



2015

Annual Activity Report

**Consumers, Health,
Agriculture and Food
Executive Agency**

v.31.03.2016

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Introduction

The Agency in brief

The Consumers, Health, Agriculture and Food Executive Agency (Chafea or the Agency) is a Community body with a public service role. It is an autonomous legal entity and enjoys the most extensive legal capacity accorded to legal persons under national law of the Member States. The Agency is, at the same time, politically and budgetary dependent from the European Commission. Chafea is one of the six EU Executive Agencies that was set up on the basis of the provisions of the Council Regulation (EC) N° 58/2003. The Agency (initially PHEA: "Executive Agency for the Public Health Programme") was set up in December 2004 with a view to perform tasks linked to the implementation of the Community action in the field of Public Health. In 2008, the Commission extended the lifetime and mandate of the Agency, and renamed it into the "Executive Agency for Health and Consumers" (EAHC). The Consumers, Health, Agriculture and Food Executive Agency was established on the basis of the Commission implementing decision 2014/927/EU of 17.12.2014. The Consumers, Health and Food Executive Agency (Chafea) became the legal successor of EAHC and initiated its operation on the 1.1.2014.

The Agency performs operational tasks of executive nature (not entailing political choices) under the supervision of the European Commission that is exercised by the Agency's parent Directorate Generals.

The Agency is managed by a Steering Committee and a Director. The Members of the Steering Committee serve as Officials in the Agency's Parent Directorate Generals (DG SANTE, DG JUST, DG AGRI) and horizontal Directorates General of the European Commission (DG HR). In 2015 the Agency employed 51 staff allocated within four Units and its Directorate (Health Unit, Consumer and Food Safety Unit, Administration Unit and the newly established Promotion of Agricultural products Unit).

In 2015, the Agency was responsible for implementing delegated tasks that made part of the following programmes: the Consumer Programme 2014-2020, the Health Programme 2014-2020, the Food Safety Training measures covered by Regulation (EC) No 882/2004 and Directive 2000/29/EC as well as the implementation of the legacy of the following programmes: the Public Health Programme 2008-2013, the Consumer Programme 2007-2013, the food safety training measures covered by Regulation (EC) No 882/2004, Directive 2000/29/EC, Decision C(2012) 1548 and Regulation (EC) No 1905/2006, the management of the operating grant agreement that was signed between the Agency and ANEC before 2015, the European consumer voice in standardisation, governed by Regulation (EU) No 1025/2012. The overall budget managed by the Agency in 2015 amounted to 144,5 M Euro including commitment and payment appropriations.

The Agency's operating (administrative) budget is fully subsidised from the EU Budget. In 2015, it amounted to 7.41 M Euro.

The year in brief

Health Programme

The past year was particularly challenging for the Agency. The late adoption of the 2014 annual work programme meant that the conclusion of several grants to be co-funded under that financing decision, were still on-going in 2015. This was especially the case for the direct grants with international organisations and those with competent authorities of the Member States (Joint actions). In addition, Chafea launched two calls for proposals for projects under the 2015 work programme. Finally, the development of the reporting tools under IT tool for grant management required significant investment and effort.

The first call for proposals under the 2015 annual work programme resulted in the financing of 8 projects in five different health topics representing a volume of € 8.717.161. A second call for proposals was launched in October 2015¹ in response to the high influx of refugees with a view to provide concrete support to organisations active in the field and help address the public health impact in the most affected EU Member States. Four proposals were recommended for funding (total EU contribution €6.239.154). Due to the emergency nature of the situation that required an immediate reaction, Chafea managed to sign the concerned grant agreements in a record time (less than 3 months after the publication of the call) and was in a position to channel the EU financial assistance to beneficiaries that could most efficiently assist EU Member States in dealing with the situation.

The 2015 annual work programme did not foresee an open call for operating grants, as organisations having signed a Framework Partnership Agreement (FPA) covering the period 2015-2017 were invited to submit their Specific Grant Agreement (SGA) proposal for 2016. At the end of 2015, the grant preparation process was been completed representing a volume of €5.005.521. One of the FPA holders could not submit their SGA proposal for 2016 due to the bankruptcy of the legal entity hosting the specific network of experts.

Eight Joint actions launched under the 2014 work programme (serving as financing decision for 2014) were signed in 2015. These were the first to

¹ The Commission amended the respective annual programme in order to allow the Agency to launch the respective call

be implemented under the provisions introduced by the 3rd Health Programme and entailing the negotiation of a direct grant agreement with the competent authorities of the Member States). In parallel, the Agency advanced in the preparation of the four joint actions foreseen under the work programme 2015, with the related grant agreement being expected to be signed at the beginning of 2016.

Negotiations have also started for the six direct grant agreements with international organisations, with one having been signed (grant to the IOM under the amended annual work programme for 2015) and two others close to conclusion - all these grants are expected to be signed within the first quarter of 2016.

The outputs are as follows:

Call for proposals			
Health Programme 2014 – 2020 2015 Chafea Work Programme	Proposals submitted	Ineligible proposals	Proposals to be funded
Actions			
Grants for projects (including migrant call)	75	3	12
Grants for the functioning of NGO or networks	13	0	13
Direct Grants-International Organisations	10 (4 for 2014 WP & 6 for 2015)	0	5 signed in 2015
Joint actions (MS)	12 (8 for 2014 WP – 4 for 2015 WP)	0	8 signed in 2015
TOTAL	110	3	38

Chafea has also launched and concluded more than 80% of the procedures provided for under the 2015 annual work programme (25 procurement procedures) aiming at providing not only studies, but also concrete technical deliverables and tools critical to supporting DG SANTE's policy making.

Chafea also directly carried out or contributed to several dissemination activities (meetings, info sheets, brochures, workshops, info days) aiming at increasing the outreach of the health programme and the results of the actions funded under it.

Consumer Programme

In implementation of the Consumer annual work programme the Agency launched and concluded the following procedures:

- one call for the implementation of joint actions in the area of product safety to be implemented by Member States;
- invitations were sent for the submission of proposals that led to the award of specific grants to co- finance activities implemented by the European Consumer Centres, on the basis of the Framework Partnership Agreements signed in 2014; an operating grant was awarded to an organization representing Consumer interests at European level.
- the Agency invited the relevant Consumer Protection Cooperation (CPC) and General Product Safety Directive (GPSD) Member States' representatives to participate in the exchange of officials programme.

The outputs are as follows:

Call for proposals			
Consumer Programme 2014 – 2020 2015 Work Programme	Proposals submitted	Ineligible proposals	Proposals to be funded
Actions			
Joint actions in the field of product safety	1	0	1
Grants for the functioning of Consumer Organisations at EU level	1	0	1
Grants for implementation of activities by the European Consumer Centres	30	0	30
Payment of Special Indemnities for the Exchange of Officials programme in the areas of General product Safety Directive and Consumer Protection Cooperation	86	0	86
TOTAL	118	0	118

Procurement procedures covering subjects mentioned in the work programmes were implemented by the Agency for all tenders for which the parent DGs provided input with regards to the definition of the requested service.

Better Training for Safer Food (BTSF)

In 2015, Chafea has further increased their BTSF training activities targeted to staff of competent authorities of EU Member States and Third Countries involved in official control activities for food safety. In 2015, more than 7000 officials took part to these training activities. An anonymous evaluation survey of these training activities revealed that the participants evaluated trainings relevance to their day to day tasks and improving their knowledge about the trained subject as 8.4 on average on the scale from 1 to 10.

Promotion of Agricultural Products

2015 was defined by intensive preparedness of the processes and procedures enabling the Agency to start implementation of the new information provision and promotion measures concerning *agricultural products implemented in the internal market and in third countries*, adopted with Regulation 1144/2014². Chafea worked in close cooperation with its new parent DG (Agriculture and Rural Development) throughout the year. Recurrent meetings were held between the parent DG's and Agency's services. A commonly agreed roadmap of actions with deadlines prescribed the steps that needed to be completed before the Agency is in position to formally accept the delegation.

The preparative actions concerned the following domains: Staff recruitment: The Agency run procedures for the recruitment of the first contract agents that would staff the new Chafea Unit; four project officers had been recruited at the end of 2015. In parallel the parent DG run the procedures for the secondment of two EU officials as the Head of Unit and Team leader for the Promotion of Agricultural Products Unit.

New office space has been rented to host these new colleagues for the Promotion of Agricultural Products Unit. These new offices will be available end of March 2016.

On the operational side, Agency cooperated with the business owners of the IT tools for grant management (REA, RTD, DIGIT) so as to adapt their content to the needs of the new programme; all relevant call documentation (the call for proposals itself, application forms, the model grant agreement, as well as the guide for applicants etc) was prepared in anticipation of the very first procedure to be launched shortly after the acceptance of delegation.

In parallel the Agency launched a call for expression of interest to constitute a comprehensive list of expert that will assist the Agency with technical expertise on the evaluation of the proposals to be submitted under various priority areas of the Agricultural Promotion and Information measures.

The Agency presented to its Steering Committee the readiness report provided for in the applicable guidelines for the operation of Executive Agencies³. According to its content, the Agency shall be in a position to formally accept the delegation and perform the relevant budget implementation activities on the 1st of February 2016⁴.

² Regulation 1144/2014 entered into force on the 1.12.2015

³ C(2014)9109

⁴ 15 of March has been set for a number of promotional activities due to legal constraints.

Executive Summary

The Annual Activity Report is a management report of the Agency's Director to the College of Commissioners. It is the main instrument of management accountability within the Commission and constitutes the basis on which the Agency takes its responsibility for the management of resources by reference to the objectives set in the management plan and the efficiency and effectiveness of internal control systems, including an overall assessment of the costs and benefits of controls.

a) Policy highlights of the year

Efficient cooperation among Member States in the area of **Public Health** can be vital for the attainment of key strategic objectives of the Juncker Commission, such as boosting jobs, growth and investment; and ensuring a deeper and fairer internal market with a strengthened industrial base.

Working together to promote effective, accessible and resilient healthcare systems, while at the same time ensuring increased access to medical expertise, technologies and information across the EU, have been at the core of the activities co-funded by the health programme this year. Specific examples of work in these areas are included under the "key results" section, further below.

In addition of its core tasks implemented since the beginning of the year Chafea launched a second Call for proposals at the very end of the year to support Member States under particular migratory pressure in responding to possible communicable diseases and cross border health threats, following an amendment to the annual work programme 2015.

The purpose of this Call was to identify a set of immediate priority actions to be taken within the next twelve months. Intended to help EU countries experiencing a high influx of refugees due to being on the migration routes, at the forefront of the refugee crisis, the actions were not limited to the first entry points (i.e. hot spots), acknowledging the importance of correctly addressing the health needs of migrants also for the foreseeable continued journey to their country of destination. By the end of the year four actions were selected, totalling €6.2 millions of EU co-funding⁵, mobilising NGOs, experts, national and local health authorities, as well as international organisations and stakeholders.

Chafea demonstrated a capacity to implement the Health Programme with the speed and efficiency required in addressing a real-life emergency

⁵ this amount also includes a €1 million grant to the International Organisation for Migration (IOM)

situation (call for migrants); indeed, the whole process, starting with the amendment to the 2015 annual work programme (carried out by DG SANTE), the call publication and closure, right through to the evaluation, information to the applicants and signature of the first two grants was completed in less than three months.

Consumer protection is also high on the Commission's agenda given its important contribution to the Juncker Commission's policy priorities. The European Consumer Centres network (ECC-Net) is an illustrative example of efficient and effective cooperation with the Member States that has a significant impact on the well-functioning of the EU's Single (Digital) Market. Each ECC provides the consumers with information, free advice and assistance on cross-border shopping in the EU, Norway and Iceland. Consumers are made aware of their rights and can obtain the redress they deserve when they run into problems with traders, wherever, whatever or however they buy. This long running initiative, co-financed from appropriations of the EU Consumer programme, has reached its 10 years anniversary in 2015 and celebrated its 10 year anniversary with a special [report](#): *10 Years serving Europe's Consumers*.

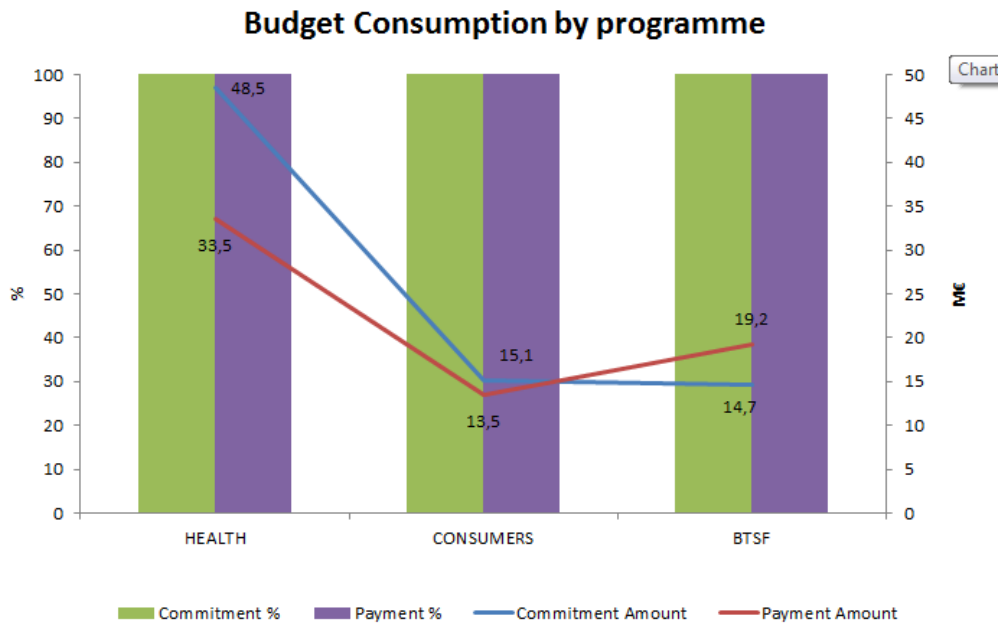
Since 2009 Chafea has given strong input to the development of the ECC-NET and contributed to the excellence of the network's operation and services provided according to high and uniform quality standards. In 2015, for the first time, the centres implemented their annual programmes under the new system of Framework Partnership Agreements signed with Chafea (FPA). This legal instrument set up the basis for a long term cooperation scheme (partnership) between Chafea and the bodies hosting the European Consumer Centres; the centres' operation are planned and monitored around specific long term objectives and quality indicators.

b) Key Performance Indicators (5 KPIs)

The graphs below provide information in relation to key performance indicators that are included in the Agency's Annual Work Programme of 2015; they provide information on core aspects of the Agency's operation; some of them derive from regulatory provisions that the Agency has to comply with.

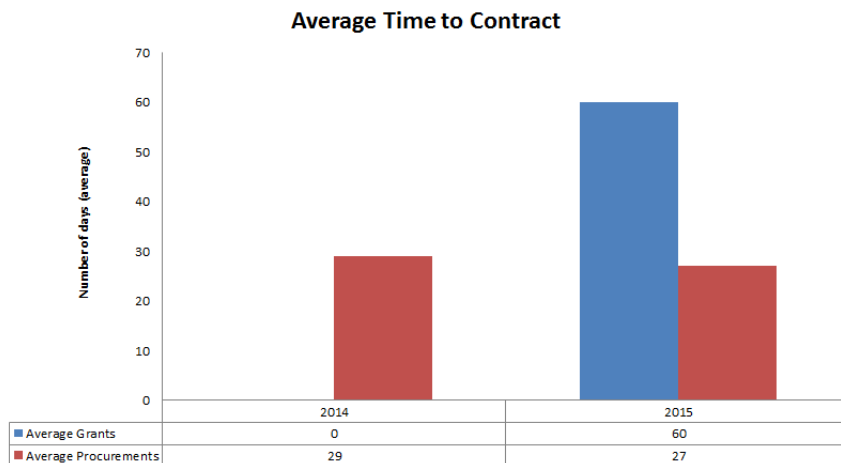
1. Level of Budget Implementation (commitment and payment appropriations)

More than 99% of the credits received by the Agency via transfer from its parent DG were committed; 100% of the available payment appropriations were disbursed via 1363 payment transactions pertaining to the management of the programmes delegated to the Agency.



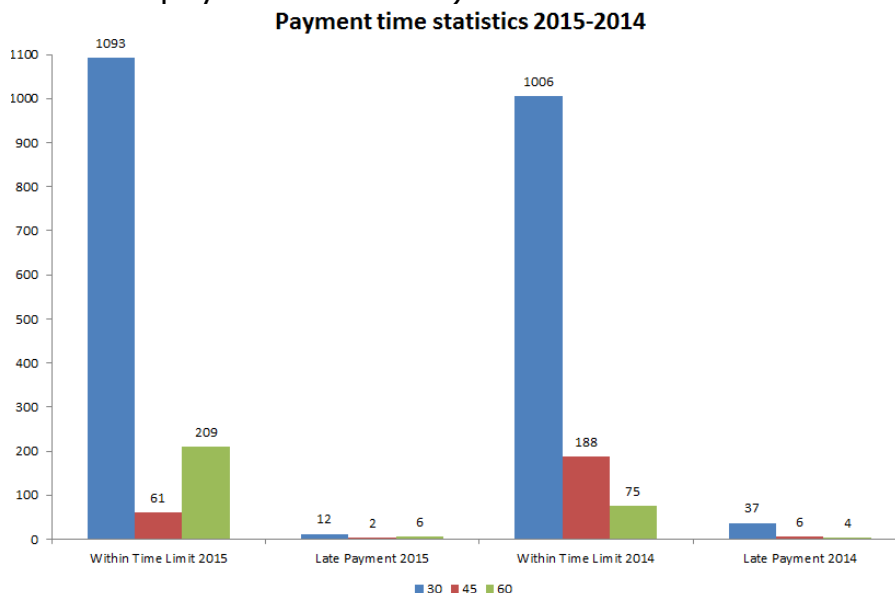
2. Time to contract

Time to contract refers to the number of days that elapses between the award decision issued by the authorizing officer by delegation and the signature of the legal commitment; the target date is 60 days from the award decision in the case of service contracts signed following the launch of public procurement procedures; the respective target for grant agreements is 3 months from the notification of the successful applicants of the results following the evaluation of their proposals. The average time to contract is 27 and 60 days respectively. Both are well below the targets set. As explained in the 2014 Annual Activity the late publication of calls did not allow for grant agreements to be signed within the same year. Thus grant agreements signed with 2015, irrespective from when the call was launched, were taken into account for the calculation of the 2015 statistics.



3. Time to pay

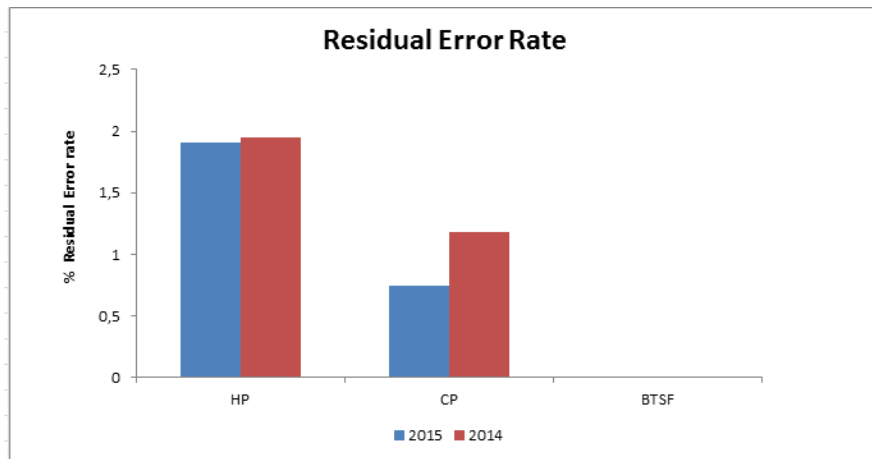
The Agency executed 1.363 (1.316 in 2014 and 1.294 in 2013) payment transactions within 2015. The average number of days needed for the execution of payments was 11 days regarding payments with 30 days deadline, 23 days regarding payments with 45 days deadline and 30 days regarding payments with 60 days deadline. Twenty (1.46%) out of the 1.363 payments executed were late. This number represents a drop of 2,1% (3,57% late payments in 2014).



4. Level of residual error rate per ABB activity (ex post controls)

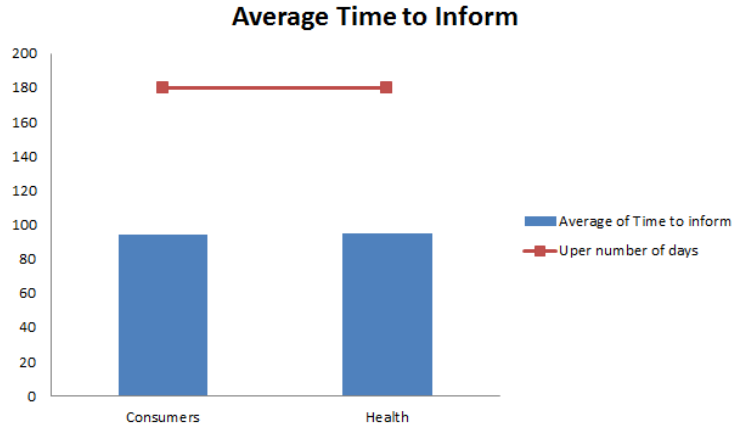
The main objective of ex post control is the detection and correction of undue payments made by the Agency that resulted from errors, irregularities or even fraud that remained undetected at the stage of the controls that precede each payment (ex-ante controls). Results following the implementation of ex post audits support the calculation of the so called 'residual error rate'; in its turn, the calculation of the residual error rate aims at assessing whether the assessment of the quantitative materiality criterion related to the legality and regularity of the Agency's underlying transactions should lead to a reservation. Currently the threshold is set at 2% individually for the programmes delegated to Chafea.

The Agency follows a multiannual approach for the calculation of its residual error rate and net amount at risk. The cumulative residual error rate was calculated as being below the 2% materiality threshold; in specific, the percentage of the residual error rates were 1,91% and 0.74% for the Public Health Programme and the Consumer Programme respectively.



5. Time to inform applicants

The Agency is bound to inform applicants on the results of their proposals' evaluation within six months from the closure (expiry of deadline for submitting proposals) of the respective call for proposals; The Agency's performance was 94,61 days (94,16 and 95,03 days for the Consumer and Health programme respectively); it represents a duration of approximately three months which is far below the deadline set by the EU financial regulation (6 months).



c) Key conclusions on Management and Internal control (executive summary of section 2)

In accordance with the governance statement of the European Commission, the staff of Consumers Health, Agriculture and Food Executive Agency conducts its operations in compliance with the applicable laws and regulations, working in an open and transparent manner and meeting the expected high level of professional and ethical standards.

The Commission has adopted a set of internal control standards, based on international good practice, aimed to ensure the achievement of policy and operational objectives. The financial regulation (FR) requires that the organisational structure and the internal control systems used for the implementation of the budget are set up in accordance with these standards. As required by the FR, the Director of the Agency has put in place the organisational structure and the internal control systems suited to the achievement of the policy and control objectives, in accordance with the standards and having due regard to the risks associated with the environment in which it operates.

The Agency has assessed the effectiveness of its key internal control systems during the reporting year and has concluded that the internal control standards are effectively implemented and function as intended. Please refer to AAR section 2.3 for further details.

In addition, the Agency has systematically examined the available control results and indicators as well as the observations and recommendations issued by internal auditors and the European Court of Auditors. These elements have been assessed to determine their impact on the management's assurance as regards the achievement of control objectives. Please refer to Section 2 for further details.

In conclusion, management has reasonable assurance that, overall, suitable controls are in place and working as intended; risks are being appropriately monitored and mitigated; necessary improvements and reinforcements are being implemented. The Acting Director, in his capacity as Authorising Officer by Delegation has signed the Declaration of Assurance.

d) Information to the Commissioner(s)

The main elements of this report and assurance declaration have been brought to the attention of the agency's Steering Committee and to the parent DG(s) Directors General, who has/have taken these into consideration in his(her) reporting to Commissioner Vytenis Andriukaitis, responsible for the Health and Food Safety Portfolio, Commissioner Věra Jourová, responsible for the Consumers portfolio, Commissioner Phil Hogan responsible for the Agriculture and Rural Development portfolio and Commissioner Elzbieta Bienkowska, responsible for the Internal Market, Industry, Entrepreneurship and SMEs portfolio.

1. Key results and progress towards the achievement of general and specific objectives of the DG⁶

a. Health programme

In accordance with Article 168 of the Treaty on the Functioning of the European Union (TFEU), a high level of human health protection is to be ensured in the definition and implementation of all Union policies and activities. The EU is required to ensure a high level of human health protection as part of all its policies. In doing so, it contributes to EU Member States' efforts to improve access, effectiveness and resilience within their health systems, whilst respecting the rules of the Treaty of the European Union on proportionality and subsidiarity.

The 3rd Health Programme is, currently, the main financial tool supporting EU health policy, with the overall objective to *"complement, support and add value to the policies of the Member States, improve the health of the Union citizens and reduce health inequalities by promoting health, encouraging innovation in health, increasing the sustainability of health systems and protecting Union citizens from cross-border health threats"*.

It thus aims to support, coordinate and supplement Member State's action, by focusing on a set of well-defined objectives and actions with clear, proven EU added value, and by concentrating its financial support on a smaller number of activities in priority areas. Emphasis is placed on areas with clear cross-border or internal market issues at stake, or where there are significant advantages and efficiency gains from collaboration at Union level.

The Agency implements the delegated actions predominantly via the preparation and launch of calls for proposals and call for tenders; the aim of the first is to award co- financing that will allow the implementation of actions under the responsibility of the applicants/EU beneficiaries in the context of the provisions stipulated within a grant agreement; the Agency ensures that co- financing is timely channelled to actions that meet the criteria set by the programme and are expected to optimally contribute to the general and specific objectives announced by the Programme.

The procurement procedures managed by the Agency serve the needs of its parent DG relevant to the collection of information, acquisition of expert advice on technical issues or exploration of feasible options in the context for policy making.

It needs to be underscored that the agency is not solely responsible for the attainment of objectives set at Programme level. First of all, the latter

⁶ See footnote 1.

depend on various factors that are outside of the remit of the Agency; moreover, such factors may even fall outside the competence of the Commission itself. Nevertheless, the Agency holds full accountability for the sound follow up of the actions receiving EU co- funding as well as the acquisition of deliverables corresponding to the agreed quality standards specified in the agreed service contracts.

The results presented below give a broad outline of the results generated by the operational expenditure managed by Chafea. The results mentioned below were the result of actions that were launched under the previous Health Programme 2008-2013 (it is too early to have results from actions funded from 2014 onwards) and have a direct link/relevance to the objectives set by that programme; naturally the results of these projects demonstrate a self-standing EU added value and may be considered of relevance for the objectives set under the 3rd Health Programme.. As mentioned above, results under the current Programme is not yet available given the duration of the co- financed actions (a minimum 3 year starting from 2014).

Specific objective 1
Promote health, prevent diseases and foster supportive environments for healthy lifestyle: Identify, disseminate and promote the up-take of evidence-based and good practices for cost-effective disease prevention and health promotion

Promoting health and addressing the determinants of health remain the most cost-effective ways to reduce the increasing burden of chronic disease in Europe's ageing societies.

EU co-funding under this objective of the Health Programme primarily supports the exchange of good practices between EU Member states, with a view to achieve synergies from the sharing of innovative approaches and evidence based actions and policies.

Project EUREGENAS
European Regions enforcing Actions against Suicide

Euregenas (European Regions Enforcing Actions Against Suicide) brought together 15 partners from 11 regions, with the overall objective to contribute to the prevention of suicide through the development and implementation of innovative prevention strategies.

Suicide is the second leading cause of death among 15-29 year-olds, with over **800.000 people** dying every year among all age groups.

The action involved a range of professional categories, including key target groups outside the medical profession (e.g. journalists, teachers,

stakeholders from the workplace), as evidence points to the role which they can play in effective prevention methods. With their help it delivered a series of innovative tools on several levels; they include a "Suicide prevention toolkit for Media Professionals, Workplace and Schools"; a "Training module for General Practitioners"; and a "Toolbox for facilitators of survivor support groups".

Acknowledging the potential of Information and Communication Technologies (ICT) in reaching the younger population, especially vulnerable to the "idealisation" of suicide, the action also developed tools addressing both the ethical and technical dimensions of ICT enabled prevention (eg: Ethical Guidelines for Technology-Based Suicide Prevention Programmes).

The deliverables of the action are highly innovative and have attracted significant interest from several other EU regions; and they are accessible in the project's online library (<http://www.euregenas.eu/publications/>).

Project BISTAIRS
Brief interventions in the treatment of alcohol use disorders in relevant settings

Alcohol consumption is a key lifestyle related risk factor, with significant negative impact on health and wellbeing. Screening and early diagnosis of people that may be subject to alcohol use disorders, in primary care settings is one of the most efficient prevention strategies, supported by consistent and [robust evidence](#). Even so, mainstreaming these preventive measures in everyday clinical practice remains a challenge.

BISTAIRS field-tested the feasibility and practicability of Alcohol Screening Brief Interventions (ASBI), to identify the main barriers that prevent their use, as well as strategies to overcome such barriers. The key findings pointed to a low level of awareness of the evidence and lack of specialized training for health professionals.

As a response, the consortium used a multidisciplinary approach and stakeholder involvement to develop state-of-the-art policy, scientific and practical information on how to effectively identify, assess and manage patients with risk drinking behaviours. Those outputs, if taken up and used, create the realistic possibility to reduce disparities and raise standards within the and/or among Member States.

Analysis and feasibility assessment regarding EU systems for tracking and tracing of tobacco products and for security features

Considerable volumes of illicit tobacco products find their way in the EU every day. The availability of such products in the market doesn't only undermine the protection provided for by tobacco control legislation; it also has a direct and indirect adverse impact on public health: direct, as

illicit products constitute a public health hazard; indirect, as they undermine related tax receipts, a key financial resource for health systems⁷.

[A hot summer 2015 in the fight against cigarette smuggling: 115 million cigarettes seized with OLAF's help throughout Europe](#)

The new Tobacco Product Directive (TPD), in force since May 2014, provides for numerous measures preventing illicit trade of tobacco products, including the introduction of an EU-wide tracking and tracing system. Consisting of visible and invisible security features, the introduction of such a system aims at securely identifying legal tobacco products, redirecting tobacco trade to legal channels and contributing to the Member state efforts to restore lost revenue.

It is estimated that, on an annual basis, smuggling costs national and EU budgets more than €10 billion in lost public revenue on fiscal receipts from legal tobacco sales of over € 90 billion.

The first step in this process was a feasibility assessment for the creation of such a system. Based on a comprehensive market assessment and mapping of existing traceability and security features solutions, potentially suitable for tobacco products, the study concluded that full traceability of EU tobacco products is achievable. Four possible alternative options (or scenarios) for both tracking and tracing and security features were further proposed.

The publication of the results of the study⁸ was followed by a targeted stakeholder consultation. This enabled the European Commission to acquire a broad perspective of existing views before moving to the next step, the actual drafting of the technical specifications of the future common EU system for traceability and security features in the field of tobacco products. Such a system is plausible to overcome national fragmentations and further realise the potential of border free Europe.

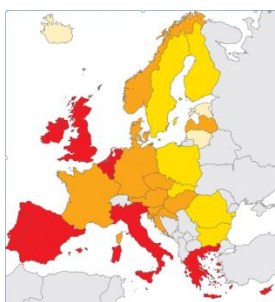
Project SIALON II Capacity building in combining targeted prevention with

⁷ http://ec.europa.eu/anti_fraud/documents/eu-revenue/q_and_a_en.pdf

⁸ http://ec.europa.eu/health/tobacco/docs/2015_tpd_tracking_tracing_frep_en.pdf

meaningful HIV surveillance among Men having Sex with Men (MSM)

HIV/AIDS is recognised as a major cross border health threat. Recent data painting an alarming picture of increased prevalence, especially in the context of the financial crisis and the reduction of national prevention budgets to which it has resulted in. The HIV/AIDS surveillance 2014 report by the European Centre for Disease Control (ECDC), shows that the number of HIV diagnoses among MSM (men who have sex with men) continues to increase in the EU/EEA, representing the higher proportion (42%) of new HIV diagnoses.



< 1
1 to <3
3 to <5
>5
Not included or not reporting

HIV diagnoses in men, 2014, EU/EEA; rate per 100 000 male population

To better understand the underlying causes of this situation, Sialon II worked on generating comparable data on behavioural and epidemiological indicators for MSM communities in 13 different EU Member states.

As a result, some alarming findings were made:

- A low level of testing uptake (and quite a high number of "never tested" participants), in particular in the participating Eastern European cities;
- A high number of HIV+ participants who were not aware of their real serum-status, with the new diagnosis ranging from 12% (Brussels) to 88% (Sofia);
- A low level of condom use as well as a high level of perceived stigma due to sexual orientation, again especially in Eastern European surveyed cities.

Sialon II produced a wealth of information of significant value for the main actors working in the area of HIV/STI prevention. It added scientific evidence in support of the need to invest in prevention, even in times of economic stress.

Its European dimension enabled the extensive collaboration with key European and international experts, transferring knowledge and expertise across the EU and especially towards the regions where the epidemic is most challenging.

Finally, the active involvement of civil society organisations and the quality of the work undertaken by the partnership signalled Sialon II as a key international reference initiative, validated by UNAIDS and the WHO as a model for behaviour surveillance and prevention.

EU-wide actions such as Sialon II promote good practices, develop sustainable networks of experts and, in fine, increase the capacity of health systems to address this threat and tackle the progression of the disease.

Specific objective 2
Protect citizens for serious cross border health threats: Identify and develop coherent approaches and promote their implementation for better preparedness and coordination in health emergencies.

Working in common to build an effective European response to serious cross border health threats has a clear rationale and obvious added value for the EU and, more widely, the international community at large.

Ensuring better preparedness and coordination in health emergencies is a continuous process, one that needs to adapt to changing circumstances and, more importantly, to unforeseen events, such as the Ebola outbreak in West Africa.

Preparedness and response activities in the context of the Ebola epidemic in West Africa

Four workshops were organised under the Luxembourg presidency of the EU Council in the framework of the Conference ["Lessons learnt for public health from the Ebola outbreak in West Africa – how to improve preparedness and response in the EU for future outbreaks"](#).

The first workshop identified areas for improvement of the overall EU public health response in case of a similar future event. Workshop 2 focused on good practices and lessons learnt related to pre-clinical management, clinical management and Ebola research response. Workshop 3 highlighted what needs to be improved in the EU's Emergency Risk Communication procedures.

Workshop 4 analysed the way the Ebola epidemic morphed from a local challenge to a global health security issue and considered EU preparedness and response planning from the perspective of global health security.

The target group were public health institutions and individual experts involved in the response to the Ebola epidemic in West Africa, or in generic preparedness and response activities in the EU. With more than 350 participants from 30 EU Member state and EEA/EFTA countries, the

workshops and conference produced valuable recommendations, which were incorporated in the [relevant Council conclusions](#) requesting specific further action by Member States and the European Commission.

Command post exercise on serious cross-border threats to health falling under the chemical and environmental categories

Testing existing plans to address serious cross-border threats to health was also the purpose of “Exercise Quicksilver Plus”, which followed a similar event held in 2014.

The 2015 version offered participants an opportunity to increase their understanding of the different roles and responsibilities in the strategic management of a cross-border event falling under the chemical and environmental categories. It further enabled the testing of procedures, tools and systems in place for reporting, monitoring and assessing risks and threats to people and the environment.

Participants in the exercise included representatives from public health and chemical sectors together with communication specialists from the Health Security Committee Communicators’ Network. Strong participation from Member state (15 were represented) and key actors such as the European Centre for Disease Prevention and Control, the World Health Organization (WHO/ EURO) and the EC Joint Research Centre showed the strong EU added value of such preparedness exercise.

Specific objective 3

Support public health capacity building and contribute to innovative, efficient and sustainable health systems: Identify and develop common tools and mechanisms at EU level to address shortages of resources, both human and financial and facilitate the voluntary uptake of innovations in public health intervention and prevention strategies.

Joint Action EUNeHTA2

European Network for Health Technology Assessment (HTA)

Significant controversy surrounds costly new treatments, usually accompanied by heated debates on their clinical effectiveness and additional value to existing therapies. In this respect, Health Technology Assessment (HTA) is one of the key tools used to provide policy makers with the hard evidence on the clinical value of a given medical technology. By helping determine the value of medical innovation, HTA makes a significant contribution to the sustainability and resilience of health systems.

The rationale for European collaboration in this area is clear: when a given drug or other medical technology is awarded a single marketing authorisation for the whole of the EU, it would be logical to proceed to a single or joint assessment, which can then serve several Member states.

This is especially true for rare conditions or highly specialized treatments targeting complex cases where the number of patients in each country is small and the information necessary for carrying out the assessment is fragmented and needs to be collected from across the EU.

By pooling resources and sharing expertise, Member states do not only achieve important synergies, but they also can benefit from significant

4.2 million euros invested in the coordination of **HTA activities** in the EU by 2022 would result in an economic return for HTA agencies and industry of about 19 million euros per annum

economies of scale.

2015 was an inflexion year for the EU collaboration on HTA: the completion of the second joint action in this area, EUNeHTA2 marked the end of a first phase wave of cooperation, which spanned the entire 2nd health programme.

During this period, 2008-2015 the participating national HTA agencies put in place shared methodologies and developed common standards and tools. More importantly, they built together the trust capital that is necessary for them to work smoothly together. This enabled actual take-up and use of methodologies and tools: as of March 2015, EUnetHTA has finalized [13 joint assessments](#) on medical products and medical devices, which can be found here:

Finally, 2015 is also the year where the Health programme has committed to its single most important investment, by allocating 12.000.000€ for a new Joint Action on HTA, ensuring the necessary sustainability of this collaboration until the setup of a permanent coordination mechanism.

Project ACT Advancing Care Coordination and Telehealth Deployment

In 2013 the Health Programme started co-funding actions in support of the [European Innovation Partnership on Active and Healthy Ageing](#) (EIP-AHA), a flagship initiative to address the challenges of an ageing society. The ACT project is the first one to have been completed under this portfolio, and can be viewed as a “sentinel” action for the expected EU added value of cooperation in this area.

Connected care is seen by many as essential for more efficient, patient-centered, continuous and integrated health and social care for the ageing EU population; however, although many local connected care pilot programs are successful, they fail to scale up and their potential impact is not fully leveraged.

The ACT consortium conducted a two-and-a-half year exhaustive scientific evaluation of data from different connected health programs in five European regions and conducted 2,500 surveys and group interviews with participating patients, care providers, experts and other stakeholders. The value of this evaluation resides in its cross border dimension i.e. in the synergies and additional value that comes from comparing these programs from across the EU and the resulting mutual learning.

The [final report of the action](#) provides local and regional health authorities with solutions for large-scale deployment of connected care interventions across Europe, with the potential to transform care for millions of chronically ill people and save EU healthcare systems significant resources each year.

Specific objective 4

Facilitate access to better and safer healthcare for union citizens: Increase access to medical expertise and information for specific conditions also beyond national borders, facilitate the application of the results of research and develop tools for the improvement of healthcare quality and patient safety through, inter alia, actions contributing to the improvement of health literacy.

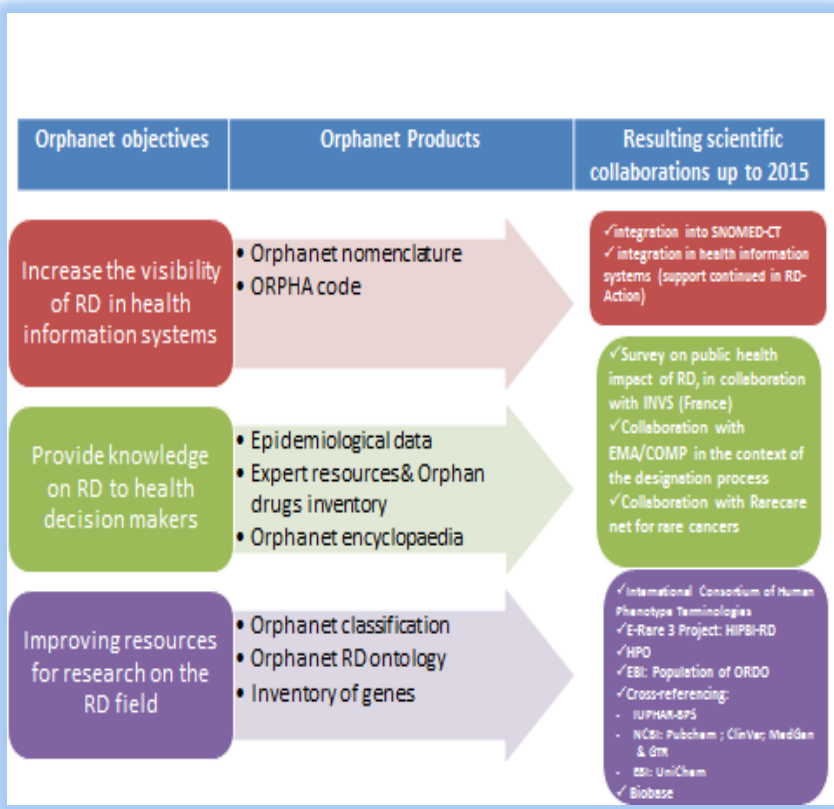
The public health challenge from rare diseases is often underestimated and although the number of patients suffering from each rare disease may be small, it is believed that between 30 and 35 million EU citizens live with a given rare disorder.

Rare diseases are rare, but rare disease patients are numerous.

The limited number of patients per disease in each country is reflected in scarcity and fragmentation of available knowledge and expertise resulting in significant inequalities across the Union. Getting a timely diagnosis, ensuring appropriate quality of life for patients, or simply understanding these diseases requires a critical mass that can only be achieved by pooling together these fragmented resources at the EU level.

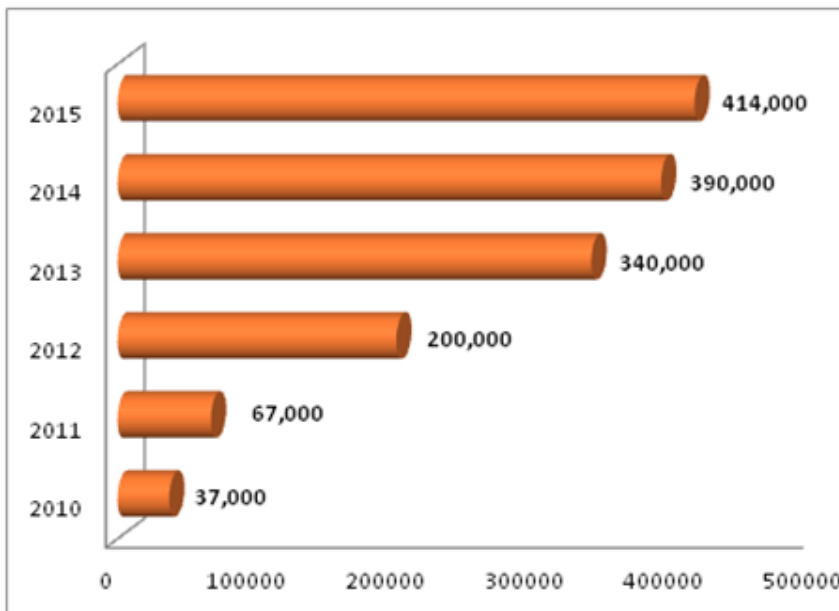
ORPHANET

ORPHANET was born out of the need to collect, analyse, validate and report on all available knowledge around rare diseases. With the help of important EU funding, it currently stands as the single world reference portal on all rare diseases, bringing together the world's leading experts and spanning all possible domains of information.



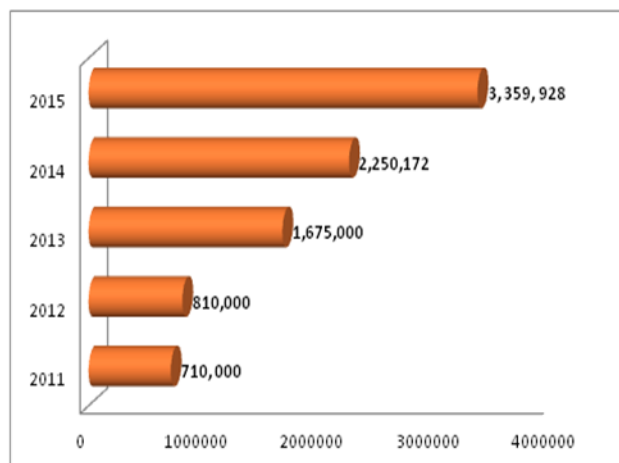
Overview of ORPHANET

The portal's success is demonstrated by the graphs below.



Downloads - emergency guidelines

*Downloads - Orphanet
Report Series All languages*



ORPHANET constitutes both an effective and efficient use of scarce resources.

It is effective because the inherent fragmented nature of knowledge and information on rare diseases requires a common and concerted approach across the EU. It is efficient because it provides a single hub where all information and knowledge is collected, reviewed, validated and disseminated back to the national health systems and all other stakeholders and actors: to the health professionals to improve their understanding and knowledge of these diseases; to the researchers and academics, to develop new treatments and therapies, to the policy makers at local, regional, national and international levels to develop appropriate responses; and, more importantly, to the patients themselves.

EURORDIS FY2015 Framework Partnership Agreement and Specific Grant Agreement 2015

2015 is the first year that Chafea has implemented the so-called Framework Partnership Agreements as a means of providing a new framework of long-term cooperation and financial support to Non-Governmental Organisations active in any of the areas of the Health programme.

Such an approach was considered as an adapted response to the needs of such organisations: this type of agreement helps establish a partnership structure for important actors of civil society at EU level; secondly, it offers a clearer financial perspective for the non-governmental bodies/networks; and thirdly, it provides more stability and efficiency gains for all involved.

EURORDIS is a key actor of civil society, acting as the **voice** of the people living with **rare diseases**.

EURORDIS activities support the active involvement of Rare Disease (RD) patients, families and their representatives – as the main concerned segment of civil society -

in the definition of priorities and implementation of actions on RD at national, EU and international levels.

A key objective of EURORDIS is to consolidate the RD patient's community and strengthen the patients' voice. Bringing together more than 600 patient organisations and speaking as a single voice for them creates a unique capacity to reach out, a capacity that no single patient organisation could attain on its own. In addition, a significant amount of resources go into capacity building activities, empowering RD patients as advocates and volunteers.

Another of the main focus areas of EURORDIS is to improve access to high quality health and social care services for rare diseases patients, including diagnosis, treatment, or interventions improving quality of life. To do so, EURORDIS has actively represented patients in all initiatives relevant to these areas, including the active participation in the committees of the European Medicines Agency; the collaboration on HTA; the implementation of the EU pharmacovigilance legislation; or the setting up of European Reference Networks (ERNs).

It has thus established itself as a key actor and recognized and respected partner by the academic and research communities, governments and public health authorities, as well as EU institutions.

***Joint Action ACCORD
'Achieving Comprehensive Coordination in Organ Donation
throughout the European Union'***

The need for a joint action between the European Commission and Member states in the area of organ donation emerged from a situation where several EU countries were not able to cope on their own in addressing the transplantation needs of their patients. The concrete objective of the action was developed with a community of experts and stakeholders determined to build common standards for the quality and safety of human organs intended for transplantation, in line with Directive 2010/53/EU.

Thus, ACCORD aimed at strengthening the full potential of Member states in the field of organ donation and transplantation, by improving the cooperation between these countries and by contributing to the effective implementation of both the Directive 2010/53/EU and the [Action Plan on Organ Donation and Transplantation \(2009-2015\): Strengthened Cooperation between Member states](#).

Проектът ACCORD – принос за развитието на трансплантациите в Европа

„Постиане на значителна координация в органното дарителство в страните от Европейския съюз“ – така се различа аббревиатурата на завършилия наскоро европейски проект ACCORD – Achieving Comprehensive Coordination in Organ Donation throughout the European Union. Завършеният етап на проекта бе отчетен на специална среща в Мадрид в началото на юни т.г. в присъствието на представители на Европейската комисия, на страната домакин, на консорциума по изпълнението, както и на страните участници.



Article from the Bulgarian press on European collaboration on transplantation

ACCORD delivered 3 important pieces of work that will strongly impact organ donation policies in each Members State:

- A model for improved information systems and supranational data sharing on living organ donation. A group of fifteen EU MS collaborated to build a model for a European registry of registries for living donors (RoR), ensuring safe data storage and effective data exchange.
- An optimized process of organ donation after death in hospitals. By facilitating the cooperation between critical care professionals and donor transplant coordinators, the action produced a so-called “service improvement model”. Easily transferrable to all European hospitals, this should result in an increased number of organ donors.
- Finally, the Joint Action also implemented very practical “hand-on” collaborations (twinning) between different EU Member states for the transfer of knowledge, expertise or tools in specific areas.

Examples include the development of a national training program for junior surgeons in Hungary (supported by The Netherlands); the structuring of the organ procurement system in Bulgaria (supported by France); the development of a national Authorisation and Audit system for transplantation centres in Czech Republic, Cyprus, Lithuania and Malta (supported by Italy).

The **twinning** activities **between France and Bulgaria** helped Bulgaria to improve transplantation procedures and to increase the number of transplants: **from 19 transplants** (including for 4 children) **in 2012 to 79 transplants (including for 44 children) in 2014.**

Information and Dissemination

Given its competence to plan and implement information operations, Chafea invested significant resources on information and dissemination activities, in close collaboration with DG SANTE and the network of the National Focal Points of the Health Programme.

The need to improve the outreach of the Health programme, with more and better targeted in scope dissemination actions was highlighted in the final evaluation of the second Health Programme. In response, Chafea organised several workshops, whether included in major conferences, or as standalone events, in collaboration with EU Member State national authorities.

It further participated with the Agency popup stand and dissemination material in more than 20 events, of national or EU dimension. The following events can be highlighted:

A 2 day [workshop on Chronic Diseases and Healthy Ageing \(CD-HA\)](#) took place on February 2015, in The Hague, the Netherlands. Organised in collaboration with the Netherlands Enterprise Agency and Ministry of Health, Welfare and Sport, it brought together 115 participants, mainly policy makers and experts from 6 EU countries (Belgium, France, Germany, Ireland, UK and Spain).

A [Conference on Mental Health in All Policies, titled "Supporting sustainability and growth in Europe"](#) was held in Helsinki in May 2015, with the support of the Finnish Ministry of Health and Finland's national association for mental health. The meeting brought together more than 150 experts, policy makers and stakeholders from 7 Member States (Finland, Norway, Sweden, Denmark, Estonia, Latvia and Lithuania).

Two workshops and a symposium were organised in the framework of the Addictions 2015 conference, in September 2015, Lisbon, Portugal, organised by SICAD (*Serviço de Intervenção nos Comportamentos Aditivos e nas Dependências*), in collaboration with EMCDDA, DG SANTE and DG HOME. The aim of the workshops was to discuss progress and challenges in providing health interventions such as prevention, harm reduction and treatment for addictive substance-related problems, with a total of 101 persons participating⁹.

In addition, Chafea contributed to the final dissemination conference of the ACCORD Joint Action on organ donation implemented by Member States, held in Madrid on 02 June 2015, where the achievements of EU-wide collaboration on this area were presented also to the press.

Chafea organised a full day workshop in the framework of the 8th European Public Health Conference, showcasing the contribution of the Health programme co-funded actions in the area of health systems as identified in the [communication on effective, accessible and resilient health systems](#). Bringing together more than 80 experts, health professionals, policy makers and project leaders the event also highlighted

⁹ <http://ec.europa.eu/chafea/news/news381.html>

the role played by public health professionals in sharing experiences and transferring knowledge across the EU.

Following the publication of the 2015 work programme, Chafea contributed to >15 national or regional information day events in the countries participating in the Health Programme. It also held three National Focal Point meetings.

The final versions of the thematic info sheets, covering important areas of the Health programme (English versions) have been delivered and are available in the Chafea website: http://ec.europa.eu/chafea/health/hp-infosheets_en.html.

Two brochures were also finalised: one on the joint actions and the other covering all the actions co-funded in 2013.

Finally, in order to better plan its dissemination activities, whether funded by the Health Programme operational budget, or from Chafea's administrative budget, the Agency launched a tender to develop a comprehensive communication and dissemination strategy for the next years (*covering the remaining duration of the 3rd Health Programme in 2020*).

b. Consumer programme

The Juncker's Commission has identified the creation of a Digital Single Market (DSM) one of its top political priorities. The Digital Single Market Strategy, adopted in May 2015, includes a set of targeted actions to be delivered by the end of 2016. It is built on three pillars: better access for consumers and business to digital goods and services across Europe; creation of the right conditions and a level playing field for digital networks and innovative services to flourish; maximising the growth potential of the digital economy.

Consumer policy is high on the Commission's agenda given its relevance in securing the full benefits of the DSM. Specifically, the Commission's Digital Single Market Strategy aims at overcoming the obstacles to consumers making the most of the opportunities of the EU's single market. Future legislation will improve data protection and further harmonise online rights while tackling unfair practices and discrimination.

The content of the 2015 annual consumers work programme¹⁰ was driven by the above mentioned political priorities and the synergies created by its implementation are tangible in the projects funded.

As mentioned in the introductory part of this report, the Agency performs budget implementation tasks, enabling the implementation of activities *that contribute* to the achievement of the specific and general objectives that have been set by the Commission (its parent Directorate General); as such the attainment of those objectives does not fall under the Agency's control; given its statutory role, the Agency is bounded by the political choices made by the Commission and the fact that the actions implemented by the Agency must not entail political choices. Nevertheless the Agency does assume the responsibility of the sound execution of the awarded/co financed actions both from the operational and financial point of view; this, in its turn, ensures that outputs produced are also plausible to generate a positive impact towards the attainment of the Parent DG's broader objectives. An optimal management of the procurement contracts delegated by the parent DG ensures the qualitative and timely information is available to the Commission in order to support its policy making obligations.

With the aim of continuously fine-tuning its internal arrangements in order to improve the efficiency and economy of its operations, Chafea started in 2014 to use the H2020 tools for grant management. During 2015 Chafea has experienced the first results linked to the use of the online tools. In general terms, there has been an improvement of the efficiency of the tasks carried out in terms of project management (e.g. communication of results on the evaluation to beneficiaries, sending and signature of grants, etc.). In particular, the time needed to sign the relevant grants has been significantly reduced compared to previous years, eg. more than two-thirds of the ECC grants were signed before the end of the year, 3 months after the deadline for submission of proposals.

As far as procurement is concerned, 6 procurement procedures covering both open calls for tenders and specific request for services were launched in response to the provisions of the consumer annual work programme; the implementation of all those service contracts underpin the four specific objectives defined in the consumer programme 2014-2020, namely, consumer safety, consumer information and education, ensure consumer rights via redress and cooperation initiatives. It has to be noted that due to the highly political relevance of some of the information related studies provided for by the consumers programme and the subsequent change of

¹⁰ The annual work programme pertaining to the each of the distinct programmes whose implementation was delegated to the Agency provide for the subject matter of the projects to be launched by the Agency (either via the launch of procurement procedures or via the launch of calls for proposals for the award of EU co-financing to beneficiaries belonging to the target group of the given EU programme). Even though interlinked, it is a distinct document than the Agency's work programme.

priorities along the year, the Agency had to postpone the launch of a number of the procurement procedures to the second half of 2015. As a result of this the respective contracts were for signature during the beginning of 2016.

The results presented below give a broad outline of how the operational expenditure managed by Chafea has generated results of EU added value with results plausible to contribute to the objectives set by the parent DG and by consequence to those of the Consumer Programme¹¹:

Specific objective 1
Safety: to consolidate and enhance product safety through effective market surveillance throughout the Union.

Ensuring that products are safe is also both a basic objective and a critical challenge for any consumer policy. Linked to product safety is a high degree of market surveillance:

Unsafe products have no place on the EU market

To improve consumer product safety in Europe, the Agency manages the procedure for the award of grants for joint actions by the Member States linked to product safety.

As a result of the project's implementation several non-compliance instances affecting the safety of the products tested were detected.

The results of the Joint Actions 2012 implemented by 31 authorities from 24 European countries and coordinated by PROSAFE, were presented in a workshop that took place in February 2015 attended by representatives from the Member States, the European Commission and stakeholders. The project targeted products including *CO and smoke detectors, cords and drawstrings in children's clothing, nanotechnology in cosmetics, high chairs and ladders*. Many of the product categories chosen are either traded extensively throughout the European market or are produced by a few manufacturers outside the EU and may be "no-name products" with little or no identification of the manufacturer or the origin. Therefore cross-border cooperation is necessary for an effective examination of the import and distribution channels.

Some examples of the main conclusions of the tests are:

¹¹ For a detailed presentation of all actions implemented by the Agency in support of those specific objectives please refer to annex 12 of the present report

CO and Smoke Detectors

The participating authorities inspected 81 models of CO detectors, out of which 25 were taken for further testing at an accredited laboratory. The **result** of the testing was that various non-compliances were found in **22 detectors out of the 25 tested**.

Cords and drawstrings in children's clothing

The authorities made **1895 inspection** visits and checked 10981 models of garments. **790** of these or 7.2% **were non-compliant**.

High chairs

Over **400 economic operators were inspected**. The authorities participating in the activity took 70 samples, which were submitted for testing. Compliance with product information and hazard symbol labelling were very poor. In all **17%** of the tested samples presented a **serious risk**, 13% a high risk, 24% a medium risk and 13% a low risk. As a result **12 RAPEX alerts were notified**.

Ladders

The activity focussed on less conventional types of ladders, telescopic and folding. **9 types of hinged ladders and 9 types of telescopic ladders were sent for test**. The battery of tests addressed different aspects of the ladders' construction such as strength, base slip and torsion. In all **40%** of the models tested **was rated serious risk**.

The test results were subject to risk assessments using the RAPEX tool. As a result, the participating Member States took enforcement actions on the products concerned.

EU funding is necessary to leverage action and cooperation among Member States in the field of product safety: Involving several Member States in the implementation of product-specific market surveillance activities is of paramount importance for the improvement of their effectiveness. Introducing different levels of participation in product-specific activities allows Member States to further rationalise their use of resources. In addition to this, more Member States can benefit from the results of the product-specific activities improving the geographical coverage of the actions.

Specific objective 2

Consumer information and education and support to consumer organisations: to improve consumers' education, information and awareness of their rights, to develop the evidence base for consumer policy and to provide support to consumer organisations including taking into account the specific needs of vulnerable consumers

Surveys on Digital Single Market

In view of the Commission's plans to complete a connected Digital Single Market for Europe, it was imperative to identify the existing barriers to the proper functioning of the DSM and to cross-border e-commerce in particular. This is why Chafea conducted [two surveys of online consumers](#), as support and evidence base to be used by the European Commission for the conclusion of a wider study, with the aim to identify the main cross border obstacles to the DSM and where they matter most.

The key findings of the surveys brought forward the following findings:

Frequency of e-commerce and cross-border transactions (last 12 months): At EU28 level, 95% of all online survey respondents purchased tangible goods and offline services at least once in the last 12 months. The most commonly purchased goods were clothing, shoes and accessories (76%).

Types of purchases and online spending: The total market value of the Business to Consumer (B2C) segment of the DSM Market is estimated at ~ €231 billion. Tangible goods and offline services are estimated to represent 92% of this total value, with digital content and paid online services accounting for only 6% and 2% respectively.

Consumer attitudes and behaviour regarding online purchases: The average time online shoppers spent in total on their most recent online purchase was 3.1 hours.

Perceived and actual barriers with online (cross-border) purchases: Data protection and payment security (30% of online consumers were concerned that personal data may be misused and 25% that payment card details may be stolen) and consumer rights (fear of receiving wrong or damaged products -26%, difficulty in replacing or repairing a faulty product -22% and difficulty in returning a product they did not like and get reimbursement -22%) are key concerns in domestic e-commerce.

The above results will be integrated in a wider study which will be the basis for the preparation of an ambitious legislative package towards a connected digital single market.

Exploratory study of consumer issues in the sharing economy

The objective is to look into the user, and, in particular, consumer aspects and issues in certain on-line Peer to Peer (P2P) markets and analyse, among others, the economic importance of sharing economy P2P online markets in EU Member States, and the main P2P business models and the relevance of the EU consumer *acquis* and other related EU legislation in addressing specific issues and problems in the main P2P business models, and in its enforcement. First results of the study will be available during the second trimester of 2016. The conclusions of this study will complement relevant research conducted at national level. The Commission, based on this comprehensive study, will analyse how to accommodate the rise of the sharing economy in the European legislation in order to have a level playing field that ensures fair competition.

Consumer Champion

Consumer Champion is a capacity building on line project managed by Chafea. It provides free of charge training, information resources and networking opportunities addressed to consumer professionals.



The capacity building activities aimed at strengthening the effectiveness of consumer organisations (including other actors and stakeholders in consumer policy such as: ECCs, EU Member States' ministries responsible for consumer policy). An online tool that supports the promotion of the exchange best practices between Consumer Professionals was developed. Consumer Champion is divided into 5 main activities complementing each other:

1. web networking platform,
2. e-learning courses,
3. class teaching courses,
4. local training and
5. expert courses.

Since the promotional activities commenced in June 2015, website traffic and sign ups to the Training programmes have been steadily increasing. The table below shows an overview of the incremental increase of the traffic on the website since the launch of the platform until the end of October 2015:

	Total Visitors (Sessions)	New Visitors (Sessions)	Returning Visitors (Sessions)
12 12 2014 – 19 12 2014	547	341	206
12 12 2014 – 31 01 2015	1 033	614	419
12 12 2014 – 28 02 2015	1 664	969	695
12 12 2014 – 30 04 2015	3 247	2 107	1 140
12 12 2014 – 30 06 2015	5 377	4 034	1 343
12 12 2014 – 31 08 2015	9 410	7 017	2 393
12 12 2014 - 31 10 2015	11 551	8 282	3 269

The interest in the **e-learning modules** offered by the project has been also significant. At the end of October 2015, 184 online-course applications were submitted by staff members of consumer associations.

The topic of interest is definitely Consumer Law. However, other topics such as energy, financial services, telecom and consumer law were also tackled in the e-learning modules. The languages covered were English, Croatian, Romanian, Czech, Polish, Slovenian, Hungarian, Bulgarian, Lithuanian, Latvian, Slovak and Estonian.

Courses at local, regional and national level were also organised. Staff members of consumer organisations who successfully passed the test of the e-learning modules and/or demonstrated their competence to act as tutors were invited to provide local training to other staff of consumer organisations on Consumer Law and policy issues. This way, trained staff could offer local training courses using the pedagogical materials used for the class teaching courses and serve as knowledge multipliers. These local, regional and national courses have a big success and bring a lot of traffic and engagement on the website. Four (4) local courses were held during 2015. All in all, 9 courses have been organised since the launch of the project, that counted 159 attendees and 119 Consumer Professionals have been trained (22 in HR, 18 in CZ, 20 in PL, 30 in BG and 29 in LV). All participants praised the initiative of having such courses in their country and would like even more courses as seen in participant satisfaction surveys.

These courses create synergies amongst participants belonging to different consumer associations in the targeted country. The EU added value of these local training is that the participants are now well informed and trained concerning EU and national consumer laws and policies, and this is very important taking into account that these countries are lacking resources for organising such training.

Specific objective: 4

Enforcement: to support enforcement of consumer rights by strengthening cooperation between national enforcement bodies and supporting consumers with advice

The year 2015 marked the 10-year anniversary since the European Commission, together with national governments, established a network of **European Consumer Centres (ECC)** in all 28 Member States of the European Union, Norway and Iceland.



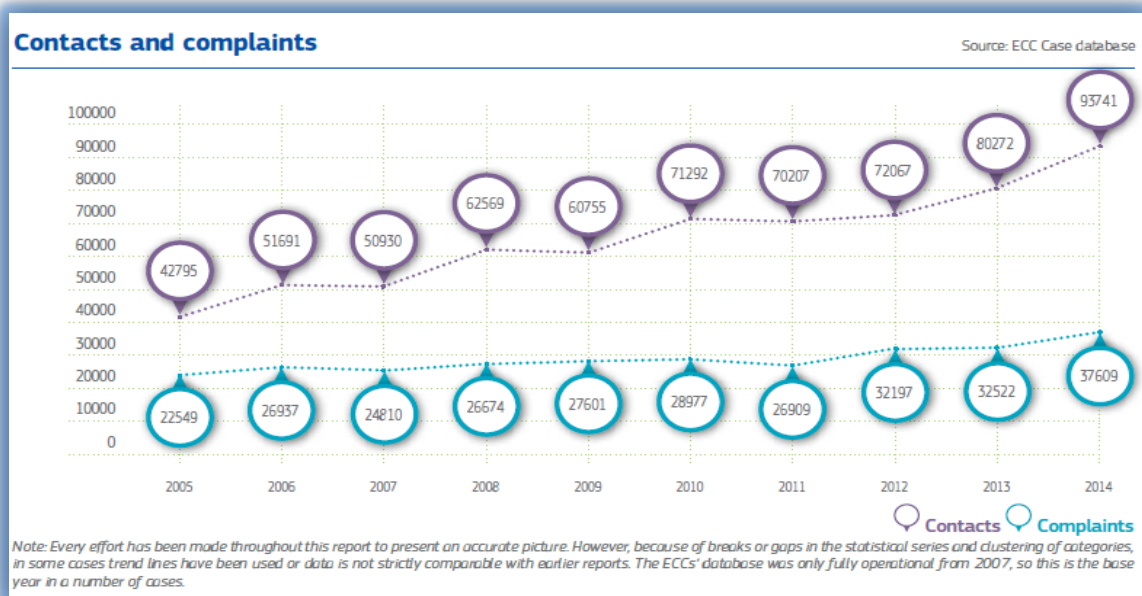
ECC is in direct contact with some **100 000** consumers every year.

The main mission of the network is to provide free-of charge help and advice to consumers on their cross-border purchases, whether online or on the spot. Since its creation in 2005, consumers have turned to ECCs for help over 650.000 times. The network is in direct contact with some 100.000 consumers every year and handles about 40.000 consumer complaints.

Well over 3 million more find the information they need on the network member's websites, and many others through their apps, from ECC staff on stands at events, or from media reports highlighting warning or cases published by the Centres.

The above numbers are planned to grow exponentially thanks to the online visibility efforts being undertaken by the ECCs.

The below graphic shows the evolution in the number of contacts and complaints since 2005:



With ever more consumers shopping online, the ECCs' role in resolving cross-border disputes has grown and will continue to do so. Their role will become increasingly important in advising consumers, and ensuring that their rights are upheld and that they can have full trust in the digital economy.

There are still obstacles to consumers making the most of the opportunities of the EU's single market, and above all of the Digital Single Market. Consumers could save EUR 11.7 billion per year if they could choose from the fullest possible range of goods and services from across the EU's 28 countries when they shop online.

But consumers will still need personalised assistance to find their way and benefit from the constantly new services and marketing formats becoming available in digital markets. This is where the ECC network plays a vital role.

Unless the network was set up and operating under clear cooperation modalities at European level it would be very hard (if not impossible) for a consumer residing in a Member State to claim rights against a trader/service provider established in another Member State via a single contact point and free of charge.

The added value of the network is widely acknowledged by the constant cooperation between the centres that results in a increasingly higher number of resolved cases at the benefit of EU consumers.

These objectives could not be efficiently realised by individual Member States and thus EU funds are necessary in order to reach action at EU level.



Information campaign Croatia

This type of campaign has been carried out in all new Member States that joined the EU on or after 1 May 2004. Consumers in these Member States have acquired rights deriving from the transposition of EU legislation. According to the competent authorities and consumer associations, the level of awareness of consumer rights in the new Member States is generally low.

In the concrete case of the campaign in Croatia, the EU funding was necessary to increase the level of awareness of consumer rights in Croatia, as being a new Member State this concept was new and generally low. Enhancing consumer trust in the tools available to them to exercise their rights and in the ability of authorities to ensure that consumer law is enforced will enable Croatian consumers to play their full role as economic

actors. Confident empowered consumers are essential to the success of the internal market.

During 2015 the Agency concluded the implementation of the information campaign on consumer rights in Croatia, whose slogan was "*Consumers get to know your rights!*". The objective of the campaign was to generate awareness of consumer rights informing the media and the public, in order to stimulate consumers to actively seek information and advice from consumer associations and encourage Croatian businesses to employ best practice in dealing with consumers' rights.

The campaign focused on the issues that are the most problematic for Croatian consumers as online shopping, telecommunications, and consumer credits. The campaign included a TV campaign, social media presence, public events and PR actions.

In the twelve months long period while campaign was carried out, from October 2014 until October 2015, 23 press releases were published which resulted in 351 articles published by the media.

The TV campaign was executed in three bursts over period 17.10.2014 - 31.05.2015. In total display campaign generated 37.923.217 impressions and 33.481 clicks.

The Facebook campaign had 4.931.224 impressions and 50.615 clicks and by the end of campaign a community of 16,368 Facebook fans was gathered.

The role of regional consumer advice centres was also reinforced by the campaign as within its scope, the Ministry of Economy set a helpline that connected all consumers to the four regional consumer advice centres in Zagreb, Osijek, Pula, and Split.

The impact of the campaign can be measured in the increase of the level of knowledge of Croatian consumers in EU consumer rights as demonstrated in the last Euro barometer results. Nearly two-thirds (64%) of the respondents (age 21-45 years old) found the information they receive about consumer rights useful). As regards the level of visibility of the campaign, three quarters of the respondents in Croatia had over the campaign seen or heard information or encountered messages in the media related to the key themes.

Exchange of officials

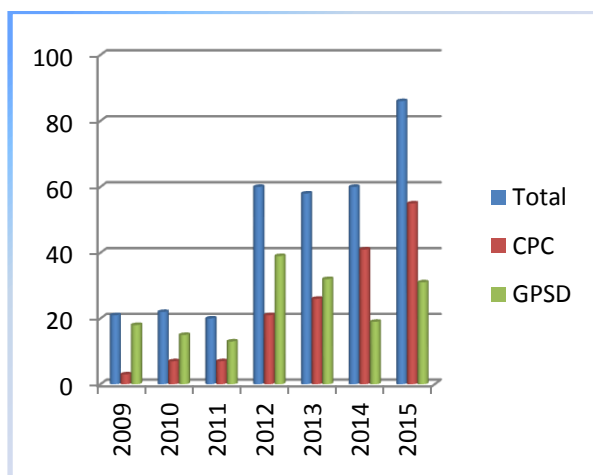
Since 2009 the Agency is supporting exchanges of enforcement officials in charge of consumer protection and product safety in the Member States and EEA/EFTA countries.

The exchanges give the opportunity to participants to share experience and knowledge on the practical implementation of Directive 2001/95 EC (General Product Safety) and Regulation 2006/2004 (Consumer Protection Cooperation).

In practical terms, any authority in a country (where consumers' rights are being violated or a product is identified as not meeting the required safety standards) can ask its counterpart (in the country where the trader is located) to take action to stop this violation. Authorities can also alert each other to malpractices that could spread to other countries. Beside the standard type of one exchange of one official to one host administration, various other types of missions were organised. For example, one-day visits on an individual basis or for a group, from the same authority or from authorities in different Member States were carried out.

Since 2014 the EU funding is provided through special indemnities. It is to be noted that in 2015 the Agency received the highest number of applications since the special indemnities are in place. A total of 86 applications were processed in 2015, while in 2014 the number of exchanges was 60.

The below graphic illustrates the evolution of the participation of Consumer Protection Cooperation and General Product Safety Directive officials in the exchanges since 2009.



Evolution of exchange numbers of CPC & GPSD of officials

With the aim of increasing the interest of the potential participants, during 2015, some concrete actions have been undertaken to promote the exchange of officials programme. The Agency presented the programme and invited the relevant authorities during the Consumer Protection Cooperation and General Product Safety Directive Committees. On the other hand, a dedicated web page on Chafea website was developed in order to facilitate the organization of exchanges between officials. This page contains a Frequently Asked Questions and Forum for interaction between the potential applicants and hosts.

Expenditure of Union in the area of consumer safety and enforcement ensures the harmonisation of procedures and better efficiency in the implementation of the relevant legislation.

c. Better Training for Safer Food

Better Training for Safer Food" (BTSF) is an initiative of the Agency's parent DG (DG SANTE) organizing European Union (EU) trainings knowledge sharing and other capacity building activities in the areas of food law, feed law, animal health and animal welfare rules, as well as plant health rules. These activities complement the trainings organised by the Member States' competent authorities by concentrating on specific areas of common interest where there is an EU added value.

BTSF Initiative is addressed mainly to officials of the competent authorities of the EU Member States, and at certain extends, to third countries. The legal basis for the organisation and implementation of the BTSF initiative is included in Article 51 of Regulation (EC) No 882/2004 regarding official controls performed to ensure the verification of compliance with feed and food law.

The BTSF training programme is predominantly designed to train staff of competent authorities of EU Member States involved in official control activities so as to keep them up-to-date with the relevant EU law in the areas specified above and ensure that controls are carried out in a more uniform, objective and adequate manner in all Member States.

It is also essential that services from third countries and, in particular, developing countries are familiar with EU standards and import requirements. For this purpose, the training addressed to the officials of EU Member States was also available to participants from third countries and specific training activities are organized for third country participants.

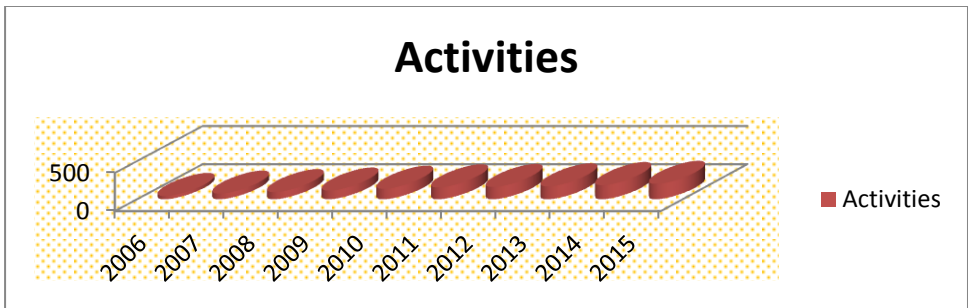
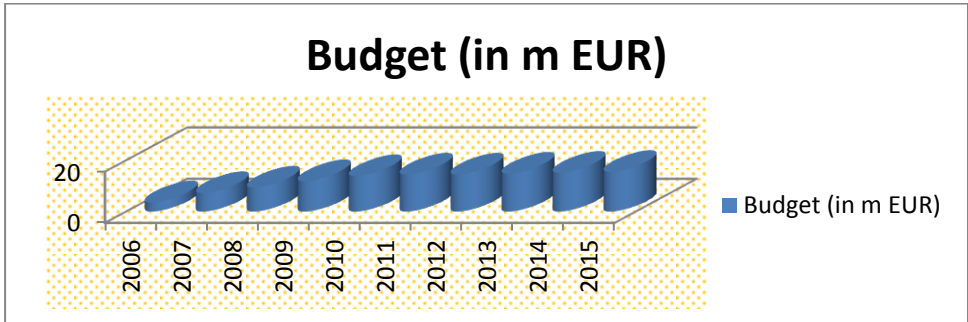
On the frontline of food safety

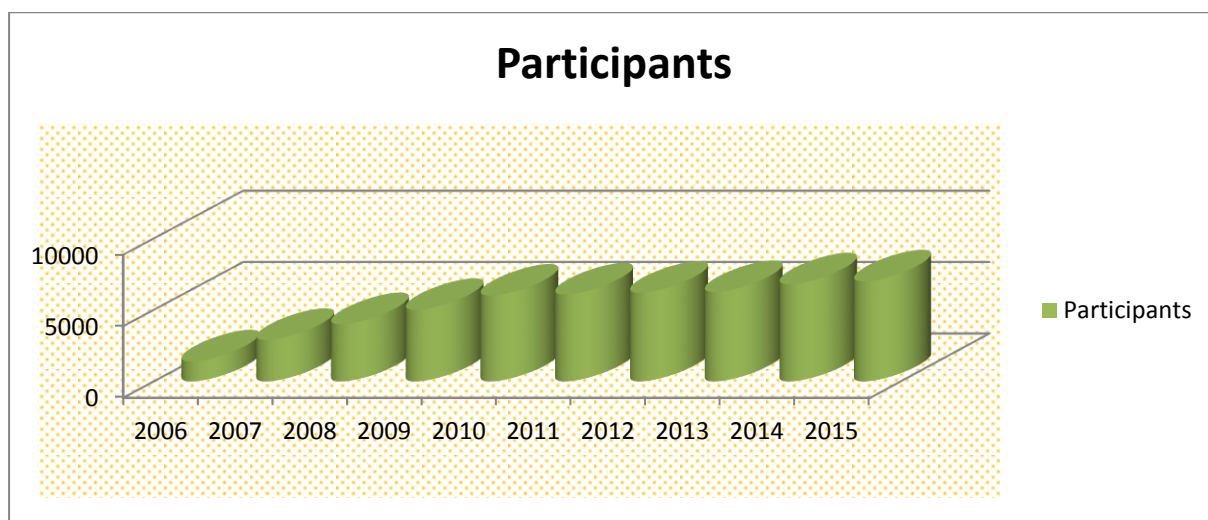
The Agency is responsible for the preparation of the calls for tender documentation, the launch of the respective procedures the award and further monitoring of the service contracts allowing for the organisation of the specific training activities. This year's trainings covered a wide range of key aspects of the EU food safety policy: animal health and welfare, plant health and use of the plant protective substances including all materials which are coming into direct contact with the food at the most general terms.

These trainings are EU contribution to the Member States tasks and are aiming to train the official personnel to execute food safety controls in a unified manner throughout the EU. Outbreaks of the particular dangerous animal or plant diseases may cause huge direct losses to agriculture and food related business and potentially enormous indirect loss to the European economy. If disease arises it can rapidly spread between Member States causing direct and indirect losses and endangering public health in general. Same is valid for food contaminations and intoxications as they can be spread throughout the whole EU food chain market if not timely noticed and treated; therefore adequately trained personnel able to execute required controls or decided measures, represent the key response in eliminating the risks that may affect the food supply in the EU and globally.

Within the course of 2015, the Agency managed 34 training programmes addressed to the Member States officials involved in the national food safety control systems and 6 special training programmes targeting other regions in the world, mostly developing countries and other countries that are representing major exporters of goods (food, feed, animal, plants) to the EU.

BTSF Evolution from 2006 till 2015





Around 7000 officials have been trained in 2015 in implementation of the service contracts managed by Chafea.

200 highly specialised and trained tutors were employed to execute the up-mentioned trainings. All presentations used during the training sessions are reviewed and approved by Chafea in order to assure that their content is in line with the latest provisions of EU legislation. Training sessions and workshops last 4 full days on average and give participants the opportunity to identify best practices on how to organize the required controls and the corresponding underpinning tasks. Multiple training subjects were distributed in around 170 events organised during the year. The Agency ensured that at least 3 different training sessions per week in three different locations.

The magnitude of the number of participants at events requires enormous daily coordination between Agency and contracted service providers in order that all these 7.000 participants are moved from the country of origin to the place of the training, trained and returned safely back. During the training events Agency throughout the service providers also take care about the lodging, food service and the appropriate logistic arrangements for all the participants.

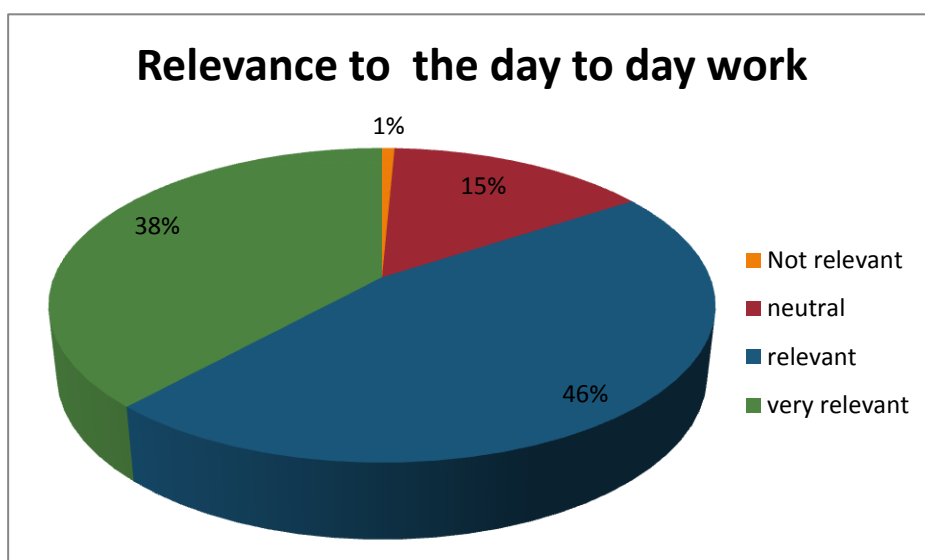
All trainings, training material, tutors and complete services related to these trainings are evaluated on regular basis with the anonymous surveys. Results with the almost overall **89% of the participants value the training as being very successful and useful** are clearly demonstrating that these trainings are highly appreciated among all participants and are considered as an important addition to the needed knowledge and skills of the control staff within the general food safety chain control.

The organisation of these trainings at EU level represents direct contribution towards the Member States' needs and it brings enormous synergy to the unified execution of the legislation as all these training materials and received knowledge are after the training directly

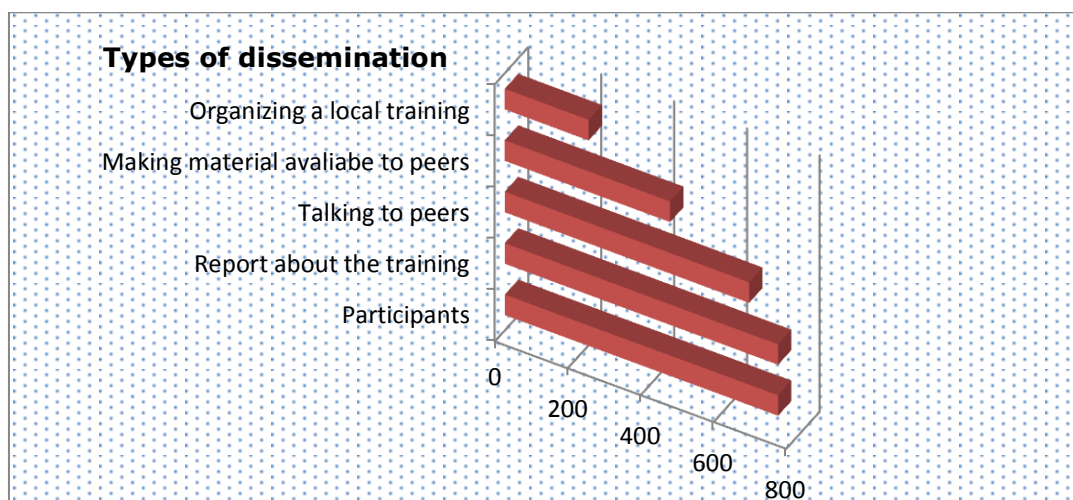
disseminated by the participants towards the colleagues who are working in the same department and area of controls. All presentations are made available for the further training needs in particular Member States and represent valuable teaching material and source of reference among staff involved in national control systems.

Bringing participant to different location and showing the best possible practices and case studies enhance professional network and build trust among the certifying and control staff within the EU thus bringing additional synergy to the efforts done towards the creation of a EU global safe food market. As a consequence, the effects of the training are much broader and are spread on a bigger targeted population than that actually trained. Results of the trainings are not measurable in simple quantifiable terms of measurements as they are having much broader impact to the public health in EU and in food preparations taken at the most general terms.

As any training, all results are at the end measured by the effect these trainings are having on the participant's performance and relevance to their daily work. As seen from the pool of around 7000 anonymous evaluations, participants evaluated trainings relevance to their day to day tasks and improving their knowledge about the trained subject as 8.4 on average on the scale from 1 to 10.



In addition Agency experimentally tested the dissemination ratio within selected contracts to understand the possibilities how this could be measured. From the pool of 750 participants taken with the evaluation survey done two months after the training was done it was seen that almost all participants in this pool have disseminated gained knowledge. Dissemination types were with different means from writing a report to the hierarchy about the participation on the trainings to organising additional trainings for their peers using PPT presentations and documents from the BTSF trainings.



Survey clearly demonstrated that dissemination ratio can be monitored and Agency included this obligation to the calls published in 2015. Results showed that 60% of the participants from this surveyed pool have been actively disseminating knowledge by talking to the peers or even organizing local trainings and around 20% were disseminating passively by making documents and presentations simply available to other colleagues working in the same institution.

In 2015, the Agency was involved in the production of 5 specific training events organized for the non EU, mostly ENP (European Neighbouring Policy countries) and Mediterranean countries, during the Milan Expo 2015 under the 2015 BTSF programme. The Agency was requested to organise a series of conference in the framework of the activities planned by the Commission around the EXPO Milan 2015 having "Feeding the Planet, Energy for Life" as its central theme. These trainings were organized with the purpose to extend the knowledge and understanding of the EU food legislation to the selected non EU countries. All together around 300 participants were participating on these 5 trainings. These events aimed at opening up a dialogue between international stakeholders and at exchanging views on the major challenges related to food safety but also to nutrition and planet resources, were a unique occasion for networking activities mainly presenting and promoting the EU Food safety policy and legislation to an international audience.

Agency is running two phase contracts, each lasting 24 months in order to get as much possible synergy effect related to the preparation of the training and actual trainings. All 2013 contracts have been successfully concluded at the first phase with the average level of 90% satisfaction rate. Agency managed to conclude all tasks to successfully move with them to the second phase end of the December 2015 securing with this fulfillment of continuous needs for these trainings.

Agency is within BTSF Initiative managing as well 5 contracts related to the non EU countries directly from the DG DEVCO budget and 1 contract from DG TRADE budget. Execution of trainings financed from the DG

DEVCO have been impacted by the ongoing geopolitical changes in some regions, especially in the near East; therefore some adaptations were done to the agreed locations for these trainings together with the DG SANTE policy views in order to speed up the execution. Contracts are now in the middle of the execution rate reaching 40% of all agreed activities.

Contract which Agency manages for the DG TRADE has been successfully concluded at the first phase and moved to the second phase. At the end of 2015 Agency had with the service provider organized very successful trainings for non EU participants in order to extend knowledge about working procedures of International Standard Setting bodies like CODEX, OIE and ICCP giving practical presentations and simulation of the decision making process and needed involvement of country delegates at these meetings. Results showed that trainings were appreciated and evaluated as valuable contribution to the understanding the roles and responsibilities of the national delegates in the above International bodies.

In terms of the promotion and dissemination the Agency organized Info day for the published calls in December 2015. Main goal of this event was to externalize as much as possible needed documents for successful bidding and to promote calls for better reception of the service offers. All material was available at the Agency web site and event was evaluated with the average score of 80 out of 100.

For the dissemination of the BTSF results and BTSF Initiative Agency prepared Annual Report where all activities valuable contact and registration procedure for participating at BTSF events are listed and special Compendium to celebrate 10th Anniversary of the BTSF Initiative. For this special occasion an event was organized at the Milan Expo in order to increase visibility of the Initiative and what it can offer to the Member States and non-EU countries. Event was very well attended with more than 100 participants offering networking possibilities and exchange of the information's and knowledge about BTSF and other trainings.

BTSF is very unique in the world and very specific with the target. As such, BTSF become a synonym for well-organized and technically very demanding trainings where other international organizations are taking the example. BTSF is well recognized among service staff of non EU countries globally and they were constantly expression their wish to participate or that training would be organized in their region in order to participate.

2. MANAGEMENT AND INTERNAL CONTROL

Assurance is an objective examination of evidence for the purpose of providing an assessment of the effectiveness of risk management, control and governance processes. This examination is carried out by management, who monitors the functioning of the internal control system on a continuous basis and by internal and external auditors. Its results are documented and reported to the Director of the Agency and its Steering Committee. The reports produced are:

- The reports of the Authorising Officers by delegation who have received a sub-delegation regarding payments' authorisation (operational and administrative budget);
- The annual report of the Financial Verifying Officer (FVO); FVO verifies financial aspects of all (100%) budgetary transactions prior to their authorisation by the Agency's authorising officer;
- The results of the controls performed by the Advisory Committee for Procurement and Contracts (ACPC) of the Agency; the ACPC is mandated to issue an opinion on each public procurement procedure launched by the Agency¹² before the Authorising Officer assumes its decision to award/not award a contract;
- The contribution of the Internal Control Coordinator (ICC), including the results of internal control monitoring at Agency level (including the results of the risk assessment performed by the management, review of the Agency's exception register etc);
- The results of the controls performed by the ex-post control function;
- The opinion of and observations from the Internal Audit Service (IAS);
- The observations and recommendations reported by the European Court of Auditors (ECA).
- Reports/opinions or decisions issued by the European Data Protection Supervisor (EDPS)

This section reports the control results and other relevant elements that support managements' assurance on the achievement of the internal control objectives¹³. It is structured into (a) control results, (b) audit observations, (c) effectiveness of internal control system resulting in (d) conclusions as regards assurance.

¹² With a value equal or above the Directive's thresholds (currently 134.000€)

¹³ Effectiveness, efficiency and economy of operations; reliability of reporting; safeguarding of assets and information; prevention, detection, correction and follow-up of fraud and irregularities; and adequate management of the risks relating to the legality and regularity of the underlying transactions, taking into account the multiannual character of programs as well as the nature of the payments (FR Art 32).

2.1 Control Results

This section reports and assesses the elements identified by management that support the assurance on the achievement of the internal control objectives. The Agency's assurance building and materiality criteria are outlined in the AAR Annex 4. Annex 5 outlines the risks relevant to the core areas of work of the Agency together with the control processes employed to mitigate them and the indicators used to measure the performance of the control systems.

Management of human and financial resources by the Consumers, Health, Agriculture and Food Executive Agency.

As mentioned within the first part of this report, Chafea being an Executive Agency, implements the financial appropriations through the direct management mode provided for in article 58 of the EU Financial Regulation. In 2015, the Agency continued being responsible for the management of parts of the third Health Programme 2014-2020, the Consumer programme 2014-2020 and the food safety training measures covered by Regulation (EC) No 882/2004, Directive 2000/29/EC, Decision C(2012) 1548 and Regulation (EC) No 1905/2006 as well as the legacy actions co-financed under the EU Health Programme 2008-2013 and the Consumer Programme 2007-2013. Each programme's implementation entailed the use of available credits for the award of grants (cost-shared projects) and public procurement contracts (for the provision of services requested by the European Commission). The budget appropriations managed in 2015 were as follows:

Programme	Commitment Appropriations 2015	Payment Appropriations 2015
Health Programme	€ 48,46M	€ 33,52M
Consumer Programme	€ 15,06M	€ 13,50M
Better Training for Safer Food Initiative¹⁴	€ 14,69M	€ 19,23M

As an autonomous EU body, the Agency has its own operating (administrative) budget for which it receives an annual subsidy from the EU. In 2015 it amounted to € 7,41 million. The budget covered the running costs of the Agency including staff expenditure, office related

¹⁴ Relevant appropriations are the sum of Titles 17 04, 20 02 and 21 02 presented in Annex 3 of the present report

costs, IT services and programme support including payment of experts assisting the evaluation of the Health programmes' result as well as the organisation of communication and dissemination activities. The Agency's Director is the authorising officer (AO) with regards to the implementation of the Agency's operating budget.

Controls – Budget coverage

The Agency's financial control strategy ensures that all budgetary commitments and payment authorisations are ex- ante verified both with regard to their operational but also financial aspects. In respect to coverage, 100% of the Agency's transactions are ex- ante verified before the signature of a budgetary commitment or the authorisation of a payment towards a beneficiary or service provider.

The Agency performs ex- post controls for a limited amount covering its payment transactions that are, in principle, performed after the implementation and the execution of a final payment of a co- financed action. No ex post controls are carried out for service contracts awarded following procurement procedures as the risk is considered very limited (payment of predefined amount on the basis of agreed price after the receipt/approval of deliverables).

Chafea Human Resources

Objective: recruit, train, assess, motivate and retain highly qualified staff that allow for effective and efficient operation of the Agency as well as promoting of equal opportunities within the Agency.		
Indicator	Target 2015	Current situation (as achieved)
Occupation rate maintained above target	>95%	96% ¹⁵
% of women in AD or equivalent positions	50%	57,1%
mandatory trainings completed by staff members within one year from their entry into force	100%	72%
Timely completion of staff performance assessment	100%	100%

¹⁵ At 31.12.2015

In the course of 2015, the Agency focused on running recruitment procedures to ensure that the staff number required for the initiation of the management of the new programme (Agricultural Promotion) would be in place timely. In specific, four staff members had received a job offer (one out of them via the Agency's procedure ensuring internal mobility). Selection procedures run by the parent DGs ensured the transfer of two EC officials to the Agency.

During the course of the year no major event, control result or unmitigated risk was identified that could have a significant impact on the Authorising Officer's declaration of assurance for 2015.

Control results

The Agency was responsible for the launch and management of calls for proposals pertaining to the Health and Consumer Programs; three calls for proposals were launched in implementation of each of the Health and Consumer Programme whereas invitation for submission of proposals were sent to beneficiaries having signed Framework partnership Agreements. More than 50 Direct Grant Agreement were signed, either with competent authorities of Member States (Joint Actions) or with International Organisations. Additionally, the Agency launched >40 public procurement procedures for the provision of intellectual services to Health, Consumers, BTSF programmes. The later were mainly related to the acquisition of studies providing input to the policy making of the Agency's parent DG and the provision of training courses on food safety rules for the employees of national authorities of the EU Member States dealing with food controls¹⁶.

Control effectiveness as regards legality and regularity

The Agency has set up internal control processes aimed to ensure the adequate management of the risks relating to the legality and regularity of the underlying transactions, taking into account the multiannual character of programmes it manages as well as the nature of the payments concerned. As set with the materiality criteria referred to in Annex 4 of the present report the control objective is considered to be achieved if

- a) the residual error rate does not exceed 2% of the annual payment authorisations per ABB (Activity Based Budgeting) activity
- b) no significant internal control weaknesses were reported/detected,
- c) no significant and/or repetitive errors occurred

¹⁶ For more detailed information regarding the scope of those procurement procedures please refer to Part I of the present document

- d) no critical issues pertaining to the Agency's control systems audited were reported by the Internal Audit Service, the Court of Auditors or OLAF (provided that the audit coverage of the year was satisfactory) and that
- e) no other event that resulted in a reputational detriment occurred.

Grant management under direct management mode (art. 58 of the Financial Regulation)

Overall, the actions receiving co-financing under the Consumer and Health Programmes have a duration varying between one and three years. The majority is implemented by public and academic organisations, NGO's but also private entities. The beneficiaries are located in different countries within Europe (sometimes, outside the EU too). Applications are evaluated on the basis of pre announced selection and award criteria that are specified in the annual Commission decision serving as basis for the ensuing budgetary commitment and authorisations. Those criteria aim at selecting the proposals that optimally contribute to the attainment of the objectives set by the programmes. The evaluation procedures employed by the Agency aim at ensuring that the best proposals bringing an optimal EU added value will be co-financed from the EU budget. To mitigate the risks inherent to the process (detailed in Annex 5 of the present report) the Agency developed and implemented procedures to ensure that the best proposals are chosen in a competent, objective, impartial and transparent manner. Those procedures are designed with due account of the applicable regulatory provisions (EU financial regulation, personal data protection regulation, other EC decisions etc) and the Internal Control Standards for effective management adopted by the Commission. The Agency's operation is supervised by the European Commission through the Agency's parent DG (DG SANTE, JUST, AGRI and GROW).

The grants awarded under the third Health Program and the second Consumer Program take the form of reimbursement of a specified proportion of eligible costs that were actually incurred by the beneficiary; the cost reimbursement is subject to a preliminary budget estimate that is submitted with the proposal and annexed to the grant agreement after budgetary adjustments that are likely to be incurred following the proposals' evaluation. The calculation and verification of eligible costs bears a relatively high risk of errors inasmuch as beneficiaries differ in their legal status, are located in a wide range of Member States where different legal orders apply and operate on the basis of their own internal control system (e.g. with regards to accounting practices, documentation of working inputs/outputs etc).

Taking those specificities into account, the Agency put in place an internal control system that allows for a close monitoring of the evolution of each co-financed project. Specifically, the controls ensuring a sound follow up

consist in assessing the technical deliverables via the recurrent reporting submitted by the beneficiaries of the co-financed actions. In addition, the Agency's staff participates in events or workshops where project deliverables are publicly presented and further disseminated. With regards to payment execution, the Agency verifies the eligibility of the costs declared by the beneficiaries through desk controls performed on the basis of supporting documents provided by the former. Following the completion of the co-financed action and the receipt of the final cost claim covering all the cost categories predefined in the grant agreement the Agency proceeds with balance (final) payments. The nature of a final payment is different from this of a pre-financing. In the first case, the appropriations authorised become a property of the beneficiary, unlike in the case of pre-financing where relevant appropriations remain EU property. Therefore, controls supporting final payments are more extensive and necessitate the verification of supporting documents. For the Grant Agreements signed in 2014 and 2015 the interim payments follow under the same control procedure as final payments.

Following the completion of co-financed actions (balance payments) the Agency performs ex-post audits at the beneficiaries' premises (on the spot) covering a percentage of payments authorised during the previous years. During the first years of the programmes' implementation (both Health and Consumer Programmes), focus was put on controlling beneficiaries that were recipients of EU funds for the execution of projects bearing a higher risk. Gradually the number of those randomly selected has increased so as to build up a representative sample of the total grant population; as a result, a proportionally larger number of randomly selected projects is ex-post audited (complementary to the risk based approach that has been followed since the first years of the Programme's execution); this year's results of randomly selected ex-post controls allow to draw conclusions regarding the residual error rate affecting the whole population covering the whole duration of the programmes. The results allow the Agency's Authorising Officer to make an informed decision whether a reservation needs to be made on the basis of the predefined materiality criteria.

Indicators to measure effectiveness as regards legality and regularity of grant management:

The key control indicators pertaining to the effective management of procedures relating to the award of Grants¹⁷ are as follows:

¹⁷ HP stands for Health Programme, CP stands for Consumer Programme; no grants are awarded under the BTSF Initiative

Stages of Internal Control Procedure	2013	2014¹⁸	2015
A. Programming Evaluation and Selection			
% of calls successfully concluded (number of calls provided for in the annual work programme)	HP: 100%	HP: 100%	HP: 100%
	CP: 100%	CP: 100%	CP: 75 ¹⁹ %
% of Budget amount of the work programme awarded ²⁰	HP: 100 ²¹ %	HP: 100 ²² %	HP: 100
	CP: 96.14%	CP: 96.76%	CP: 89% ²³
Complaints ²⁴ submitted by applicants	CP/HP: 0	HP: 13	HP: 4
Number of proposals received against expected/ in relation to the previous year	HP: 164	HP: 130	HP: 91
	CP: 99	CP: 63 ²⁵	CP: 35
B. Evaluation, Ranking and Selection of Proposals (Award)			
Number of experts excluded as being in a conflict of Interest Situation	HP: 0	HP: 5	HP: 1
	CP: N/A ²⁶	CP: N/A	CP: N/A
Number of applicants that successfully challenged the results of the evaluation/ number of litigation procedures initiated	none	none	none
Number of incompliances with applicable rules/guidelines that necessitated an exception to be register (ICS8)	none	none	none
C. Contracting phase: transformation of the awarded proposals to grant agreements.			
% of the awarded grants that led to the signature of grant agreements	HP: 100%	HP: 79%	HP: 69 ²⁷ %
	CP: 100%	CP: N/A ²⁸	CP: 100%
D. Monitoring of execution of the grant agreements.			
Budget amount of errors detected over authorised payments (% of cost rejected)	HP: 8,01%	HP: 2,8%	HP: 6.4%

¹⁸ Data were provided for years 2013 and 2014 not as a basis for comparison but as reference regarding the evolution of a given situation

¹⁹ One call provided for in the Consumer Annual Work programme was not launched following request from the parent DG

²⁰ The percentage is calculated on the basis of the credits available with the launch of the call against the amount finally awarded

²¹ As the proposals submitted were evaluated in November, no award decision had been signed by the end of the year; the percentage uses a reference the amount included in the evaluation report (amount recommended for funding)

²² Same as previous footnote

²³ Rate is lower than last year as appropriations of 0,45M (out of 10,3M) reserved for a call for proposals that was not launched following decision of the parent DG

²⁴ Since 2014 the term of complaint comprise simple requests for further information addressed to the Agency following communication of evaluation results

²⁵ Up to 2013 the "exchange of officials" activity was co- financed via the signature of grant agreements; the new Consumer programme provided for special indemnities; thus the number of applications that gave raise to relevant exchanges (60) is not taken into account for the calculation of this number

²⁶ No external experts assisted the evaluation of proposals under the Consumer programme

²⁷ As per last year, interpretation of this percentage should take into account that numbers reflect the situation at the end of 2015. Nevertheless grant agreement signature should occur within three months from notification of results to applicants (as per FR)

²⁸ Due to the fact that publication of the call occurred later in the year 2014 (deadlines closed in October 2014), no proposal that was positively evaluated reached the stage of grant signature

over those claimed)	CP: 4,24%	CP: 5,9%	CP: 5,3%
Number of penalties ²⁹ imposed	HP: 7	HP: 1	HP: 0
	CP: 0	CP: 0	CP: 0
E. ex post control implementation and follow up.			
Residual error rate (if possible) as % of the payment appropriations executed during the year.	HP: 0,83%	HP: 1,94%	HP:1,91
	CP: 0,37%	CP: 1,18%	CP:0,74

Calculation of residual error rate: control objective: error rate is less than 2% cumulatively by the end of programme implementation. The results of the ex-post controls performed after the execution of a final payment of a given contract provide information on the quality (effectiveness) of the ex-ante controls as well as the basis for the assessment of the Agency's financial exposure in terms of amount at risk for the activities concerned; its volume will determine if a reservation is needed considering the financial materiality criterion of residual error rate set out in Annex 4 of the present report.

Because of the multi-annual nature of the programmes managed by the Agency, errors can only be detected and corrections can only be made at a later stage of the project's multiannual life cycle (e.g. finalisation of a three year project, audit performed during the fourth year and corrections made during the fifth year); thus the Agency's ex-post control strategy follows a multiannual approach in the sense that results of controls performed in consecutive years are taken into account so as to calculate a cumulative residual error rate based on the parts of the budget audited/corrected and non-audited/uncorrected as achieved gradually, over the years.

The ex-post controls strategy of the Agency combines risk-based and random sampling. Risk-based audits are implemented annually with a view to maximising recovery of undue payments, gearing Agency's resources towards efficiency and effectiveness of financial corrections. These audits target transactions and beneficiaries assessed as belonging to a high risk category. High risk transactions are selected through analyses carried out each year, on the basis of several pre-defined qualitative and quantitative risk criteria. Risk analyses conducted over the past years pointed to the conclusion that a maximum of one transaction out of five is to be considered as *high risk* (i.e. 20% of the total transaction population).

²⁹ The term 'penalties' refers to reduction of the EC contribution because the action was poorly, partially or not timely implemented

Besides its risk-based sampling, the Agency started to develop, since 2011, a random sample of audited grants, with a view to obtaining a (statistically) representative sample of the entire transaction population, enabling to calculate representative error rates with good/acceptable accuracy. Given the limited (financial and human) resources of the Agency and for cost efficiency reasons, this representative sample of audits is being progressively and cumulatively built over several years.

Audit methodology and coverage

Each year and for each of the two programmes audited, randomly selected projects are picked and are supplemented, in a second step, by a number of projects that are selected on a risk basis.

For the year 2015, 26 projects were randomly selected that raised the aggregated (since 2011) random sample of audits respectively; in specific at the end of 2015, the cumulated number of randomly selected audits was 36 for the Public Health Programme and 22 for the Consumer Programme. With regards to the Public Health Programme, the size of the randomly selected audits became from the year 2015, sufficiently large, enabling to obtain a statistically representative sample of audits for the Programme. The obtained average detected error rate is considered the post possible indication for calculating the residual error rate of the programme; knowing that over the past years the statistical accuracy of the estimated average increased continuously. As a consequence, from 2015 onwards, the average error rate of the Public Health Programme is estimated only on the basis of the audit findings resulted from the random sampling.

As for the Consumer Programme, of transactions falling under the random sampling of audits built-up over the years 2011-2015, is not yet statistically representative. As a consequence, the error rate of the Consumer Programme is estimated by a combination of error rates following audits of transactions selected both randomly and on risk-basis. However, the audit coverage of Consumer Programme is high, which leads to an additional assurance thanks to the performed audits. The Agency calculated the combined error rate as average of the error rates of the risk-based and of the random-based sample with a weighting of 20% and 80% respectively.

The audit coverage (amount audited vs annual payments per ABB activity) was 17.67% for the Public Health Programme and 55,50% for the Consumers Programme.

The residual error rate at the end of 2015 is calculated as follows:

a. Public Health Programme

Multi-annual key indicators (ex-post controls 2008-2015)		
Public Health Programme		
Multiannual random and risk-based ex-post controls		
1	Total number of ex-post controls (2008-2015) $[(1)=(2)+(3)+(4)]$	95
2	Finalised ex-post controls (2008-2014)	75
3	Number of ex-post controls finalized in 2015	14
4	Number of ex-post controls on-going in 2015	6
5	Total value of EC Contribution for grants of which final payment was executed in 2015 (as from the start of the grant)	€21.132.203,39
6	Amount controlled ex-post in 2015	€3.733.491,30
7	Audit coverage $[(7)=(6)/(5)*100]$	17,67%
8	% Accepted (and paid) costs ex-ante not audited $[(8)=100%-(7)]$	82,33%
Multiannual, representative random sampling		
1bis	Number of randomly selected ex-post controls (2008-2015) $[(1bis)=(2bis)+(3bis)+(4bis)]$	36
2bis	Finalised ex-post controls (2008-2014)	22
3bis	Number of ex-post controls finalized in 2015	14
4bis	Number of ex-post controls on-going in 2015	0
9	Ineligible costs – detected error amount moving average 2008-2015	
11	Random based (moving average over the years)	€147.644,21
13	Final EC Contribution (Random based - moving average over the years)	€7.637.184,54
14	Detected error rate	
15		
16	Random based (moving average over the years) $[(16)=(11)/(13)*100]$	1,93%
17	Representative detected error rate $[(17)= (16)]$	1,93%
18	Errors corrected and recoveries sent out	
20	Random based (moving average over the years)	€40.952,90
21	Errors to be corrected	
23	representative random based (moving average over the years)	€79.089,60
24	Residual error rate $[(24) = (26)]$	1,91%
26	Random based (moving average over the years)	1,91%
27	Gross amount at risk $(27)=(5)*17$	€408.533,73
28	Net Amount at risk $(28)=(5)*(24)$	€403.625,08
29	Actual Financial exposure= percentage of net amount at risk over authorised payments of the year per ABB activity	1,91%

b. Consumer programme

Consumers Programme		
2015 (Multiannual for both Risk and Random sampling)		
1	Number of ex-post controls (2008- 2015) $[(1)=(2)+(3)+(4)]$	45
2	Finalised ex-post controls (2008-2014)	28
3	Number of ex-post controls finalized in 2015	9
4	Number of ex-post controls on-going in 2015	8
5	Total value of EC Contribution for grants of which final payment was executed in 2015 (as from the start of the grant)	€7.688.292,76
6	Amount controlled ex-post in 2015	€4.282.023,57
7	Audit coverage $[(7)=(6)/(5)*100]$	55,70%
8	% Accepted (and paid) costs ex-ante not audited $[(8)=100%-(7)]$	44,30%
9	Ineligible costs – detected error amount moving average 2008-2015)	
10	Risk based (moving average over the years)	€25.897,61
11	Random based (moving average over the years)	€25.881,79
12	Final EC Contribution (Risk based - (moving average over the years))	€10.751.301,69
13	Final EC Contribution (Random based - moving average over the years)	€2.793.695,06
14	Detected error rate	
15	Risk based ((moving average over the years) $[(15)=(10)/(12)*100]$	0,24%
16	Random based (moving average over the years) $[(16)=(11)/(13)*100]$	0,93%
17	Combined risk based and random based detected error rate $[(17)=(15)*20%+(16)*80%]$	0,79%
18	Errors corrected and recoveries sent out	
19	Risk based (moving average over the years)	€16.222,29
20	Random based (moving average over the years)	€12.418,48
21	Errors to be corrected	
22	Risk based (moving average over the years)	€10.830,78
23	Random based (moving average over the years)	€8.939,79
24	Residual error rate $[(24)=(25)*20%+(26)*80%]$	0,74%
25	Risk based (moving average over the years)	0,08%
26	Random based (moving average over the years)	0,90%
27	Gross amount at risk $(27)=(5)*17$	€60.685,57
28	Net Amount at risk $(28)=(5)*(24)$	€56.610,20
29	Actual Financial exposure= percentage of net amount at risk over authorised payments of the year per ABB activity	0,74%

In conclusion, according to the best estimate, the Agency concludes that the error rate for the programmes concerned remains under the materiality threshold of 2% both for the Health and Consumer Programmes.

Award and management of Public Procurement Procedures: Service contracts signed under the Public Health Programme, the Consumer Programme and the Better Training for Safer Food Initiative.

The Agency launches procurement procedures provided for in the annual Commission Decisions adopted in execution of the multiannual Health and Consumer programmes (2014-2020). These decisions serve as financing decisions that need to precede any commitment of expenditure regarding procurement³⁰. The Agency is responsible for the drafting and publication of the tender documentation in accordance with the provisions of Title V of the EU financial regulation. The tasks performed include (indicatively): the detailed definition of the service requested (terms of reference), the definition of eligibility, selection and award criteria as well as the method of award of each procurement contract; the opening and evaluation of the tenders received; the information of the economic operators that submitted a tender on the evaluation results; the preparation and execution of the budgetary commitment files that precede the signature of the service contracts; the assessment of the deliverables and the execution of payments on the basis of the contractual provisions.

The totality of the procurement contracts awarded by the Agency is attributed on the basis of the *best value for money award method*. That is to say that both the quality and the financial characteristics of the tender are assessed (on the basis of preannounced relative weightings described as award criteria) in order to rank the offers submitted and, eventually, decide which corresponds best to the requested service.

The control activities performed by the Agency before and after the launch of each procurement procedure aim at ensuring that the rules and principles provided for in the EU financial regulation are complied with; in other words, the Agency is responsible for ensuring transparency, proportionality, equal treatment and non-discrimination of the economic operators participating in the tendering procedure; the compliance with the regulatory provisions remains an end in itself; it is a straightforward assumption that the organisation of a sound procedure prevents risks of litigation; the choice of the contractor offering the best value for money ensures that the Agency will obtain the requested services in conformity with the agreed terms (quality) and within the prescribed deadlines. The service contracts awarded by the Agency are executed by service providers (private or public) established in the EU.

All procurement procedures that are of a value equal or above EUR 134.000 are subject to control by the Agency's Advisory Committee on Public procurement (ACPC). All procurement procedures irrespective of

³⁰ Art 84 of the Financial Regulation applicable to the EU Budget and art. 94 of its Rules of Application.

their value are verified by the legal department of the Agency prior to their launch. In practice, procurement procedures that do not require the opinion of the ACPC are rarely launched. As a result, the ACPC issues an opinion for all open procedures managed by the Agency on yearly basis. The Authorising Officer may always request an opinion from the ACPC, if he/she considers that an additional assurance is required before the award of a service contract, irrespective from its value. On the basis of all the above, the Agency considers that the ACPC threshold of 134.000 € does not confine the coverage of the respective ex- ante control.

The opinion of the ACPC reviews the procedure of evaluation of the offers submitted; it aims at ensuring that the latter was organised in conformity with the internal guidelines and that evaluators soundly implemented the selection and award criteria announced with the tender. The quality check provides assurance that the price to be paid to the future contactor ensures that the value for money objective is complied with. During 2015, the Agency's ACPC examined 7 procurement procedures and issued respective number of opinions.

The contract implementation stage encompasses controls ensuring that what has been agreed is actually delivered. The duration of service contracts may vary from a number of months to two years. Minding the nature of the services (mainly comprising studies supporting the policy making of the Agency's parent Directorate General) it is of outmost importance to ensure quality and timeliness of the agreed deliverables. Thus, the Agency is responsible to safeguard that the contractor(s) follow the agreed working methodology so as to ensure that deliverables satisfy the quality standards set with the contract.

Public procurement contracts entail payments due against invoices whose volume is set within the signed contract. Pre-financing for public procurement contracts remains exceptional and, whenever provided, represents a low percentage of the agreed price and is meant to cover high start-up costs necessary for the service delivery. Payments are executed after the receipt and approval of the contractual deliverables. 100% of payment transactions related to procurement are subject to both operational and financial verification. The acceptance of technical deliverables implies that the invoice becomes payable and that the payment is executed in full respect of the contractual terms.

Indicators to measure effectiveness as regards legality and regularity of procurement management:

Stages of Internal Control Procedure	2013	2014	2015
A. Planning and definition of needs			
Number of procurement procedures that were cancelled	HP: 0	HP:1 out of/32	HP:2 out of/24

during the year	CP: 0	CP: 0	CP: 0
	BTSF: 0	BTSF: 0	BTSF: 0
Number of contracts that were discontinued due to lack of use	HP: 0	HP: 0	HP: 0
	CP: 0	CP: 0	CP: 0
	BTSF: 0	BTSF: 0	BTSF:0
B. Evaluation of the offers submitted and award			
Number of 'open' procurement procedures where only one or no offers were received	HP:1	HP: 0	HP:2
	CP: 1	CP: 1	CP: 0
	BTSF: 9	BTSF: 1	BTSF: 0
Number of complaints or litigation cases filed following the communication of the evaluation's results	HP: 0	HP: 0	HP: 0
	CP: 0	CP: 0	CP: 0
	BTSF: 0	BTSF: 0	BTSF: 0
Number of negative opinions issued by the Advisory Committee for Procurement Contracts	HP: 0	HP: 0	HP: 0
	CP: 0	CP: 0	CP: 0
	BTSF: 0	BTSF: 0	BTSF: 0
Number of incompliances with applicable rules/guidelines that necessitated an exception to be registered (ICS8)	HP: 0	HP: 0	HP: 0
	CP: 0	CP: 0	CP: 2
	BTSF: 0	BTSF: 0	BTSF: 0
C. Supervisory measures during contract implementation			
% of service contracts executed as provided within the applicable contractual terms without the imposition of penalties/termination (contracts with penalties/termination vs. open contracts)	HP: 100%	HP: 96%	HP:100%
	CP: 100%	CP: 94,7%	CP: 100%
	BTSF:100%	BTSF:100%	BTSF:100%
Number of incompliances with applicable rules/contractual provisions that necessitated an exception/ non-compliance event to be registered (ICS 8)	HP: 0	HP: 0	HP: 4
	CP: 0	CP: 0	CP: 1
	BTSF: 0	BTSF: 0	BTSF: 1
Number/amount of liquidated damages	HP: 0	HP: 0	HP: 0
	CP: 0	CP: 0	CP: 0
	BTSF: 0	BTSF: 0	BTSF: 0
Amounts associated with errors detected related to fraud, irregularities, errors) in % over the total checked	HP: 0	HP: 0	HP: 0
	CP: 0	CP: 0	CP: 0
	BTSF: 0	BTSF: 0	BTSF: 0

In conclusion, the analysis of the above available control results, the assessment their relative impact on legality regularity has not unveiled any significant weakness which could have a material impact as regards the legality and regularity of the financial operations, sound financial management of the appropriations entrusted to the Agency as well as

fraud occurrence. Thus, the Agency considers it possible to conclude with reasonable assurance that the control objective regarding legality and regularity of its operation is complied with.

Overall Amount at Risk and Corrective Capacity

In the context of the protection of EU Budget at Commission corporate level the DG's estimated overall amounts at list and their estimated future corrections are consolidated.

	Grant payments 2015	Procurement payments 2015	Amount at risk (absolute value)	Amount at risk (% upon annual payments)
ABB Health	Detected error rate: 1,93%	Error rate: 0,00%	€ 571.634	571.634/ 29.618.391
	€ 29.618.391	€ 3.905.255		1.93%
ABB Consumer	Detected error rate: 0,79%	Error rate: 0,00%	€ 99.452	99.452/ 12.588.917
	€ 12.588.918	€ 915.531		0.79%
ABB BTSF	€ 0,00	€ 19.229.048	€ 0	0,00%
		Error rate: 0,00%		
		Error rate: 0,00%		
				Total: €671.086

The AOD estimates that the error rate related to procurement payment is close to 0% as the payments were executed on the basis of predefined prices agreed within the service contracts and upon acceptance of the agreed deliverables; there were no contract terminations during the year that could trigger a recovery procedure in relation to a proportion of the price that was (already) paid to the contractor; additionally, no important instances of poor contract implementation occurred that would require considerable reduction of the agreed price. Thus, the overall sound implementation of the service contracts for which payments were executed during the year, provides with reasonable assurance that the error rate that is likely to affect the activity area of procurement is, if not equal, close to 0%.

The same are valid for the payments made out of the Agency's administrative budget; they cover legal obligations for services required in support of the programmes delegated to the Agency (translations, ex-post

control services etc) but also the Agency's staff expenditure and infrastructure costs; given the fact that the Agency's operating expenditure is audited by the European Court of Auditors on annual basis without resulting in any material findings, the Agency considers the risk of error equally low (around 0.1%).

As can be seen from the table above the estimated overall amount at risk for the 2015 payments made by Chafea is 671.086€. This is the AOD's best, conservative estimation of the amount of expenditure authorised during the year (66.257.143€) not in conformity with the applicable contractual and regulatory provisions at the time the payment is made.

Expenditure will be subsequently subject to ex post controls and a sizeable proportion of the underlying error will be detected and corrected in successive years. It is not possible to identify the specific errors and amounts which will be effectively corrected in the coming years, yet the implementation of these corrective controls since 2009 have resulted on average in recoveries and financial corrections representing 2,29 % of the average payments over the same period. Applied to the 2015 payments made, this implies a potential amount of 1.517.081€ as the best available indication of the corrective capacity of the ex-post controls systems implemented by the Agency. The conservatively estimated future corrections for those 2015 payments made are higher than the gross amount at risk.

Taking into account the conclusions of the review of the elements supporting assurance and the expected corrective capacity of the controls to be implemented in subsequent years, it is possible to conclude that the internal control system put in place by Chafea provides sufficient assurance that risks related to the legality and regularity of the underlying transactions are adequately managed. Furthermore, it is also possible to conclude that the internal control systems provide sufficient assurance with regards to the achievement of the other internal control objectives.

Control efficiency and cost-effectiveness.

The principle of efficiency concerns the best relationship between resources employed and results achieved. The principle of economy requires that the resources used by the institution in the pursuit of its activities shall be made available in due time, in appropriate quantity and quality and at the best price. This section outlines the indicators used to monitor the efficiency of the control systems, including an overall assessment of the costs and benefits of controls.

Benefits pertaining to the different stages of grant management:

The following indicators monitor the relative cost/time efficiency of the Agency's activity in relation to Grant Management:

Efficiency Indicators	Result
Financial Impact of the adjustment phase ³¹ (evaluation and adjustment phase)	the number N/A at the time of the drafting of the report since adaptation phase was on-going
Time to inform applicants ³²	100% of applicants were informed in less than 3 months from the submission of their applications
% of grant agreements committed and signed within the deadline provided by the Financial Regulation	HP: 100% within the deadlines
	CP: 100% within the deadlines
Average time to pay (% of payments within the legal deadlines)	≥98,54% of the payments executed within the legal deadline
Average number of running projects per staff (number of on-going projects/total number of staff)	10,4 grants/staff member (235:22.5FTE)
% of costs of ex-post controls over the amount disbursed for the grants over the year	0,47% (198k €/42,21M €)
Success ratio of recovery orders launched following results of ex-post controls	(no recovery procedure launched within 2015 reached this stage)
Number of ex-post audit results whose implementation is pending	9

Benefits from controls	Prevented ³³ (or dissuasive)	Detected ³⁴	Corrected ³⁵
A. Programming Evaluation and Selection of Proposals (Award)	€ 375.517 (29410889-29035372)		
B. Contracting and Monitoring phase of grant agreements (up to final payment).		1.908.258 (30.953.714-29.045.456)	
C. ex post control implementation and follow up.			€ 0
Value of benefits (€)			€
Total benefits €:			€ 2.283.775

It has to be noted that the benefits go beyond those expressed in monetary terms (quantifiable) and they are broader than the purely

³¹ Refer to par. 5 art 204 of the Rules of Application of the EU Financial Regulation

³² According to par. 2 of art. 128 of the Financial Regulation applicants shall be informed of the outcome of the evaluation within a maximum of six months from the final date of submission of complete proposals

³³ Benefits under 'prevented' take into account benefits deriving from the controlling activities up to the moment of the grant agreement signature;

³⁴ Benefits under 'detected' encompass benefits deriving from the controlling activities up to the final payment execution;

³⁵ Benefits under 'corrected' refer to amounts that were recovered following the results of ex-post controls;

financial ones. The controls performed during the preparatory phase allow for the next stages of the procedure (evaluation, award, grant adaptation and signature of the agreement) to occur; in specific, the quality of the call documentation (eligibility, selection, award criteria), the completeness of the information that is requested through the application forms (information on the operational and financial status of the applicants) will facilitate a transparent evaluation, ensuring equal treatment of the applicants; the applicants will be properly guided to define all the important parameters of the action for which co-financing is requested and, in their turn, evaluators will consider accurate and complete information so as to reach a sound evaluation conclusion. A sound evaluation will ensure that proposals best contributing to the attainment of the objectives of the Health and Consumer Programmes will benefit from EU co-financing. Additionally, the model grant agreements to be used at the end of the adaptation procedure must include the provisions safeguarding the EU financial interests. Their drafting is also part of the same preparatory stage.

The benefits deriving from this control stage may not be quantified but are of self-proved importance; unless these controlling activities were put in place, it would be highly unlikely that the Agency awards the grants to the most valuable proposals and ensure that policy/project objectives are met and the legality and regularity of the underlying transactions (payments authorised).

Costs pertaining to the four stages of grant management³⁶:

Costs of controls	Officials and Temporary Agents	Contracts Agents	Other (external) Inputs	Total costs
A. Programming Evaluation and Selection of proposals up to the award	110.550€ (0.825FTE * 134.000) +110.550€ (0.825FTE * 134.000)	175.000€ (2,5 FTE*70.000) +175.000€ (2,5 FTE*70.000)	216.000€	
B. Contracting and Monitoring phase of grant agreements up to final payment execution	75.040€ (0.56* 134.000)+ 375.200€(2,8* 134.000)	118.300€ (1.69* 70.000) + 591.500€(8,45* 70.000)		
C. ex post control and follow up.	26.800€ (0.2* 134.000€)	56.000€ (0.8* 70.000FTE CA)	115.500€	

³⁶ The Agency adopts the "full cost approach" proposed with note Ares(2014)3051191; thus, direct, indirect and overhead costs are taken into account for the relevant calculations.

Total Costs	698.140€	1.115.800€	331.500	2.145.440
Overall indicator: Total cost of control of grant management process/total expenditure grant management for the year		2.145.440/ 46.425.751 (payments 2015) = 4,6%		

Conclusion on control efficiency and cost effectiveness as regards grant management:

The Agency quantified the costs of the resources and inputs required for carrying out the controls described in annex 5 and estimates, as far as possible, their benefits in terms of the amount of errors and irregularities prevented, detected and corrected by these controls. To reach a conclusion as of the relative efficiency of the controls, it is necessary to analyse the evolution of these efficiency indicators over time. With regards to efficiency, it will be possible to draw solid conclusions following their evolution over time.

As succinctly mentioned above, there are a number of non-quantifiable benefits resulting from the controls operated during the initial control stages of grant management including this of the programming phase aimed to ensure that the co-financed projects will optimally contribute to the achievement of the policy objectives as well as the deterrent effect of the ex- ante and ex post controls. The Agency considers that the necessity of these controls is undeniable as the totality of the appropriations would be at risk in case they would not be in place.

Thus, it may be concluded that the controls carried out by the Agency regarding grant management during the reporting year were cost effective, as the estimated quantifiable benefits exceed the cost at a ratio of 1:1,06 (2.283.775 and 2.145.440)

Benefits pertaining to the different stages of procurement management :

The following indicators monitor the efficiency and cost effectiveness of the Agency's activities in relation to Procurement Management:

Efficiency indicators	Result
% of service contracts committed and signed within the deadline provided by the Financial Regulation	HP:100%
	CP/BTSF:100%
Average time to pay (% of payments within the legal deadlines)	98,54% of the payments executed within the legal deadline
Average number of running service contract per staff (number of open service contracts/ number of staff managing them)	4.2 (95:22.5)

Assessment of the costs and benefits regarding procurement management.

i) Benefits pertaining to the three stages of procurement management:

Benefits from controls	Prevented (or dissuasive)	Detected	Corrected
A. Planning and definition of needs	€38.220.000 ³⁷		
B. Evaluation of the offers submitted and award	Non quantifiable		
C. Supervisory measures during contract implementation.	Non quantifiable		
Value of benefits (€)	€38.220.000		
Total benefits €:	€38.220.000		

ii) Costs pertaining to the three stages of procurement management:

Costs of controls	Officials and Temporary Agents	Contracts Agents	Other (external) Inputs	Total costs
A. Planning and definition of needs	112.560€(0,84FTE * 134.000)	177.450(2.5FTE* 70.000)	N/A	
B. Evaluation of the offers submitted and award	187.600€(1,4FTE* 134.000)	297.500€(4,25 FTE* 70.000)	N/A	
C. Supervisory measures during contract implementation	377.880€(2,82FTE * 134.000)	590.100€(8.43 * 70.000)	N/A	
Total Costs	678.040€	1.065.050		€1.743.090
Overall Indicator (total costs of controls of process/total expenditure executed during the year (payments made))		1.743.090/38.220.000=4.5%		

³⁷ This amount equals to the commitment appropriations for 2015 regarding procurement. This amount is considered as a benefit (though not quantifiable) deriving from the performed controls.

Conclusion on control efficiency and cost effectiveness as regards procurement management- Overall assessment of the costs and benefits of controls:

The Agency quantified the costs of the resources and inputs needed in order to carry out the controls described in Annex 5 of the present report; as not all benefits can be expressed in monetary terms, the benefits deriving from those controlling processes in terms of the amount of errors and irregularities prevented, detected and corrected were estimated.

As mentioned under point B above, payments related to service contract execution are made against invoices on the basis of a predetermined price; the concept of cost eligibility is not relevant for procurement procedures; thus, unless the provision of the agreed service is unsatisfactory (entailing the imposition of contractual penalties from the part of the Agency) it is unlikely that controls will result in quantifiable benefits. It becomes self-evident that the controls performed before the launch of each call for tender are intended to guarantee that the principles applicable to EU public procurement are complied with (namely: transparency, proportionality, equal treatment and non-discrimination); by ensuring that those principles are complied with, the Agency ensures the efficient spending of the available appropriations, in line with the objectives set in the Commission Work Programmes; as a result, it eliminates the risk of litigation that is a per se problematic situation that also bears reputational risks. Additionally, the controls allowing for a proper definition of the requested service ensure that the available appropriations are awarded to economic operators offering the **best value for money**. The Agency considers that the necessity of these controls is undeniable: in a different situation, the totality of the appropriations would be at risk either because the 'best value for money' would not be guaranteed or because the risk of litigation (before or after the award of a service contract) would rise. Thus benefits deriving from those controls are estimated to almost 100% of the budget available for commitment.

Overall assessment of the costs and benefits of controls:

The Agency quantified the costs of the resources and inputs required for carrying out the controls described in annex 5 and estimates, as far as possible, their benefits in terms of the amount of errors and irregularities prevented, detected and corrected by these controls.

Overall, during the reporting year the controls carried out by the Agency for the management of the budget appropriations were cost effective as the estimated quantifiable benefits exceeded the cost in a proportion of 1:22

Fraud prevention and detection

The Agency is accountable for the sound implementation of both its operational and administrative budgets in the context of an effective and efficient internal control system. The Agency's internal control system is designed to provide reasonable assurance on the prevention, detection, correction and follow up of fraud and irregularities. The system's anti-fraud components seek to prevent situations of conflict of interest, presuppose procedures to monitor relevant control results and the proper follow up of any fraud related suspicion. As a principle, the controls with an anti-fraud deterrent are embedded in the general internal control framework that has been designed and implemented by the Agency over the years.

The Agency developed its anti-fraud strategy as foreseen in the Commission's overall anti-fraud strategy at the end of 2013 on the basis of the methodological guidance provided by OLAF; the strategy is accompanied by an action plan including actions in support of the three set of objectives set and indicators for the measurement of the strategy's effective and efficient implementation. The Anti-Fraud strategy is valid for 2 years; the majority of the actions provided therein (for 2015) were implemented but there are still some that need to be completed.

It has to be noted that in the context of the implementation of its recurrent operational and financial controls, the Agency did not come across incidents representing red flags within 2015.

As stated above, the controls aimed at preventing and detecting fraud are not different from those intended to ensure the legality and regularity of the transactions regularly controlled (the unintentional errors). Still, the Agency screens the population of beneficiaries and projects in order to identify those at a higher risk of fraud and subjects them to in depth controls (implementation of ex-post audits).

2.2 Audit observations and recommendations

This section reports and assesses the observations, opinions and conclusions reported by auditors in their reports as well as the opinion of the Internal Auditor on the state of control, which could have a material impact on the achievement of the internal control objectives, and therefore on assurance, together with any management measures taken in response to the audit recommendations.

The Agency is audited by both internal and external independent auditors: the Commission internal audit service (IAS) following the re-centralisation and the European Court of Auditors (ECA). During the last three years, the following audit engagements were carried out:

During 2015, the European Court of Auditors performed its annual audit on the Agency's reliability of accounts and legality and regularity of the underlying transactions (financial year 2014). Following its assessment, the Court of Auditors closed its audit for 2014 without issuing significant comments. Finally, the European Court of Auditors (ECA) audited the Agency's annual accounts as well as the legality and regularity of the underlying transactions; in its opinion, the Court issued a positive opinion regarding the material aspects of the accounts and the relevant transactions. The comments included in the same report of the Court of Auditors raised no significant issue.

During 2015 the European Court of Auditors covered part of the elements falling under its audit scope pertaining to the Agency's accounts of 2015; although final conclusions were not available at the time of the drafting of this report, no preliminary finding pointed to critical issues that could affect the Agency's operation.

The IAS conducted one audit covering the management of grants (having under its scope the stage from the launch of the call for proposals to grant award) under 2014-2020 Consumer and Health Programme in Chafea. Both the Consumer 2014-2020 and 3rd Health programme were under its scope. The auditors issued a satisfactory opinion with regards to the audited internal control system subject to six recommendations one of which very important. However, none of the observations pointed to any critical risk. Chafea accepted all the recommendations and an action plan was agreed between the services. On the basis of its findings, the Internal Auditor concluded that the internal control systems audited were in overall working satisfactorily although one very important finding remained to be assessed in line with the Agreed action plan. Given the fact that grant management is a core operation of the Agency, via which more than 60% of its budget is channelled to beneficiaries (EU co-financing) the audit's results are considered a valuable contribution for the building of assurance of the Authorising officer.

None of the observations that made part of the up mentioned reports included findings that could have a significant impact on the Agency's declaration of assurance. Moreover, Chafea management has agreed and put in place actions plans to mitigate the risks identified following those audits with a view to further optimise its operation.

2.3 Assessment of the effectiveness of the internal control systems

The Commission has adopted a set of internal control standards, based on international good practice, aimed to ensure the achievement of policy and operational objectives. In addition, as regards financial management, compliance with these standards is a compulsory requirement.

The agency has put in place the organisational structure and the internal control systems suited to the achievement of the policy and control objectives, in accordance with the standards and having due regard to the risks associated with the environment in which it operates.

The Agency has assessed the effectiveness of its key internal control systems continuously during the year; a standard item on Internal Control is introduced in the agenda of the Agency's management bi monthly meeting agenda. The (delegated) Internal Control Coordinator participates in those management meetings; together with Chafea Heads of Units are bringing forward any instance of control failure that falls within their area of competence. During the year, no instances of serious inadequate, ineffective or non-efficient controls exposed the Agency to risks that could endanger the attainment of its key objectives; knowledge and skills were available where necessary and allowed for a sound execution of all delegated activities

Since no serious instances of inadequate or ineffective controls occurred, the respective improvements that were deemed necessary aimed at optimising the relevant procedures.

Specifically, the management assessed the results of individual control results from various sources; apart from results pertaining to key performance indicators, the Agency reviewed the trend of various types of indicators that accompanied its key outputs announced within its work programme. The latter provided the basis for assessing the effectiveness and efficiency of various aspects of its internal control system; results pertaining to most of them were presented in the previous parts of the present report; additional sources of information include:

- An analysis of the types, nature and impact of the operations/ transactions that were subject to requests for an exception or recording of events of non-compliance; the content of the register of exceptions did not reveal any structural weaknesses of the operations concerned; the rather small number of cases (in total: ten cases) of "one off" nature were reported/ ex- ante authorised.
- An analysis of the feedback provided through the report of the authorising officers by sub- Delegation pertaining to authorisations executed in relation to the budget lines for which they hold responsibility; none of the Authorising Officers by sub delegation reported material deficiencies related to the controls performed before the authorisation of payments. No situations that could create reputational risks were identified.
- The IAS conclusion on the Agency's state of control including an analysis of the results of the audits, the level of criticality of the risks identified, the acceptance of recommendations as well as the actions (planned to) be undertaken by the Chafea in response.

- An analysis of the results of the risk assessment performed with the participation of the Agency's Staff (bottom up review); the management assessed the risks brought up by Chafea staff, complemented them and agreed on an action plan; the evolution of the action plan was revised recurrently throughout 2015.
- Results of assessments of horizontal services pertaining to document management (ICS 11).
- Reports of the Advisory Committee of Procurement and Contracts that reviews the soundness, legality and regularity of all procurement procedures launched by the Agency with a value higher than 134.000 ;the committee did not issue any negative opinion as a result of material mistakes affecting the 7 procurement procedures that were reviewed.
- The 2015 report of the EDPS measuring compliance of EU institutions and Agencies operation in relation to the applicable data protection legislation; Chafea's performance against the indicators set by the EDPS (e.g. level of procedures covered by notifications from the data controllers) was satisfactory. All Chafea staff followed a general training on Data Protection provided by the Agency's DPO so as to ensure awareness on important data protection aspects.
- Level of actions undertaken by the Agency ensuring an appropriate level of staff awareness of the Agency's ethical and organisational values as well as rules applicable to its core procedures. All newly recruited staff has or is in the course of following a number of predefined obligatory training within a certain time limit.
- Level of implementation of audit recommendations with a deadline inferior than 31.12.2015: there were no recommendations following IAC audits that were open at the end of the reporting year; in specific, no actions were uncompleted at the end of the year in response to the action plan that was agreed between Chafea management and the IAC (in 2014) following its audit on document management.

None of those additional information resources revealed structural deficiencies. The above allow the Agency to conclude that the Internal Control standards are effectively implemented and functioning without shortcomings that could have an impact on the Agency's assurance.

2.4 Conclusions as regards assurance

This section reviews the assessment of the elements reported in Parts 2.1, 2.2 and 2.3 and draws conclusions supporting of the declaration of assurance and namely, whether it should be qualified with reservations.

From the information reported in the previous sections of the report stems from the results of Chafea management and auditors (IAS, ECA) monitoring contained in the sources of information listed. This information (reports and indicators) result from the continuous measurement and analysis of the results obtained during the reporting year. It covers more than 90% of the budget committed and paid by the Agency and it is pertinent for the assessment of the Agency's level of attainment with all control objectives provided for within article 32 of the Financial Regulation.

Overall Conclusion

In conclusion, management has reasonable assurance that, overall, suitable controls are in place and working as intended; risks are being appropriately monitored and mitigated; and necessary improvements and reinforcements are being implemented. The Acting Director, in his capacity as Authorising Officer by Delegation (and authorising officer with regards to the administrative budget) has signed the Declaration of Assurance without reservations.

3. Declaration of Assurance

I, the undersigned, Jacques Remacle

Acting Director of the Consumers, Health, Agriculture and Food Executive Agency

In my capacity as authorising officer for the operating (administrative) budget and authorising officer by delegation for the operational budget

Declare that the information contained in this report gives a true and fair view³⁸.

State that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.

This reasonable assurance is based on my own judgement and on the information at my disposal, such as the results of the self-assessment, ex-post controls, the opinion of the Internal Auditor on the state of control. [the observations of the Internal Audit Service - delete this if not applicable] and the lessons learnt from the reports of the Court of Auditors for years prior to the year of this declaration.

Confirm that I am not aware of anything not reported here which could harm the interests of the Consumers, Health, Agriculture and Food Executive Agency

Luxembourg, 31.03.2016

Signed electronically

.....

Jacques Remacle

³⁸ True and fair in this context means a reliable, complete and correct view on the state of affairs in the DG/Executive Agency.

Annexes

ANNEX 1: Statement of the Resources Director

I declare that in accordance with the Commission's communication on clarification of the responsibilities of the key actors in the domain of internal audit and internal control in the Commission³⁹, I have reported my advice and recommendations to the Acting Director on the overall state of internal control in the Executive Agency.

I hereby certify that the information provided in Section 2 of the present AAR and in its annexes is, to the best of my knowledge, accurate and exhaustive."

Luxembourg, 31.03.2016

Signed electronically

³⁹ Communication to the Commission: Clarification of the responsibilities of the key actors in the domain of internal audit and internal control in the Commission; SEC(2003)59 of 21.01.2003.

ANNEX 2: Human and financial resources

Human Resources by ABB activity						
Code ABB Activity	ABB Activity	Establishment Plan posts (CAs)	Establishment Plan postsw (TAs)	Est Plan Posts	External Personnel	Total
	Public Health	23,4	6,9	30,3	8,8	39,1
	Consumer Protection	8,9	2,5	11,4	3,2	14,6
	Better Training For Safer Food	4,7	1,6	6,3	2,0	8,3
	Agricultural Promotion Measures	0,0	1,0	1,0	0,0	1,0
	Total	37	12	49	14	63

General remark: the above data rely on the snapshot of Commission personnel actually employed in each DG/service as of 31 December of the reporting year. These data do not necessarily constitute full-time-equivalents throughout the year. Where relevant, DGs add footnotes to the table on substantial differences between original planning and actual occupation as of 31 December of the concerned year.

DGs report ex-post in the AAR on – as far as possible - all human resources actually at their disposal,⁴⁰ i.e. execution data from the reporting year (as opposed to the original budget authorisation of posts and estimates in terms of external personnel on the basis of average costs set out in the Final allocation for the reporting year). To help in the collection of the relevant data, a snapshot will be taken in Sysper2 on 1st December for this annex. This snapshot will anticipate the staffing on 31 December.⁴¹ DGs are then kindly requested to update the breakdown by ABB activity initially provided in their MP and report the figures in a table which follows the template.

⁴⁰ Posts and external personnel, financed under all headings of the multi-annual financial framework

⁴¹ DGs will be able to retrieve it via Business Objects by following the instructions in the "HR Reporting – Screening" manual, which is regularly updated and available in Business Objects. The snapshot will show the total number of establishment plan posts, contractual and other external personnel in Sysper2 as of 31 December of the reporting year excluding trainees and intra-muros service providers, who do not constitute Commission personnel and are not part of its workforce.

ANNEX 3: Draft annual accounts and financial reports

The Implementing Rules of Application of the Financial Regulation require certain information to be provided in the AAR; regarding the compliance with payment time limits (Article 92.1 FR) and suspension of time limits (Article 111.5 RAP), negotiated procedures (Art. 66.9 FR 60.7 of the FR and 53 RAP), the contractors to whom building contracts have been awarded (Art. 124.2 RAP), the contracts declared secret in accordance with Article 134.1(j) (Art. 124.2 RAP) (134(1)(j) RAP) , and the waivers of recovery orders involving EUR 100,000 or more (Art. 91.5 RAP) and the average time to grant and average time to inform applicants of the outcome of the evaluation of the application (Art. 128.2 FR). Some further information has been added to these reports in order to support the information required by the FR/RAP.

All these financial reports, as well as the balance sheet and the economic outturn account of each DG, can be extracted directly from the ABAC Data Warehouse except currently for the average time to grant (Art. 128.2FR) and average time to inform applicants of the outcome of the evaluation of the application (Art. 128.2FR) indicator.

The explanatory note on how to produce the reports ("*User's Guide to the BO Report*") will be published on BUDGWEB at the following address:

<http://intracomm.ec.testa.eu/budg/rep/aar/guidance-en.html>

- all differences between the data reported and reality should be discussed with DG BUDG and resolved before running the final reports to be included in your AAR;
- for transferred and split activities, there may be difficulties in producing the financial data. Care should be taken to check the reasonableness of the data, and if necessary a manual comment could be added to the tables whose data does not completely reflect the activity for the entire reporting year;
- if your DG reports several negotiated procedures in Table 11, you should add a note to this table which sets out the factual reasons for these (without referring to any Commission-internal document, and without any internal criticism);
- As regards Table 8 (Recovery of undue Payments) it is essential to ensure consistency with note 6 to the accounts. To do so, for direct and indirect management, DGs are requested to extract the information in early February and ensure consistency with the body of the report. For expenditure in shared management, the DGs concerned (EMPL, REGIO, AGRI, MARE and HOME) are to use their own data.

ANNEX 4: Materiality criteria

Quantitative criteria upon which Chafea assesses the overall impact of a weakness for defining significant weaknesses:

a) significant and/or repetitive occurrence of errors

The weakness points to significant and repetitive errors affecting the legality and regularity of the executed operations; the errors in the underlying transactions may be detected at any stage of the control/supervision procedures. In such cases, the Agency will consider both the qualitative and quantitative aspects of the detected error (s); in relation to the quality aspect, the nature, scope duration but also any existing mitigating corrective actions will be taken into account; in relation to the quantity aspect, the Agency will seek to estimate the financial impact of the detected error (exposure or amount at risk).

b) the potential total financial impact (residual error rate) (value of errors in the transactions) exceeds 2% of the total budget paid per ABB activity during the reporting period.

The potential total financial impact is calculated by applying the average rate of adjustments to the advantage of the Agency resulting from all audits finalised for the programme so far to the amount of un-audited payments for the programme in the year of the annual declaration.

However, the defined materiality thresholds will only be applied if the number of grants audited is sufficiently representative for the overall amount of grants managed by the Agency. This is to say, that the sample of audited contracts should cover at least 5% of the total number of open contracts at the end of the preceding year to the annual declaration.

Qualitative criteria upon which the Agency assesses the overall impact of a weakness:

a) Significant internal control system weakness

The controls may detect (major) system weaknesses that indicate deficiencies at the stage of the design of the internal control system, affecting its effectiveness. This type of weakness may be detected at any stage of the procedure (assessment of the effectiveness of the Internal Control System (ICS-15), the management's risk assessment (ICS-6), following audits performed by the Internal Audit Capability of the Agency, ex-post audits, or audits performed by the Court of Auditors. These systemic weaknesses are assessed both on their qualitative and quantitative aspects. As far as the quality aspect is concerned, the nature, scope duration but also any existing mitigating corrective actions will be taken into account; the financial impact of the control system weaknesses will consider the portion of the budget managed by the Agency that is considered at risk.

b) Insufficient audit coverage and/or inadequate information from Internal Control Systems

This problematic situation is considered to occur in case the Agency is not in place to identify control weaknesses due to the fact that not enough controls/audits were performed (low level of control data). In addition, the Agency is not in position of compensatory evidence from other sources (Court of Auditors, Internal Audit Service).

c) Critical Issues reported by the European Court of Auditors, the Internal Audit Service, the Agency's Internal Audit Capability or OLAF.

The criticality is considered not only in relation to the qualification of the Auditors; findings (critical recommendations) but also in relation to the level of significance that other findings may have on the assurance; in that respect, recommendations that were classified as 'very important' are also taken into account, especially if the implementations of actions that mitigate the identified risks are overdue.

The existence of non-mitigated critical recommendations will justify a reservation only if: a) the underlying weakness falls into the area covered by the declaration of assurance of the Agency's Director, b) the Agency's Director accepts that the current Internal Control System does not address the identified weakness appropriately and c) considers that the materiality threshold (reputational, financial) is exceeded.

d) Assessment of reputational events

A significant reputational event that occurred during the year may lead to a reservation if the impact of the event has an impact on the elements constituting the declaration of assurance. This may be considered even for cases that the financial impact of the event is below the 'materiality thresholds'. It is clarified that only the reputational 'events' may be considered not the risks that, by definition, represent threats that have not been materialized. The impact of the reputational event is measured as the impact on the Agency's reputation that it characterized as a loss of confidence by its stakeholders. The Agency's stakeholders include the following: the Council, the Parliament, the Court of Auditors, its parent DG and the rest of Commission's services, the participants of the programs managed by it, its staff (actual and potential), media as well as the general public. Reputational events that may relate with the Agency's operation may refer to failure to prove regulatory compliance, insufficient management capacity, and inadequate control system, risk management, failure to meet the stakeholders' expectations, communication failures, and situations of alleged (internal) fraud.

ANNEX 5: Internal Control Template(s) for budget implementation (ICTs)

Grant Direct Management

Stage 1: Programming, evaluation and selection of proposals

A. Preparation, adoption and publication of the Annual Work Program and Calls for Proposals

Main control objectives: Ensure that the Agency selects proposals that contribute the most towards the achievement of the Programs' general and specific objectives; ensure that call for proposals procedure is organised and conducted in compliance with the applicable rules; ensure that control system does not allow fraud to occur.

Main risks It may happen (again) that...	Mitigating controls that...	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
<p>a. The annual work programme (serving as financing decision) and the subsequent calls for proposals do not adequately reflect policy objectives, priorities; the eligibility selection and award criteria are not adequate/ poorly defined and may not ensure a proper evaluation.</p> <p>b. delays occur in adopting the Annual Work Programme serving</p>	<p>a. The annual work programme that serves as financing decision is adopted by the European Commission following an inter service consultation; the Agency, in line with its remit, provides technical input and helps the Commission to define on clear criteria that will contribute to the clarity of the call text and allow for the smooth evaluation of the proposals, in line with the provisions of the FR.</p>	<p>Coverage/Frequency: 100% - all calls for proposals launched by the Agency are checked for compliance with the financing decision and the applicable regulatory procedures.</p> <p>a. If risk materialises, grants that will be awarded will not contribute to the attainment of the Program's annual objectives; applicants may launch complaints to the European Ombudsman (reputational risk) or legal proceedings before the Court.</p>	<p>Costs: % of the FTE of staff involved in the procedure (full cost approach).</p> <p>Benefits: budgetary amount of the call (s) with significant errors detected and corrected.</p>	<p>Effectiveness:</p> <p>a. budget amount of the work programmes concerned;</p> <p>b. number of complaints received by applicants due to non-clarity of the call text;</p> <p>c. number of proposals received over number expected and/or in relation to the previous year (s).</p> <p>Efficiency:</p> <p>a. average cost per call and/or selected proposal;</p>

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
<p>as financing decision/annual work programme is published later than 31.3.of year N.</p> <p>c. late publication of the calls for proposals may result in short deadlines for the submission of applications; this, in its turn, may not allow for proposals of a satisfactory level of quality to be submitted. As a result, the attainment of the program's objectives may not be optimal or even jeopardised.</p> <p>d. accumulation and duplication of grants is not prevented appropriately</p>	<p>b. the Agency liaises with the responsible Commission departments from the outset of the programme's preparation and is in a position to launch calls for proposals at the day of the adoption of the annual work programme (serving as financing decision).</p> <p>d. COMPASS/SYGMA (IT tools used by the Agency for proposal submission and grant management provide the Agency with information on the EU grants that the applicant benefits from; the latter is also explicitly requested to declare other applications submitted at the stage of the application procedure (last 3 years)</p>	<p>d. all submitted applications</p>		<p>b. % of costs (FTEs) over annual amounts disbursed in grants;</p> <p>c. time to publication of selection results.</p>

Stage 2: Evaluation, Ranking and selection (award of proposals)

Main control objectives: Ensure that the most promising projects for meeting the policy objectives are among the proposals selected (effectiveness); the evaluation and award procedure conform with the applicable rules (legality and regularity); the control system in place does not allow for fraud to occur (especially conflict of interest).

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
<p>a. The evaluation, ranking and selection of proposals are not carried out in accordance with the established procedures, the policy objective and/ or the announced eligibility, selection and award criteria. Unauthorised persons gain access to the electronic exchange system for grant evaluation and management; confidentiality, integrity and personal data protection of the information included in the system is not adequately protected.</p> <p>b. Members of the opening and/or evaluation committee do not have the technical expertise to properly assess the submitted</p>	<p>a. The evaluation is conducted on the basis of detailed rules that are stipulated in the guide for applicants (publicly available via the applicants' Horizon 2020 portal); the evaluators appointed by the AOD, apart from their technical experience, are appointed on the basis of knowledge regarding rules applicable to grants. The Agency used the same grant management system as for Horizon 2020 programmes; the latter is designed to authorise access only to applicants (receiving/using authentication data) and authorised EU staff via the corporate (ECAS) Commission authentication system; integrity of the documents is preserved since audit trail exists for each change whose effectuation is allowed by the system (person/time).</p> <p>b. the members of the</p>	<p>100% of the proposals submitted are evaluated on the basis of the eligibility, selection and award criteria;</p> <p>100% of the proposals are examined by experts to review their technical merit;</p> <p>100% of the EU staff, external experts that are involved in the evaluation sign declaration of non-conflict of interest; random checks are performed (on the basis of risk analysis) to verify the accurateness of the declarations.</p>	<p>Costs: cost of staff involved in the evaluation and selection of proposals; cost of appointment of experts.</p> <p>Benefits: amount redirected to better projects (deserving projects otherwise non selected+ non deserving that could have been selected).</p>	<p>Effectiveness:</p> <p>a. % of proposals that successfully challenged the evaluation results/ award decision;</p> <p>b. number of experts excluded as being in a conflict of interest situation;</p> <p>c. number of litigation procedure (s) initiated;</p> <p>d. number of Supervisory control failures (led to exception report);</p> <p>Efficiency Indicators:</p> <p>a. Average cost per awarded proposal giving rise to a grant;</p> <p>% of cost of the procedure over annual amount disbursed in grants;</p> <p>b. Time to inform applicants on evaluation/award results;</p>

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
<p>applications and/or are in situations of conflict of interest.</p> <p>c. External experts that participate in the technical assessment of the proposals (but not as members of the evaluation committee) are in situations of conflict of interest (selection process biased)⁴².</p> <p>d. The preannounced selection and award criteria are not adequately and consistently applied for the evaluation of proposals.</p> <p>e. Unauthorised persons may have access to systems and confidential documents (content of the proposals).</p> <p>f. Eligible and effective projects are not selected;</p>	<p>evaluation committee are officials of the DG whose programme is managed by the Agency (DG SANTE) and DGs with objectives that relate to those of DG SANTE (e.g. DG RTD). Naturally, these officials are at the best position to understand if the actions included in the proposals received by the Agency are plausible to meet the policy objectives concerned. All members of the evaluation committee sign a declaration of non- conflict of interest.</p> <p>c. The Agency selects its experts from an AMI list; the experts CVs are checked for any professional/personal instances that might be considered conflictual; the experts are requested to sign a declaration of non-conflict of interest before their appointment; both the names of the selected experts and those of their employers'</p>			

⁴² Outside experts assist the evaluation committee by decision of the Authorising Officer in relation to the Public Health Programme (RAP art. 204).

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
<p>g. The applicants do not have sufficient sources of funding to maintain their activity throughout the period during which the action is carried out;</p> <p>h. The applicants do not have the professional competences and qualifications required to complete the proposed action or work programme.</p> <p>i. The action is not clearly defined in the grant application</p> <p>j. The grant application does not contain all information and supporting documents required for the evaluation.</p> <p>k. A grant is awarded for an action that has been already started without the beneficiary demonstrating a special need for this or a grant has been awarded retroactively for an action already completed.</p>	<p>are checked against the applicants that submitted a proposal in response of the Agency's call for proposals; in case it is found that an expert was employed by an applicant, this expert was excluded from the assessment of all proposals submitted in response to the specific call topic (this is relevant for the calls for projects that are divided in seven different thematic categories (topics))</p> <p>d. The technical content of each proposal is evaluated by three external experts; their assessment is reflected in a consensus report that 'merges' their technical assessment. The consensus report is constructed on the basis of the announced award criteria- the evaluation committee applies the same criteria for the overall assessment of all the submitted proposals.</p> <p>e. all proposals are both received and managed electronically within the SEP,SYGMA platforms; access (internally) is granted to authorised staff members via the Corporate Commission</p>			

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
	<p>authentication system. External people (applicants) are granted access via authentication logs provided by the system.; only staff responsible with the administrative management of the proposals, the experts (for the proposals attributed to them) and the evaluators have access to the proposal and the supporting documentation</p> <p>f. the eligibility of the applicants is a straightforward criterion to be verified; the effectiveness of the proposals highly depends on the proper specification on the action as well as organisation and planning issues; the application form that needs to be filled in by the applicants requests the applicant to elaborate how those issues will be confronted. Adjustment may be requested by the AO on the basis of art. 204 of the RAP.</p> <p>g. each applicant is assessed for financial viability according to specified parameters so as to ensure that applicants will be operational during the period of the action implementation (assessment is made by Research Executive Agency but the decision regarding the</p>			

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
	<p>viability lays with the Agency's AO).</p> <p>h. selection criteria assess professional competence of the applicant organisation/ individuals that will deal with the action on the basis of supporting documents; random checks are made regarding the accuracy of the information provided in the proposals.</p> <p>i. the basic elements of the action as well as deliverables are part of the elements of the application form that need to be filled in; the adaptation phase ensures that all information pertinent for the implementation of the actions is included in the description.</p> <p>j. In line with the principle of proportionality the AO may request the applicants to clarify supporting documents (art 204 RAP) or request for missing documents with due observance of the principle of equal treatment. If documents that are indispensable for the assessment of the applications are missing the system does not allow the submission of the proposal; the same goes in case necessary documents requested</p>			

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
	<p>from the successful applicants (adjustment phase). The system alerts the manager of a project in case of missing documents and sends automatically generated alerts.</p> <p>k. retroactivity of grants is not, in principle, allowed. In exceptional cases the AO may decide to do so and this will be stipulated in the grant agreement; the absolute necessity of this deviation is assessed before the AO authorises the retroactivity. The evaluation committee performs checks regarding the 'deliverables' announced with the application form;</p>			

Stage 3: Contracting phase: transformation of the awarded proposals to grant agreements

Main control objectives: ensure that grants are signed within the deadlines so that selected actions are promptly initiated (effectiveness, efficiency), ensure that grant agreements are in line with the provisions of the relevant call for proposals and the applicable rules (FR)

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
<p>a. The description of the tasks included in the grant agreement include tasks that are not in line with the award decision and do not contribute to the attainment of the program's objectives.</p> <p>b. Budget foreseen overestimates the costs that are necessary to carry out the action.</p> <p>c. Grants are not signed within the prescribed deadlines; this may cause delays regarding the action implementation.</p> <p>d. Beneficiary lacks the operational and financial capacity to carry out the agreed action;</p> <p>e. Action is not clearly</p>	<p>a. The adaptation phase that follows the award decision may only result to changes that were proposed by the evaluation committee (par. 5 of art. 204 RAP)- the Project officers who are in charge of the adaptation use the evaluation's recommendations a guiding principles; thus it is unlikely that an action receiving a grant because of its conformity with the programme's objectives.</p> <p>b. budget is 'adapted' to the final version of the action's work programme; detailed budget including personnel, subcontracting and other direct costs per applicant/beneficiary is calculated before the signature of the grant agreement; this calculation uses as basis the work packages that constitute the core of the co-financed action/work programme.</p> <p>c. in line with the Key Performance Indicators announced in the Agency's work programme, the Agency has put in place monitoring</p>	<p>100% of the awarded grant agreements are 'adapted' on the basis of the recommendation of the evaluation committee;</p> <p>100% of the grants under signature are monitored for meeting the target commitment/signature deadlines;</p> <p>100% grants signed are filtered for the necessity of a financial guarantee</p>	<p>Costs: cost of staff involved in the contracting procedure</p> <p>Benefits: value of grant agreements compared to the awarded ones following the adaptation phase</p>	<p>Effectiveness: % of the awarded grant agreements that led to the signature of a grant agreement (and evaluation committee proposals accepted).</p> <p>Efficiency: % of grant agreements committed and signed within the target and regulatory provided deadline.</p>

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
<p>defined in the grant agreement.</p> <p>f. Financial risks connected with pre-financing but grant agreement does not require the beneficiary to lodge a guarantee in advance.</p>	<p>system that allows for continuous supervision regarding the internal target deadlines set for the commitment execution. The electronic submission and grant management system (SEP/SYGMA) produces statistics related to all efficiency indicators (time to inform applicants /time to grant); the same goes for the payment deadlines.</p> <p>d. the operational and financial capacity of the applicant has been assessed at the time of the evaluation of the proposals; the Agency; reinforced monitoring in case of high- risk beneficiaries is performed; the model grant agreement that is signed with a beneficiary includes a term enabling the Agency to terminate the contract in case of substantial change to the beneficiary's legal, financial or technical situation.</p> <p>e. a technical annex is part of the grant agreement; the annex describes all important implementation aspects of action with due account of the comments provided by the evaluation committee; the technical annex is verified by the responsible staff member regarding its conformity with the comments of the</p>			

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
	<p>evaluation committee; thus, it is ensured that the co-financed action is properly defined.</p> <p>f. before the signature of each grant agreement on the basis of an ad hoc risk assessment, the Agency includes a clause regarding the necessity to lodge a guarantee as a prerequisite for the pre-financing instalment;</p>			

Stage 3: Monitoring of execution of the signed grant agreements; monitoring of the operational, financial and reporting aspects related to grant management

Main control objectives: ensure that the operational results (deliverables) from the projects are of a good value and meet the objectives and conditions stipulated in the grant agreement (effectiveness& efficiency); ensure that the related financial operations comply with the regulatory and contractual provisions (legality and regularity); controls prevent fraud to occur; appropriate accounting of the operations is ensured (reliability of reporting, safeguarding of assets and information)

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
<p>a. actions foreseen in the grant agreements are not totally (or partially) carried out in accordance with the technical description and requirements foreseen.</p> <p>b. non- eligible costs are reimbursed or the Agency reimburses eligible costs in excess of the overall grant ceiling.</p> <p>c. the beneficiary unduly obtains financial profit as a result from systemic errors, irregularities, fraud or breach of obligations.</p> <p>d. the agreed action is not carried out properly or is not carried out timely.</p> <p>e. changes to contracts</p>	<p>a. project officers in charge of the project closely monitor implementation and alert beneficiaries/ Agency's management in case of delays;</p> <p>b. the types of eligible costs make part of the provisions of the grant agreement; they are further specified in the final budget that makes part of the grant agreement; the request of payments are scrutinised by the project officers and financial officers that act as operational initiators; OVA and ex- ante verifying officer make part of the control chain;</p> <p>c. the requests for payments are backed up with supporting documents</p>	<p>100% of the projects co-financed are controlled both in respect to their technical implementation and the corresponding spending before payment is authorised (in accordance with predefined financial circuits).</p> <p>On the spot checks may be organised for projects that are considered riskier; depth defined according to situation.</p> <p>Imposition of contractual penalties is envisaged on the basis of the grant agreement provisions.</p>	<p>Costs: estimation of staff costs involved in the management of running grant agreements.</p> <p>Benefits: a. budget value of the costs claimed by the beneficiaries but rejected by the OIA/OVA/FVA. b. Budget value of penalties. c. Benefits from steering the GA implementation.</p>	<p>Effectiveness: a. budget amount of errors detected (over authorised payments). b. number of penalties imposed.</p> <p>Efficiency: a. time to pay; b. Cost/benefit ratio regarding controls on payments, (evolution over time)</p>

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
<p>are not properly documented or authorised.</p> <p>f. applicable requirements for dissemination of results are not respected.</p> <p>g. data entry in electronic grant management/ ABAC is inaccurate, EWS is neglected.</p> <p>h. supporting documents are lost, lack of audit trail.</p> <p>i. action requires the award of procurement contracts that exceed 60.000€ and the beneficiary does not abide to the applicable public procurement rules.</p>	<p>that are provided for in the guidelines for interim/final payments (certificates, audit reports, etc). On the spot checks may be considered in case of risky projects. Project officers (OIA), financial officers (FIA) OVA, FVA make part of the control chain before payment is authorised;</p> <p>d. the evolution of all projects is monitored by the project officer in charge; non optimal evolution of co-financed actions results in enhanced monitoring and enforcement of relevant grant agreement provisions (e.g. payment suspension).</p> <p>e. all pertinent changes regarding the action implementation make part of an amendment via letter or contract; beneficiaries are reminded by the Agency on their contractual obligation to promptly report changes that are envisaged during kick of meeting of the action. amendments are processed through the electronic grant management system;</p>			

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
	<p>f. the Agency has set up a dissemination policy regarding the results of the actions that have received EU co-funding; A project data basis is available on the Agency's website where projects and results can be consulted- furthermore, the Agency informs its parent DG on the project's deliverables via a special note.</p> <p>g. ABAC users are trained and follow ABAC user's guidelines- in depth training has been provided to the Agency's staff responsible for the evaluation of applications and management of the ensuing grant agreements (SEP/COMPASS).information regarding the new system's functionalities were provided by the Agency to external parties in the context of special 'information days'.</p> <p>h. all documents from proposal submission until final payment of a co-financed action are stored in the e- grant management</p>			

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
	system and an audit trail for each action/person performing it via the system. i. rules that the beneficiary needs to comply with in relation to procurement make part of the provisions of the grants agreement; if these rules are not respected the Agency may consider the expenditure incurred as ineligible.			

Stage 4: Ex-post controls: ex-post control methodology, implementation and follow up.

Main control objectives: measuring effectiveness of ex-ante controls by the results of the ex-post controls; detect and correct errors or fraudulent actions; (legality and regularity- anti-fraud) assess systemic deficiencies of the ex- ante control system based on the results of the ex-post controls (sound financial management); ensure that the audit results from the ex-post controls lead to effective recoveries (legality & regularity, anti-fraud strategy); ensure appropriate accounting of the recoveries made (reliability of reporting);

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
a. The ex-ante controls (as such may not be able to prevent, detect and correct all erroneous payments or attempted fraud; b. Inadequate audit	a. The ex-post control strategy aims at detecting possible errors which were not detected at the stage of the ex-ante control chain and draws assessment on the	Ex-post controls aim at verifying the eligibility and the accuracy of cost items as well as the compliance of cost statements established	Costs: Staff involved: 1.0 FTE (80% CA and 20% TA) plus the price of the contract for external	Effectiveness: representative error rate (if possible): Efficiency: % of costs for audits

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
<p>methodology due to lack of expertise of auditors and inadequate audit procedures results in errors, irregularities or fraud not being detected;</p> <p>c. The ex post controls focus on the detection of external errors (made by the beneficiaries) and do not consider any internal errors made by the staff or embedded systematically in the own organisation;</p> <p>d. Errors, irregularities and cases of fraud detected are not addressed or not addressed timely;</p> <p>e. Lessons learnt from the audit results are not exploited so as to reinforce the general internal control system;</p> <p>f. unwarranted assurance is being provided in the AAR (incorrectly estimated error rates,);</p>	<p>effectiveness of ex- ante controls;</p> <p>b. The ex-post control function is outsourced; the audit firms performing the audits are chosen through a competitive procurement procedure either from DG BUDG Framework Contracts or by FWC signed with the Agency and (multiple) contractors. The audit firms are chosen (also) due to their expertise in the domain; the auditors perform ex-post control covering standardised items described in an audit work programme.</p> <p>c. The nature of the errors detected, allow the agency to assess if it was in a position to have detected the error at the time of the ex-ante control procedure; financial and operational initiators/verifiers that performed the given ex ante controls are informed on the concrete cases; if errors point to structural deficiencies, the Agency addresses the situation at management level;</p> <p>d. the ex-post controls are carried out within a predetermined timeframe; the</p>	<p>by the beneficiaries with legal provisions of the grant agreements. The ex-post control strategy consists of annual planning of the number of on-the-spot audits the definition of a sample of transactions (calculation of residual error rate) and selection of transactions that are considered risky;.</p> <p>The ex-post controls strategy has a twofold approach:</p> <p><i>i-</i> random sampling of transactions which aims at building over several years a representative sample of the entire population of transactions per programme managed; the aim is to, enable the Agency to draw statistically valid conclusions regarding the whole (homogeneous) population</p> <p><i>ii-</i> risk-based sampling targeted to the transactions identified by the responsible operational and financial</p>	<p>audit services.</p> <p>Benefits: Direct benefit: budget value of errors detected by the auditors for the year 2014, which will lead to recoveries;</p> <p>Indirect benefit: Equally important are the <i>educational</i> and the <i>deterrent</i> effects of ex-post controls towards the beneficiaries, which lead to the prevention of errors and irregularities that would have occurred without the mitigating effects of the ex-post controls.</p> <p>Using the risk and random sample the authorising officer benefits from increased assurance on the error rate over the total population.</p>	<p>over the amount disbursed in grants for the year;</p> <p>Success ratio of recovery orders launched;</p> <p>Ratio between annual cost of controls and benefits;</p> <p>Number or value of audit results whose implementation is pending;</p>

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
	<p>contradictory procedure is organised according to predefined procedure and deadlines; once the findings of the auditors' report are approved, follow up is ensured by the Agency's ex-post control team (initiation of recovery procedure).</p> <p>e. Results of the ex-post controls are discussed at management level so as to ensure that follow-up of (structural) deficiencies is ensured at appropriate level. An annual ex-post control report depicts the main results of the audits' findings and is used as reference for the lessons learnt).</p> <p>f. the ex-post control methodology is based on the relevant EC guidelines issued by DG Budg. Thus, the risk that results of non-reliability of the ex-post control results is considered low.</p>	<p>initiators, as bearing a higher level of risk (e.g. shortcomings during implementation, discrepancies between estimated/actual costs).</p>		

Procurement Direct Management

Stage 1: Planning and definition of needs

Main control objectives: Ensure that the Agency organises the procurement procedures in an effective, efficient and economic manner; the procedures organised comply with the applicable provisions (EU Financial Regulation)

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
<p>a. The needs are not well defined (operationally and economically) and that the decision to procure was inappropriate to meet the operational objectives;</p> <p>b. The best offer/s are not submitted due to the poor definition of the tender specifications</p> <p>c. Calls for tenders are launched late in the year and the possible tenderers do not have enough time to prepare their offers (even though deadline within the legally provided limits)</p>	<p>a. the definition of procurement procedures to be launched during the year is part of the annual work programme; the Agency, in cooperation with the parent DG drafts detailed tender specifications including eligibility, selection and award criteria; separate not with justification regarding the a)maximum price and b) procurement procedure is submitted to the AO before the launch is approved.</p> <p>b. the tender specifications prepared are checked by the legal department of the Agency to verify clarity, consistency and relevance of the selection and award criteria; the AO approves the final text of the tender specifications.</p> <p>c. the calls for tenders launched by the Agency comply with the deadlines for tender submission provided by the legislation; the Agency provides for longer deadlines whenever feasible, especially if the starting date for the task execution allows for it.</p>	<p>100% of the procurements launched are part of the annual work programme that is implemented by the Agency;</p> <p>100% of the envisaged procurements include a justification on the announced maximum price before they are authorised;</p> <p>100% of procurements are checked by the legal department for compliance with public procurement rules;</p>	<p>Costs: Staff involved</p> <p>Benefits: limit risk of litigation and cancellation of procurement procedure</p>	<p>Effectiveness: Number of projected tender cancelled; Number of contract discontinued due to lack of use (poor planning); N° of 'open 'procurement procedures where only one or no offers were received; N° of requests for clarification regarding the tender.</p> <p>Efficiency: Estimated average cost of a procurement procedure per awarded procurement contract.</p>

Stage 2: Evaluation of the offers submitted and award

Main control objectives: Ensure an effective and efficient evaluation with due regard of the applicable regulatory provisions (legality& regularity); ensure that fraudulent behaviour pertaining to the submission of tenders is detected and corrective action is assumed (exclusion of candidates from participation).

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
<p>a. The most economically advantageous offer not being selected, due to a biased, inaccurate or biased evaluation process;</p> <p>b. members of the opening/evaluation committee are in situations of conflict of interest;</p> <p>c. Facts related to misappropriation of facts presented by the tenderers with their applications are not detected;</p> <p>d. Contracts are awarded to entities not having the necessary professional and/or financial capacities.</p>	<p>a. the evaluation procedure is organised according to predefined rules, announced in the call for tender documentation. Following the evaluation, the offer assessed as the most economically advantageous is scrutinised by an independent Committee (Advisory Committee for Procurement and Contracts) this committee is issuing an opinion to the AO to award or not the service contract, after examining all aspects related to the legality and regularity of the whole procedure. There is a standstill period that allows the interested parties to express any comments relating to the soundness of the procedure;</p> <p>b. The members of the opening and the evaluation committee are appointed by the AO; all of them are required to sign a declaration of non- conflict of interest in relation to the evaluated procedure.</p>	<p>100% of the contracts exceeding the price of 125.000 euro are scrutinised by the ACPC committee for conformity with the applicable provisions.</p> <p>100% of the documentation submitted with the offers is checked by the Unit in charge (exclusion, selection, award criteria).</p> <p>Further cross checks are performed and/ or clarifications required in case of non-substantiated references included in the tender.</p>	<p>Costs: Staff involved</p> <p>Benefits: difference between the chosen and the most onerous offer;</p> <p>Benefits: amount of contracts for which the control prevented the risk of litigation/ or fraud;</p> <p>Benefits: avoid contracting with excluded economic operators;</p> <p>Benefits: amount of procurements challenged during the standstill period;</p>	<p>Effectiveness: Numbers of 'valid' complaints or litigation cases filed.</p> <p>Efficiency: Cost of successful tender minus cost of the most onerous one (or average cost); Average cost of a tendering Procedure;</p>

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
	<p>c. Supporting documentation is requested together with the offer (CVs, activity reports, references, information on exclusion criteria); the Agency performs random checks concerning the accurateness of the information provided with the administrative part of the tender and requires additional information in case this is considered necessary.</p> <p>d. each call for tender includes selection criteria requiring the minimum professional and financial qualifications that tenderers should have in order to be able to submit a technical offer. Those criteria are set in proportionality with the requested service.</p>			

Stage 3: Supervisory measures during contract implementation

Main control objectives: Ensure that contract execution follows the provisions of the signed contracts (legality and regularity); ensure that payments are executed in compliance with the applicable rules; any weakness in the procedure or attempt document misrepresentation is detected and corrected (legality and regularity& fraud prevention);

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
<p>a. The services foreseen are not totally or partially provided in accordance with the technical description foreseen in the contract; the amount paid exceed that due in accordance with the applicable contractual and regulatory provisions;</p> <p>b. error, irregularity or fraud is not prevented, detected or corrected by ex- ante control prior to payment;</p>	<p>a. the execution of each service contract is monitored from the technical point of view; deliverables clearly defined in the contract are due within predefined deadlines; in case of late delivery or delivery of poor results the agency imposes the contractual penalties provided for in the service contract (reduction of the agreed price, liquidated damages) and may also terminate a contract; all deliverables are assessed for their conformity with the tender specifications before a payment is authorised (payments are linked with the execution of deliverables);</p> <p>b. given that procurement contracts are signed with predetermination of the price (that is sue without further control once the deliverables are properly provided) errors are not easy to occur; importance is attributed to the assessment of the deliverables so that the contractor is not paid the agreed price unless what is agreed is executed.</p>	<p>100% of the payments linked to services contracts are verified before the payment authorisation;</p>	<p>Costs: Staff involved+ cost for the contracts for the year.</p> <p>Benefits: amount of overpayments prevented by the controls; amounts detected and associated with fraud and error/ systematic weaknesses corrected</p>	<p>Effectiveness: % error rate prevented (amount of errors/irregularities averted over total payments)</p> <p>Number of control failures;</p> <p>Number/amount of liquidated damages.</p> <p>Efficiency: Average cost per open project. % cost over annual amount disbursed;</p> <p>Time-to-payment;</p> <p>Late interest payment and damages paid by the Agency.</p>

ANNEX 12: Performance tables**Health Programme**

General objective(s): Complement, support and add value to the policies of the member states, improve the health of the Union citizens and reduce health inequalities by promoting health, encouraging innovation in health, increasing the sustainability of health systems and protecting Union citizens from cross-border health threats. (Health Programme 2014-2020)

Specific objective 1: In order to promote health, prevent diseases and foster supportive environments for healthy lifestyle: Identify, disseminate and promote the up-take of evidence-based and good practices for cost-effective disease prevention and health promotion.		<input checked="" type="checkbox"/> programme-based (3 rd Health Programme for the EU action in the field of health)
Result indicator 1: Number Member States involved in health promotion and disease prevention, using evidence-based and good practices through measures and actions taken at the appropriate level in Member States. (Health Programme 2014-2020)		
Baseline (2013) 0	Milestone (2015) 7 ⁴³ (2018) 23	Target (2020) 28
Result indicator 2: Number of Member States involved in projects of promoting health and preventing diseases (source: Health Programme 2014-2020).		
Baseline (2013) 0	Milestone (2018) 23	Target (2020) 28
Result Indicator 3: Number of EU countries with a national initiative on the reduction of saturated fat (source: White Paper on a strategy for Europe on Nutrition, Overweight and Obesity related health issues – COM (2007)279 final).		
Baseline (2013) 12	Milestone (2018) 24	Target (2020) 28
Result Indicator 4: Number of EU countries in which a European accreditation scheme for breast cancer service is implemented (Source: Programme Statement 2014).		
Baseline (2013) 0	Milestone (2017) 10	Target (2020) 28
Result Indicator 5: Percentage respondents which currently smoke cigarettes, cigars or a pipe.		

⁴³ 6 best practices identified and disseminated under co- financed projects at the end of 2015

Baseline (2012) 28%	Milestone (2018) 27,70%	Target (2021) 27.44%	
Main outputs contributing to the attainment of the specific objective to be produced by the Agency in 2015:			
Description	Indicator ⁴⁴	Quantified target	Number of outputs
Co- financing of actions undertaken by entities eligible under the 3 rd Health programme; (Joint Actions to be performed by MS, direct grant agreements, projects and operating grants)	Grant management: (a) Launch of the call for proposals or invitation letters (relevant for joint actions, operating grants) and provision of complete and qualitative information materials to applicants within 2 months from the publication of the annual work programme referred to in art. 128 of the Financial Regulation or the date specified in the respective financing decision. The 2 months deadline with regards to joint actions start from the date of nomination of the competent authorities/other entities by the Member State; (b) Signature of the respective grant agreements within 9 months from the closure of deadline for submission of proposals.	Grant management: Signature of grant agreements with all the beneficiaries awarded co financing.	Grant management: Three projects were recommended for funding following the call for proposals, while two direct grant agreements with the OECD are under negotiation; due to the late adoption of the 2015 WP, the signature of the above will take place in the first quarter 2016.

⁴⁴ Output indicator

Signature of service contracts for analysis/data collection and training activities on issues related to components of the public health programme (procurement procedures)	Procurement: Execution rate of the number of actions delegated to the Agency included in the annual work programme (financing decision) via the launch of open call for tenders or requests for specific services (use of Framework Contracts) should be 80% with regards to open calls and 50% with regards to requests for specific services by June of year N.	Procurement: Launch of 100% of the procurement procedures provided for in the financing decision within one month from the finalisation of the tender specifications.	Procurement: Three procurement procedures were launched; due to the late adoption of the 2015 WP, the signature of the above will take place in the first quarter 2016.
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PHP Table 1

Specific objective 2 (definition): In order to protect citizens for serious cross border health threats: Identify and develop coherent approaches and promote their implementation for better preparedness and coordination in health emergencies.		<input checked="" type="checkbox"/> programme-based: (3 rd Health Programme for the EU action in the field of health)	
Result indicator 1: Number of Member States integrating the developed common approaches in the design of their preparedness plans (source: Commission Staff Working paper impact assessment (accompanying the Decision of the European Parliament and Council on serious cross-border threats to health)).			
Baseline (2013) 0	Milestone ⁴⁵ (2017) 14	Target (2020) 29	
Result indicator 2: Number of Member States ensuring common EU traceability of tissues and cells.			
Baseline (2013) 0	Milestone (2018) 28	Target (2020) 28	
Main outputs contributing to the attainment of the specific objective to be produced by the Agency in 2015:			
Description	Indicator	Quantified target	Number of outputs
Co- financing of projects undertaken by entities eligible under the 3rd Health Programme;	Same as under PHP table 1	Same as under PHP Table 1	Grant management: There were no related priority topics under project grants, joint actions or direct grants to international

⁴⁵ The column should be deleted if only short-and medium term (less than 3 years) targets are set.

			organisations of the 2015 WP.
Signature of service contracts for analysis/data collection on issues related to components of the objectives/indicators referred to above	Same as under PHP table 1	Same as under PHP Table 1	Procurement: Five procurement procedures were launched, four of which were awarded in 2015; the fifth one will be signed in the first quarter 2016.

PHP Table 2

Specific objective 3 (definition): In order to support public health capacity building and contribute to innovative, efficient and sustainable health systems: Identify and develop common tools and mechanisms at EU level to address shortages of resources, both human and financial and facilitate the voluntary uptake of innovations in public health intervention and prevention strategies.		<input checked="" type="checkbox"/> programme-based: (3 rd Health Programme for the EU action in the field of health)	
Result indicator 1: Number of Health Technology Assessments produced per year (source: Programme Statement attached to the budget 2014).			
Baseline (2013) 2	Milestone (2017) 10	Target (2020) 50	
Result indicator 2: Number of MS using the tools and mechanisms identified in order to contribute to effective results in their health systems: patient summaries data/e-Prescription in line with the EU guidelines (Health for Growth Programme 2014-2020).			
Baseline (2013) 0	Milestone (2017) 12	Target (2020) 28	
Main outputs contributing to the attainment of the specific objective to be produced by the Agency in 2015:			
Description	Indicator	Quantified target	Number of outputs
Co- financing of projects undertaken by entities eligible under the 3rd Health Programme;	Same as under PHP table 1	Same as under PHP Table 1	Grant management: Two projects were recommended for funding following the call for proposals; Three joint actions and two direct grants with International Organisations are also under negotiation; due to the late adoption of the

			2015 WP, the signature of the grants will take place in the first quarter 2016.
Signature of service contracts for analysis/data collection on issues related to components of the objectives/indicators referred to above	Same as under PHP table 1	Same as under PHP Table 1	Procurement: Three procurement procedures were launched; due to the late adoption of the 2015 WP, the signature will take place in the first quarter 2016.

PHP Table 3

<p>Specific objective 4 (definition): In order to facilitate access to better and safer healthcare for union citizens: Increase access to medical expertise and information for specific conditions also beyond national borders, facilitate the application of the results of research and develop tools for the improvement of healthcare quality and patient safety through, inter alia, actions contributing to the improvement of health literacy.</p>		<p><input checked="" type="checkbox"/> programme-based: (3rd Health Programme for the EU action in the field of health)</p>	
<p>Result indicator 1: Number of Member States having adopted and implemented a national strategy for the prevention and control of health-care associated infections (Commission report (COM (2012) 658 final) on the implementation of the Council Recommendation 2009/C 151/01)</p>			
Baseline (2013) 9	Milestone ⁴⁶ (2018) 20	Target (2020) 28	
<p>Result indicator 2: The number of approved and functioning European Reference Networks (source: Health Programme 2014-2020)</p>			
Baseline (2013) 0	Milestone (2018) 10	Target (2020) 22	
<p>Result Indicator 3: Number of Members of the European Reference Networks (Health 2014-2020)</p>			

⁴⁶ The column should be deleted if only short-and medium term (less than 3 years) targets are set.

Baseline (2013) 0	Milestone (2017) 120	Target (2020) 266	
Main outputs contributing to the attainment of the specific objective to be produced by the Agency in 2015:			
Description and number of outputs	Indicator	Quantified target	Number of outputs
Co- financing of projects undertaken by entities eligible under the 3rd Health Programme; referred to above;	Same as under PHP table 1	Same as under PHP Table 1	Grant management: Two projects were recommended for funding following the call for proposals; One joint action and two direct grants with the OECD are also under negotiation; due to the late adoption of the 2015 WP, the signature of the grants will take place in the first quarter 2016.
Signature of service contracts for analysis/data collection on issues related to components of the objectives/indicators	Same as under PHP Table 1	Same as under PHP Table 1	Procurement: Three procurement procedures were launched; due to the late adoption of the 2015 WP, the signature will take place in the first quarter 2016.

PHP Table 4

Specific objective 5 (definition): Horizontal action "To support Member States under particular migratory pressure in responding to possible communicable diseases and cross border health threats"		☒ programme-based: (3 rd Health Programme for the EU action in the field of health)	
Main outputs contributing to the attainment of the specific objective to be produced by the Agency in 2015:			
Description and number of outputs	Indicator	Quantified target	Number of outputs
Co- financing of projects undertaken by entities eligible under the 3rd Health Programme; Signature of service contracts for analysis/data collection on issues related to components of the	Same as under PHP table 1	Same as under PHP Table 1	Grant management: Four projects were recommended for funding following the call for proposals; two were signed in 2015, the other two expected to be signed in January

objectives/indicators referred to above;			2016; One direct grant with the International Organisation for Migration (IOM) was signed in 2015.
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PHP Table 5

Information related outputs contributing to the attainment of the specific objectives to be produced by the Agency in 2015:

Description of outputs	Indicator	Quantified target	Number of outputs
1. Organization of information days for the dissemination of priorities set by the annual Work Programme	Assessment of the usefulness/relevance of the information provided by the attendees	a) > 15 information days	9 information days were organised covering 10 MS (based on requests by National Focal Points of the Health Programme).
		(b) 80% of satisfaction rate among the participants	Not available - depended on host Member State; however, events were well attended and interactive.
2. Organisation of meetings with National Focal Points of the Member States (NFPs)	Same as above	3 meetings between CHAFAEA and NFPs	3 meetings took place, in January, May and November 2015.
3. Promotion of the Programme to the Member States/organisations registered in MS where available data from previous years indicate a low participation level	Assessment of the usefulness/relevance of the information	At least 3 specific targeted information sessions	

PHP Table 6

Dissemination related outputs contributing to the attainment of the specific objectives to be produced by the Agency in 2015:

Description of outputs	Indicator	Quantified target	Number of outputs
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<p>1. Dissemination of information with regards to results derived for the co-financed projects via the maintenance of a database with relevant information and direct access to actions' deliverables (where deliverable is not covered by confidentiality clause) accessible via the Agency's website</p>	<p>1. data of all finalised actions to be inserted within 2 months from execution of balance payment</p>	<p>1. Complete information included in the database with up to date data</p>	<p>Completed</p>
<p>2. Organisation of events on specific health related topics with the participation of health stakeholders and representatives of Member States' National Focal Points</p>	<p>2. (a) satisfaction rate of the participants': 80%</p> <p>(b) number of relevant press publications following the organisation of the event</p>	<p>2. 2 meetings</p>	<p>Satisfaction rate was broken down by specific session – ranged between 75% and 80%</p> <p>Only one event was held targeting the press, the final dissemination event of joint action ACCORD with 22 articles (no cluster meeting was held in 2015)</p>
<p>3. Organisation of events in Member States (following relevant request addressed to CHAFEA by the MS) having as main component the dissemination of information originating from the co- financed activities under the Health Programmes</p>	<p>3. Satisfaction rate of the participants': 80%</p>	<p>3. 3 public health events in Member States.</p>	<p>Three events took place, in the Hague (healthy Ageing), Finland (Mental health) and Latvia (Tuberculosis). Satisfaction rate was broken down by specific session – ranged between 75% and 80%</p>
<p>4. Participation of the Agency in major public health events</p>	<p>4. positive feedback from the participants with regards to the information provided by the Agency: 80%</p>	<p>4. at least 1</p>	<p>Chafea participated in 10 public health events, of national and European dimension, with presentations, workshops and/ or simply the Chafea popup stand and material to be disseminated.</p>

Detailed breakdown of the tasks to be performed by CHAFEA during the different stages of the procurement/grant management procedures:

Type of action	<i>Output: Number / %</i>	<i>Deadline</i>	<i>Responsible Unit / Remarks</i>
Promotion of and information about participating in the 3 rd Health Programme	Participation to approx. 15 national info days New fact sheet on participating in public procurement procedures in all EU languages	31/12/2015	9 information days were organised covering 10 MS. Not completed/ to be implemented in 2016
Dissemination of results of the Health Programme	2 brochures related to public health issues Info-sheets for each of the events (at least in 3 different EU languages) Participation to 2 public health events organised by the MS, with emphasis in events organised by new MS. Updating of the project database available from the Agency's Web site, to include the deliverables from direct grants and tender.	31/12/2015 31/12/2015	Completed, brochure on joint actions and Abstracts of actions co-funded in 2013 Done, 12 info sheets in all languages Done Done, continuous
Continuous use and adaptation to the new IT tools	Online proposals submission Online proposals evaluation Online grant agreement preparation Online grant agreement monitoring and management tools NEW : Online management of experts Assessment of a new "on line" tool for managing	31/12/2015	In use In use In use In use To be implemented in 2016 Assessed – e-tendering to be used in 2016

	calls for tenders		
Publication of call for proposals / sending of invitations for submission of proposals (joint actions , Specific agreements under FPAs)/tenders (including request for specific services)	-- projects -- SGA --Direct grant agreements with International Organisations -- Direct grant agreements for JA -- (presidency) Conferences Approx: 15-20 calls for tenders	Grants: Calls for proposals for projects: 1 st semester; invitation for the submission of proposals (joint actions FPAs): 2 nd semester Service contracts: open calls for tenders: 1 st semester; requests for specific services: 1 st and 2 nd semester	Completed
Technical assistance to potential applicants	Establishment of contact facility/helpdesk (telephone-e-mail) for calls for proposals and tenders A web training seminar on "how to lead an EU project" Revision of guidelines for the call applications Preparatory workshop on setting up joint actions Up-date "project" management info sheets/guides	1 st semester/ 2 nd semester	Completed To be implemented in 2016 Completed. Done, November 2015 To be implemented in 2016 with web training seminar
Receipt of proposals/bids	Approx.: between 50 and 100 proposals Approx.: 1-5 offers per procurement procedure expected	5 months after launch (projects) 2 months after launch of the invitation for the submission of proposals (operating grants) 6 months after launch of the invitation for the submission of proposals (joint actions) Open call: 8 weeks after	Completed/ 75 proposals submitted \Completed In progress (late publication of 2015 WP)

		launch; RfS: 2-4 weeks after launch (procurement)	In progress
Evaluation of the proposals/bids	Between 50 and 100 proposals Approx: 1-5 offers per procurement procedure expected	3 months following the deadline for submission of proposals Within 6 working weeks from the closure of the calls for tender	Completed/ 75 proposals evaluated 7 tenders evaluated within set target
Adaptation of grant applications	100% of awarded grants	Grants: 100% of grant agreements adapted and committed within less than 9 months following the deadline for submission of proposals and in any case 3 months following notification to successful applicants	In progress (late publication of 2015 WP)
Decision on grants awarded	1 for SGAs and 1 for PJ/JA due to separated call procedures: 2 nd semester + 1 award/presidency conference grants	Within 2 months from the evaluation of the submitted proposals Contracts: 100% awarded within one month from the finalisation of the evaluation of tenders	In progress: All SGAs awarded/ committed and signed within set target 5 grants already awarded, others in progress (late publication of 2015 WP) 4 tenders awarded within set target (100%) 1 presidency conference awarded
Making of commitment/individual commitment	1 commitment per grant / agreement 2 nd semester	Contracts: 100% committed within less than 2 months after the award decision (=acceptance)	4 tenders committed within set target (100%)

		Grants: 100% of grant agreements committed within less than 9 months following the deadline for submission of proposals and in any case 3 months following the notification to successful applicants	5 grants already committed, others in progress (late publication of 2015 WP); All within set target
Signature of procurement contracts/ signature of grant agreements	1 contract per call: 2 nd semester	Contracts: 100% signed within 2 months after the award decision Grants: 100% of grant agreements signed within 9 months following the deadline for submission of proposals and in any case 3 months following notification to successful applicants	4 tenders signed within set target (100%) 5 grants already signed, others in progress (late publication of 2015 WP); All within set target
Execution of pre-financing payment	+/- 60	100% made within the deadline provided by the FR (30 days from receipt of admissible request for payment or other contractually provided requirement)	All committed and signed contracts were pre-financed (100%)
Receipt and evaluation of progress report	+/- 50	100% of reports evaluated and respective payments executed within 60 days from their receipt	HU/Admin Unit
Execution of interim payment	+/- 30	100% of payments made within 60 days	HU/Admin Unit

		from the day of submission of a receivable request for payment	
"Promotion of dialogue with stakeholders"	NFP meetings in Luxembourg Cluster Meeting on selected topics for 2015 Workshop at EUPHA/EU-Health Forum Gastein	(NFP: 3 meetings during the year) Cluster 1 st and 2 nd semester Participation in one workshop	3 NFP meetings implemented; No cluster meeting in 2015 –final dissemination event on ACCORD Joint Action Participation to 10 public health events, including key international conferences
Receipt and evaluation of final report	+/- 70	100% of reports evaluated and respective payments executed within 60 days from their receipt	HU/Admin Unit
Execution of final payment	+/-70	100% of payments made within 60 days from the day of submission of a receivable request for payment	HU/Admin Unit
Reviews:	At least 10 interim reports/ Expert panel for the ex-post evaluation of several projects in one topic area/ Reports summarising the project results on ended actions / Ad hoc coaching for projects with methodological challenges (if any)	100% of reviews within 45 days from receipt of the concerned deliverable	Reviews completed on time
Communication with parent DG	Monthly coordination meeting	Continuously up to 31/12/2015	Meetings held regularly
Monitoring and Reporting	Provision of statistics following the submission of proposals with	Continuously up to 31/12/2015 on the basis of the	Monitoring and reporting held regularly

	<p>information regarding MS "participation" broken down by: origin of coordinator and project partners; origin applicants with regards to (non) funded proposals, type of funding mechanism and thematic priority.</p> <p>Comparative tables including (numerical) data providing information on the percentage of new applicants/beneficiaries in comparison to previous years' results.</p> <p>Assistance provided concerning reporting on the Health Programme implementation via the defined indicators, including monitoring of the actions' outcomes</p> <p>Project assessment reports to be provided to SANTE via the database.</p> <p>Ad hoc support to SANTE for parliamentary and other questions.</p>	<p>modalities agreed between Chafea and parent DG</p>	
<p>Support to the preparation of the annual work programmes to implement the 3rd Health Programme</p>	<p>Assisting in the selection of the best financial instrument and estimating the adequate budget for each topic in WP 2015 and WP 2016</p>	<p>Continuously up to 31/12/2015</p>	<p>Contribution to preparation of WP 2015 and WP 2016 was made</p>

Consumer Programme

General objective(s): ensure a high level of consumer protection, to empower consumers and to place the consumer at the heart of the internal market, within the framework of an overall strategy for smart, sustainable and inclusive growth. (Consumer Programme 2014-2020)

Specific objective: 1 Safety: to consolidate and enhance product safety through effective market surveillance throughout the Union.		<input checked="" type="checkbox"/> Spending programme <input type="checkbox"/> Non-spending	
Result indicator: Percentage of RAPEX notifications (Rapid Alert System for Dangerous Consumer products) entailing at least one reaction by other Member States			
Baseline (843 notifications) 2010: 43%	Milestone 2017: 45%	Target Increase by 10% by 2020: 47.5%	
Result indicator: Ratio number of reactions/number of RAPEX notifications (serious risks)% (source RAPEX)			
Baseline 2010: 1.07	Milestone ⁴⁷ 2017: 1.15	Target: Increase of 15% by 2020: 1.23	
Main outputs in 2015: Contribution of the Agency to the achievement of the above objective			
Description:	Indicator ⁴⁸	Quantified target	Number of Outputs
Cooperation and uniform application of EU consumer product safety legislation (Grants for the execution of Joint Actions in the general product safety directive policy area)	Grant management: (a) Launch of the call for proposals or invitation letters and provision of complete and qualitative information materials to applicants within 2 months from the publication of the annual work programme referred to in art. 128 of the Financial	(a) Signature of Grant Agreements with all beneficiaries awarded co-financing (b) 5 – 6 product specific joint	Call launched 11/06/2015 1 Joint action selected covering five safety products 26 participating

⁴⁸ Output indicator

	Regulation or the date specified in the respective financing decision; (b)signature of the respective grant agreements within 9 months from the closure of deadline for submission of proposals (c) Number of product specific joint enforcement actions under the 2015 annual work programme and number of Member States participating	actions and 66% of Member States participating in overall joint enforcement actions.	countries Signature of the grant was pending at the end of 2015
Launch of the procedure and payment of special indemnities for the exchange of officials performing tasks relevant to GPSD	Number of Member States' officials participating in funded exchange of officials under the 2015 annual work programme	30	31 applications for GPSD exchange of officials
Launch of procurement procedures for service contracts (e.g. studies, other data collection) for the development of knowledge base in the field of consumer.	Procurement: Execution rate of the number of actions delegated to the Agency included in the annual work programme (financing decision) via the launch of open call for tenders or requests for specific services (use of Framework Contracts) should be 80% with regards to open calls and 50% with regards to requests for specific services by June of year N.	Procurement: Launch of 100% of the procurement procedures provided for in the financing decision within one month from the finalisation of the tender specifications.	Cancelled

Specific objective: 2

Consumer information and education and support to consumer organisations: to improve consumers' education, information and awareness of their rights, to develop the evidence base for consumer policy and to provide support to consumer organisations including taking into account the specific needs of vulnerable consumers

- Spending programme
 Non-spending

Result indicator: Average percentage of consumers' correct answer to three questions about basic consumer rights (source: Consumer Conditions Scoreboard)			
Baseline (2012) ⁴⁹ 52%	Milestone (2017) 55%	Target (2020) 547%	
Result indicator: Number of complaint bodies and number of countries submitting complaints to the European Consumer Complaints Registration System (ECCRS) (source: ECCRS)			
Baseline 33 complaint bodies from 7 countries (2012)	Milestone 50 complaint bodies from 14 countries (2017)	Target 70 complaint bodies from 20 countries (2020)	
Main outputs in 2015: Contribution of the Agency to the achievement of the above objective			
Description:	Indicator	Target	N. of Outputs
Award of Grants for the functioning of consumer organisation at EU level	Grant management: (a) Launch of the call for proposals or invitation letters and provision of complete and qualitative information materials to applicants within 2 months from the publication of the annual work programme referred to in art. 128 of the Financial Regulation or the date specified in the respective financing decision; (b) signature of the respective grant agreements within 9 months from the closure of deadline for submission of proposals	Signature of Grant Agreements with all beneficiaries awarded co-financing	Launch of the invitation 22/6/2015 Signature of one specific grant agreement three months after the submission deadline

⁴⁹ Data collected and computed according to a revised methodology and published in the 2015 Consumer Conditions Scoreboard indicate 43% for 2014. Based on the new methodology, the revised 2012 baseline is 41 %. The milestone and the target are modified accordingly in the planning documents of DG JUST

<p>Launch of procurement procedures for a. the conduct of Market studies b. the award of a service contract for the provision of capacity building actions c. the award of service contracts for consumer surveys d. the award of a service contract for the creation of a consumer education interactive platform (via Framework Contract Implementation)</p>	<p>Procurement: Execution rate of the number of actions delegated to the Agency included in the annual work programme (financing decision) via the launch of open call for tenders or requests for specific services (use of Framework Contracts) should be 80% with regards to open calls and 50% with regards to requests for specific services by June of year N.</p>	<p>Procurement: Launch of 100% of the procurement procedures provided for in the financing decision within one month from the finalisation of the tender specifications.</p>	<p>All requests for specific services were launched within one month from the conclusion of the TS</p>		
<p>Specific objective: 3 Rights and redress: to develop and reinforce consumer rights in particular through smart regulatory action and improving access to simple, efficient, expedient action and low-cost redress including alternative dispute resolution.</p>		<p><input checked="" type="checkbox"/> Spending programme <input type="checkbox"/> Non-spending</p>			
<p>Result indicator: Percentage of those cases dealt with by the European Consumer Centres (ECCs) and not resolved directly with traders which were subsequently referred to alternative dispute resolution (source ECC report)</p>					
<p>Baseline (2010) 9%</p>	<p>Milestone (2017) 40%</p>	<p>Target (2020) 75%</p>			
<p>Result indicator: Percentage of consumers who took action in response to a problem encountered in the past 12 months (source: consumer scoreboard)</p>					
<p>Baseline 83% (2010) (source: 9th Consumer Conditions Scoreboard)</p>	<p>Milestone 86% (2017)</p>	<p>Target 90% (2020)</p>			
<p>Main outputs in 2015: Contribution of the Agency to the achievement of the above objective</p>					
<p>Description:</p>	<p>Indicator</p>	<p>Target</p>	<p>N. of Outputs</p>	<p>Budget line</p>	<p>EU RO</p>
<p>Launch of procurement procedures for the award of a number of service contracts for the conduct of</p>	<p>Procurement: Execution rate of the number of actions delegated to the Agency included in the annual work</p>	<p>Procurement: Launch of 100% of the procurement procedures provided for in</p>	<p>Launch of the call for tender within one month from the finalisation of the TS.</p>		

behavioural economic studies (Framework Contract)	programme (financing decision) via the launch of open call for tenders or requests for specific services (use of Framework Contracts) should be 80% with regards to open calls and 50% with regards to requests for specific services by June of year N.	the financing decision within one month from the finalisation of the tender specifications.	Conclusion of five Framework contracts
Specific objective: 4 Enforcement: to support enforcement of consumer rights by strengthening cooperation between national enforcement bodies and supporting consumers with advice			<input checked="" type="checkbox"/> Spending programme <input type="checkbox"/> Non-spending
Result indicator 1: Level of information flow and cooperation within the CPC Network: Number of cross border infringements to consumer legislation that generated bilateral cooperation activities among national enforcement authorities. Source: CPC network data base			
Baseline (2007-2010 average) <ul style="list-style-type: none"> 129 requests to exchange information between CPC authorities 142 requests for enforcement measures between CPC authorities 63 alerts within the CPC network (CPC Network Database)	Milestone (2017) <ul style="list-style-type: none"> 156 172 76 	Target <ul style="list-style-type: none"> Increase of 30% to 168 by 2020 Increase of 30% to 185 by 2020 Increase of 30% to 82 by 2020 	
Result indicator 2: % of enforcement requests handled within 12 months within CPC network. Source: CPC network database			
Baseline 50% for reference period 2007- 2010 (latest known result 43% in 2013)	Milestone 55%	Target 60% by 2020	
Result indicator 3: % of information requests handled within 3 months within the CPC network			
Baseline 33% (reference period 2007-2010)	Milestone 37% (2017)	Target 50% by 2020	

Result indicator 4: Number of contacts (direct requests for information or assistance) made by individual consumers to the European Consumer Centres (ECC) (Source: ECC report)			
Baseline 80.272 in 2013 Baseline: 71.000 in 2010		Milestone 88.750 (2017)	Target Increase of 50% by 2020 (to 106.500)
Result indicator 5: Number of visits to the website of the ECCs (source: ECC-Net evaluation report)			
Baseline 3.000.000 in 2013		Milestone 3.900.000 (2017)	Target Increase of 50% (to 4.500.000) in 2020
Result indicator 6: % of websites checked every year by national enforcement authorities in a coordinated manner under the facilitation of the Commission, which are compliant to EU consumer legislation at the end of the period of corrective actions undertaken by those authorities in annual sweeps compliant one year after the screening phase, following national enforcement actions. Source: ECC-Net evaluation report			
Baseline 80% in 2013		Milestone 83% (2017)	Target 85% in 2020
Main outputs in 2015: Contribution of the Agency to the achievement of the above objective			
Description:	Indicator	Target	Number of Outputs
Award of Grants for the operation of the 30 European Consumer Centres (ECC).	Same as indicator mentioned in Table 1 with regards to grant management	Same as target included in Table 1 with regards to grant management	Invitation sent on the 11/6/2015 Award of 2/3 of the specific grants three months after the submission deadline
Award of the third phase of implementation of the service contract for the provision of services related to the functioning of the ECCs	Same as indicator mentioned in Table 1 with regards to procurement	Same as target included in Table 1 with regards to procurement	Cancelled
Award of Grants for the implementation of Joint Action in the area of Consumer Protection Cooperation	Same as indicator mentioned in Table 1 with regards to grant management	Same as target included in Table 1 with regards to grant management	Cancelled and replaced by an open call for tender for the development of the CPC & GPSD Academy

<p>Launch of the procedure and payment of special indemnities for the exchange of officials performing tasks relevant to CPC</p>	<p>Number of Member States' officials participating in funded exchange of officials under the 2015 annual work programme</p>	<p>30</p>	<p>55 applications received and processed for CPC exchange</p>
<p>Actions to improve cooperation between authorities as well as coordination of monitoring and enforcement, such as common activities, trainings for enforcement officials and for the members of the judiciary (Study and analysis support to CPC enforcement actions)</p>	<p>Same as indicator mentioned in Table 1 with regards to grant and procurement management</p>	<p>Same as target included in Table 1 with regards to procurement and grant management</p>	<p>Cancelled</p>

Better Training for safer Food

General objective(s): Ensure food is safe and wholesome and maintain a high level of animal and welfare and plant protection enhancing the knowledge of competent authority control staff to allow better production, processing and placing on the market of safe food and healthy animals and plants inclusive growth.

Specific objective: Organise adequate training for selected technical topics with high-end tutor performance adequate technical material and supplementary related service for traveling and lodging		<input checked="" type="checkbox"/> Spending programme <input type="checkbox"/> Non-spending	
Result indicator: Evaluation rate from the participants to the Better Training for Safer Food Initiative.			
Baseline 2010: 70%	Milestone 2017: 85%	Target 2020: >85%	
Result indicator: Annual participation			
Baseline 2013: 6.100	Milestone ⁵⁰ 2017: 7000	Target: by 2020: Steady level 7000	
Main outputs in 2015: Contribution of the Agency to the achievement of the above objective			
Description:	Indicator ⁵¹	Quantified target	Number of Outputs
Launch of the calls, selection and award and signature and management of service contracts for the organization of training activities in the following areas: food and feed, animal health and welfare and plant health (Cft for the signature of	Procurement: Execution rate of the number of actions delegated to the Agency included in the annual work programme (financing decision) via the launch of open call for tenders or contract extensions should be 80% September of year N.	Moving from the phase I to the phase II for the contract signed in 2013; Launch of the procurement procedures provided for in the financing decision within one month	10 contracts moved from phase I to the phase II 4 open calls

⁵¹ Output indicator

respective contracts and 10 on-going service contracts to be moved from the phase I to the phase II).		from the finalisation of the tender specifications.	
Launch of the Procurement procedure for the events at the Milan Expo	Organization of the BTSF events in Mila Expo and 10 th BTSF Anniversary	5 events with the more than 250 participants	5 BTSF Conferences with 300 participants, 1 event – 10 th BTSF Anniversary

Concluding remark on the indicators referring to grant and procurement management procedures launched by Chafea: as can be seen from the tables above all calls for proposals were launched in less than two months from the publication of the respective work programme/ nomination of the responsible entity; therefore the indicator shows 100% compliance with the target. As far as procurement is concerned: 100% of the procedures delegated by the parent DG were launched by the Agency within one month from finalisation of the tender specifications; nevertheless, 80% and 50% of open calls or requests for specific services were not launched by June 2015 (set as efficiency indicator). The root cause was the rather late adoption of the respective work programme (May/June 2015- e.g Health programme or BTSF Initiative) by the Commission or, in other cases, a change of the scope of the service required due to emerging/ evolving political priorities.

