to 2020; calls on the Authority to enhance its payment appropriation execution rate;</p>	<p>The Authority enhanced the execution rate by 13.1% in 2022 compared to 2021. In 2022 the payment appropriations execution rate was 92.22% and a similar result is expected for 2023.</p>
Staff policy		
7	<p>Acknowledges the Authority's efforts towards the achievement of a more gender balanced staff; notes the Authority's gender breakdown reported for 2021 with five men (63%) and three women (38%) in senior management positions, three men (43%) and four women (57%) in its management board, and 98 men (52%) and 89 women (48%) in its overall staff; calls on the Authority to keep developing a long term human resources policy on work-life balance, lifelong guidance and the offer of specific training possibilities for career development, gender balance at all staff levels, teleworking, the right to</p>	<p>EIOPA continues being very engaged in cultivating continuously its rules and approach regarding work-life balance, including teleworking and using best practices (established during and after the COVID-period). In the area of diversity and inclusion, EIOPA continued the implementation of the Diversity and Inclusion Strategy (approved in 2021) and its detailed Action Plan, in line with the adopted Network of Decentralised Agencies and Joint Undertakings (EUAN) Charter on Diversity. The strategy reflects EIOPA's vision to be a credible supervisory authority within the European System of Financial Supervision, going well beyond ensuring compliance with non-discrimination and equality rules. EIOPA values individual differences and commits to a pro-active diversity management approach seeking to create a truly diverse working environment and an inclusive culture in which everyone feels valued and accepted. Initiatives as part of the Diversity and Inclusion Strategy cover cross-cutting measures such as:</p>

⁴ Ref: this is the reference to the specific observation from the "European Parliament decision of 28 May 2021 on discharge in respect of the implementation of the budget of the European Insurance and Occupational Pensions Authority for the financial year 2019 (2020/2175(DEC))"

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	<p>disconnect, the enhancement of a geographical balance to have an appropriate representation from all Member States, and the recruitment and integration of people with disabilities as well as ensuring that they are treated equally and that their opportunities are widely promoted;</p>	<ul style="list-style-type: none"> - collaborating with the European Commission, EUAN and other institutions; - attracting and selecting a more diverse workforce; - preventing discrimination, harassment, conscious and unconscious bias; - ensuring flexible working environment; - ensuring fair and equitable career, learning and development opportunities; - awareness raising on diversity and inclusion; - monitoring diversity and inclusion related data, - as well as targeted measures with regard to specific groups: gender equality; persons with disabilities and staff with disabled dependants; Lesbian, Gay, Bisexual, Transgender, Intersex, Questioning/Queer (LGBTIQ+); and underrepresented age groups among staff. <p>Some of the different initiatives and actions include, without being exhaustive:</p> <ul style="list-style-type: none"> - Female Talent Development Programme, - European Supervisory Authorities (ESAs) Gender Equality Conference, - participation of EIOPA staff in EUAN talks and events on different Diversity and Inclusion topics, - nomination and active role of diversity and inclusion ambassadors, - celebration of the EU month on Diversity, - trainings for managers and staff on unconscious bias, - nomination of a disability coordinator and dedicated survey amongst staff, - participation in the Frankfurt CSD (Pride) parade - and a dedicated Diversity and Inclusion section on the intranet. <p>EIOPA has also implemented a Learning & Development (L&D) Strategy for 2022 – 2024 outlining the framework for career development and L&D initiatives such as external staff exchanges, learning on the job and job shadowing. As EUAN coordinating Agency in 2023, EIOPA is also implementing a staff exchange programme at EUAN level.</p>
	<p>Procurement</p>	

Ref ⁴	Observation of the Discharge Authority	Response and measures taken by EIOPA
14	<p>Notes with concern the Court's observation that the rental contract for the Authority's premises stipulates that the landlord must give consent in advance before changes can be made to the property and before additional equipment can be installed; notes further the Court's remark regarding the stipulation that all the associated works can only be carried out by contractors nominated by the landlord; deplores that those contractual constraints led the Authority to award refurbishment works directly to the contractors designated by the landlord, without an appropriate procurement procedure; notes the Court's conclusion that the amounts concerned by that contract clause (EUR 288 125 paid in 2021) were therefore irregular; calls on the Authority to submit to its obligations under the applicable rules when launching future procurement procedures;</p>	<p>EIOPA's lease contract indeed obliges the Authority to use companies procured by the landlord to undertake construction works. Disregarding this clause would have implied a violation of EIOPA's contractual obligations and a negative legal and reputational effect on the Authority.</p> <p>In case of similar circumstances in the future, EIOPA will seek to reconcile the agency's obligations under the Financial Regulation with the legal obligations and constraints imposed by the lease contract. In addition, when launching the procurement procedure for a new lease contract, the agency will aim to avoid a similar challenge of conflicting obligations under the Financial Regulation with legal obligations imposed by the rental agreement.</p>
15	<p>Recalls the importance of the procurement procedure to ensure fair competition between tenderers and to procure goods and services at the best price, respecting the principles of transparency, proportionality, equal treatment and non-discrimination; notes with concern the Court's observation regarding the public procurement weaknesses that are increasing and remain the largest source of irregular payments for most of agencies; calls on the Authority to implement the e-</p>	<p>EIOPA is implementing the Commission's e-tendering tools (e-tendering, e-submission, e-invoicing) and has on-boarded PPMT (the public procurement management tool) in July of this year.</p> <p>The tools available to the decentralized agencies have already been implemented or are in the process of being implemented.</p>

Ref ⁴	Observation of the Discharge Authority	Response and measures taken by EIOPA
	<p>procurement information technology tools developed by the Commission; calls on the Commission to clarify and update the procedures and templates in the procurement guidelines;</p>	
	<p><i>Prevention and management of conflicts of interest, and transparency</i></p>	
20	<p>Insists on the need to put into place systematic sets of rules on transparency, incompatibilities, conflict of interests and illegal lobbying; calls on the Authority to also put in place internal anticorruption measures; calls on the Authority to report to the discharge authority on the progress made in this regard;</p>	<p>EIOPA has adopted since its establishment a rigorous Ethics Framework for Staff members, including Ethics Rules, the adoption of the European Commission decision on outside activities but also Rules on Access to Documents. The Authority is currently implementing its Anti-Fraud Strategy 2022-2024 and related mitigation measures. EIOPA assess changes to the threat of fraud it faces from fraud on an annual basis, which informs a limited review of its priorities and objectives. A new full review of the strategy is planned for 2024 which will provide the basis of the next anti-fraud strategy for 2025-2027. In 2022, EIOPA focused its anti-fraud effort on the priority areas of procurement and contract management and recruitment. These were deemed priorities based on the potentially high benefits for those who might perpetrate fraud and not because of any specific threat. Assessments were made of the relevant processes to identify opportunities to subvert controls with a view to make recommendations for the mitigation of any risks. These recommendations will form the basis of action plans which will be implemented over the remaining years of the strategy.</p>
	<p><i>Digitalisation & green transition</i></p>	
28	<p>Encourages the Authority to work in close cooperation with European Union Agency for Cybersecurity (ENISA) and Computer Emergency Response Team for the EU Institutions, bodies and agencies (CERT-EU) and to carry out regular risk assessments of its IT</p>	<p>EIOPA has a security policy in place and maintains alignment with the European Commission’s framework on information and cyber security. EIOPA continued with the implementation of its security strategy, aiming at improving infrastructure resilience and enhancing the areas of detection, incident response, testing, and the protection of sensitive information.</p>

Ref ^a	Observation of the Discharge Authority	Response and measures taken by EIOPA
	<p>infrastructure and to ensure regular audits and tests are carried out on its cyber defences; suggests to offer regularly updated cybersecurity-related training programmes to all members of staff, including management; calls on the Authority to keep developing its cybersecurity policy and to report to the discharge authority on the progress made in this regard;</p>	<p>The agency is currently further strengthening its cyber defences as part of a complete IT infrastructure refresh, using guidance from CERT-EU and the European Commission as its baseline. To validate its efforts, EIOPA has recently concluded a successful “Red Team” security test exercise with CERT-EU.</p> <p>EIOPA offers regular training to staff, not least through regular phishing simulation exercises.</p> <p>Furthermore, EIOPA is taking all necessary steps to prepare for the upcoming Cybersecurity Regulation. As EUAN coordinating Agency in 2023, EIOPA is actively supporting CERT-EU and the Commission in their ambition to improve and align the EUIBAS’ frameworks and cyber defences.</p>

For the Board of Supervisors
Petra Hielkema
Chairperson

