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European Commission

DG Communication

Annual Activity Report 2016

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THE DG IN BRIEF

DG COMM MISSION STATEMENT:

Listen Advise Engage

DG COMM, as a corporate communication service, brings Europe closer to its citizens.

This **mission statement** of the Directorate-General for Communication, as developed in a participatory process, was reconfirmed in the Working Methods agreed between the President's Cabinet and the Director-General.[1]

As a **Presidential Service**, the Directorate-General for Communication has steered the process to streamline and define an overarching Commission-wide objective for external communication[2], aligned with the changing political environment and the increasing expectations of the year 2016.

Core services for the three core client groups

The Directorate-General for Communication is a multi-site Directorate-General, staff being split between Brussels and Representations in each of the 28 Member States. In view of the mission statement, as well as the overarching objective shared across the whole "communication domain" of the Commission, the Directorate-General for Communication provides 3 types of services for its three client groups:

- **Listen:** As an ***executive service***, the Directorate-General for Communication ensures that high quality country specific information and analysis are fed into the College's decision making process.
- **Advise:** As a ***corporate service***, the Directorate-General for Communication ensures that all relevant Commission services contribute, in a joined-up approach, to a coherent and effective corporate communication on the Commission's priorities.
- **Engage:** As a ***communication service***, the Directorate-General for Communication ensures that simple, clear and understandable messages focussed on the Commission's priorities are communicated to the media and other multipliers / stakeholders and to European citizens and engages with them.

[1] Ares(2015)1065806 - 10/03/2015.
[2] This shared, overarching communication objectives reads as follows: "Citizens perceive that the EU is working to improve their lives and engage with the EU. They feel that their concerns are taken into consideration in European decision making process and they know about their rights in the EU)."

Whilst 2015 was time for a "*New Start*" and 2016 was "*No Time for Business as Usual*", the **State of the Union Speech** of Commission President Jean-Claude Juncker on 14 September 2016 made clear that now is the time for "*Delivering a Europe that protects, empowers and defends*", outlining 21 key initiatives to implement the 10 Political Priorities in 2017, which were subsequently defined in the **Commission Work Programme 2017**[3] and confirmed in the **Joint Declaration on the EU's legislative Priorities**[4] signed in December 2016.

Throughout 2016, the Directorate-General for Communication played a vital role in delivering corporate communication products and services around the Commission's 10 Political Priorities, addressing stakeholders, multipliers and citizens.

Corporate Communication

The European Commission's core messages are communicated with more clarity, focussing on concrete actions that are important for European citizens and national Parliaments. This need for more targeted communication was re-confirmed in the **Bratislava Declaration** adopted by the Heads of State or Government on 16 September 2016: "*We need to improve the communication with each other – among Member States, with EU institutions, but most importantly with our citizens. We should inject more clarity into our decisions. Use clear and honest language. Focus on citizens' expectations, with strong courage to challenge simplistic solutions of extreme or populist political forces*."

President Juncker in the informal meeting of the 27 Heads of State or Government in Bratislava (16/09/2016)

Furthermore, the ***Commission Work Programmes 2016 and 2017***[5] announce "*that the Commission will focus its communication work*[6] *in 2016 (respectively 2017) on the priorities of the Commission, on the basis of the corporate communication action in 2016 (respectively 2017/2018) under the Multiannual Financial Framework (MFF) 2014-2020 (C(2015)7346 and COM(2015)610 final of 27.10.2015 and COM(2016)710 final of 25.10.2016.*"

In the **Synergies and Efficiencies** context, the Directorate-General for Communication was confirmed as **domain leader** for external communication (jointly with Directorate-General Human Resources for internal communication)[7]. Since summer 2016, the Directorate-General for Communication has been implementing its new role and responsibilities step by step with **new stronger governance structures** for communication across the whole Commission, working with the Directorates-General and Services to maximise the impact of the Institution's communication of the Commission's

[3] COM(2016)710 final – 25/10/2016.
[4] OJ C 484, 24/12/2016, p. 7 – 8.
[5] C(2015)7346 of 27/10/2015 and C(2016)6838 of 25/10/2016.
[6] COM(2015)610 final – 27/10/2015 and COM(2016)710 final – 25/10/2016.
[7] SEC(2016)170 – 04/04/2016.

10 Political Priorities. Thanks to the efficient cooperation between the new Corporate Communication Steering Committee and the merged Communication Network, communication priority actions have been streamlined, enabling the Commission services to better speak with "one voice" and to ensure smooth implementation of major campaigns on corporate themes.

Budget 2016

The general budget (in title 16) of the Directorate-General for Communication falls under the **institutional prerogatives** whilst the – separate – **budget for corporate communication actions** is anchored in the Multiannual Financial Framework proposals of 2011 and the respective annual or bi-annual Commission Decisions[8].

The general budget of the Directorate-General for Communication for 2016 amounted to EUR 137 284 551 (Commitment appropriations authorised[9]).

The commitments made amounted to EUR 133 592 744 (see annex 3 for an overview of key budgetary figures), with a budget implementation rate for commitments in 2016 of 99.98%; calculated on the basis of Directorate-General for Communication internal reporting for 2016 on budgetary outturn[10].

Expenditure detail	Commitment appropriations	Commitment implemented	Payment Appropriations	Payments made
Administrative expenditure - Procurement procedures		41.758.959,57		41.302.163,95
Operational expenditure - Procurement Contracts		79.051.758,61		58.848.505,70
Operational expenditure - Grants		12.782.026,00		12.267.053,57
TOTAL ADMINISTRATIVE	45.102.601,61	41.758.959,57	54.379.672,61	41.302.163,95
TOTAL OPERATIONAL	92.181.949,52	91.833.784,61	68.384.851,49	71.115.559,27
TOTAL (2016)	137.284.551,13	133.592.744,18	122.764.524,10	112.417.723,22

Directorate-General for Communication 2016 Budget overview

The Directorate-General for Communication manages two **types of expenditure**:

- Administrative expenditure (including real estate expenses related to Representations) executed for example by using procurement procedures.
- Operational expenditure, executed by using procurement contracts and grant agreements.

The budget pooled under the corporate communication decision for 2016[11], amounted to EUR 21 250 000 (Commitment appropriations authorised[12]). The commitments made amounted to EUR 21 250 000 (see annex 3 for an overview of key budgetary figures).

[8] SEC(2011) 867 final – 29/06/2011), SEC(2013)486 – 23/09/2013, C(2015)7346 – 27/10/2015 and COM(2016)710 final – 25/10/2016.

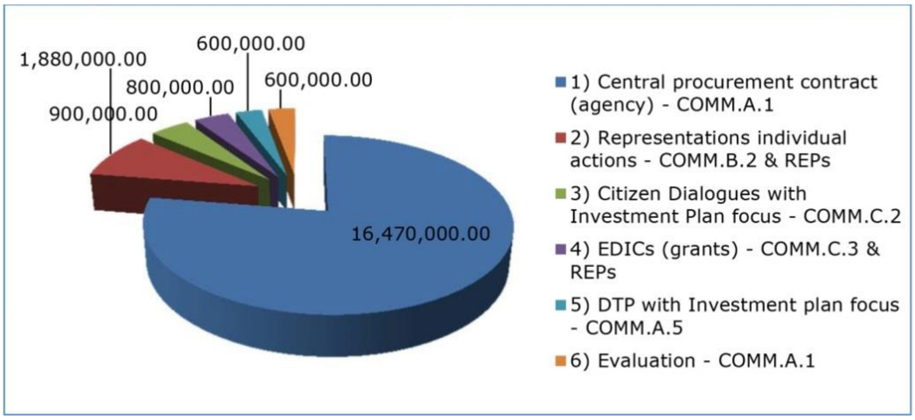
[9] Commitment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, amending budgets as well as miscellaneous commitment appropriations for the period (e.g. internal and external assigned revenue).

[10] Including only the operational budget, the administrative budget, carried over appropriations, assigned revenues and others budgetary titles are excluded. The figures from Annex III are calculated taking other parameters.

[11] C(2015)7346 – 27/10/2015.

[12] Commitment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, amending budgets as well as miscellaneous commitment appropriations for the period (e.g. internal and external assigned revenue).

For this delegated, corporate budget, a budget implementation rate for commitments is 100 % calculated on the basis of the Directorate-General for Communication internal reporting for 2016 on budgetary outturn[13].



Total allocation of 2016 Corporate Communication budget

Organisational changes 2016

On 31 December 2016, Directorate-General for Communication staff amounted to 1 072, of which 623 officials and 449 external staff[14].

To note that the Directorate-General for Communication is a multi-site Directorate-General, staff being split between Brussels and Representations in each of the 28 Member States as follows:

- 414 in Directorate-General for Communication Headquarters/Spokesperson's Service
- 658 in Representations

Taking on its new role as domain leader for external communication in the Synergies and Efficiencies exercise also meant accepting more responsibility, in particular as concerns the need to provide top-quality, professional communication expertise for the Commission. As a result, on 1 October 2016, the **organigramme** of the Directorate-General for Communication **was updated.**

[13] Including only the operational budget, the administrative budget, carried over appropriations, assigned revenues and others budgetary titles are excluded.
[14] Based on Human Resources report STD_Annual Activity Report_Annex (no trainees or intramuros service providers).

EXECUTIVE SUMMARY

This Annual Activity Report 2016 is a management report of the Director-General of the Directorate-General for Communication to the College of Commissioners.

Annual Activity Reports are the main instrument of management accountability within the Commission[15] and constitute the basis on which the College takes political responsibility for the decisions it takes as well as for the coordinating, executive and management functions it exercises, as laid down in the Treaties[16].

a) Key results and progress towards the achievement of general and specific objectives of the DG (executive summary of section 1)

The general objective of all communication activity of the Commission is that "*Citizens perceive that the European Union is working to improve their lives and engage with the European Union. They feel that their concerns are taken into consideration in European decision making process and they know about their rights in the European Union.*" A variety of services provided by the Directorate-General for Communication contributed in 2016 to achieving this general objective, for example:

The **Spokesperson's Service** continued in 2016 the work of supporting the President's and the Commissioners' communication on the 10 Political Priorities of the Commission and on the management of the multiple crises which characterised the year 2016. In this context, the Spokesperson's Service ensured that media were constantly provided with clear, accurate, comprehensive and timely pro-active and reactive communication via all channels.

[15]This Annual Activity Report 2016 of the Directorate-General for Communication complies with the obligation of the Director-General for Communication, Timo Pesonen, as Authorising Officer under Article 66 (9) of the Financial Regulation15, to report to the Institution on the performance of his duties in the form of an Annual Activity Report containing financial and management information, including the results of controls, declaring that he has reasonable assurance that: the information contained in the report presents a true and fair view; the resources assigned to the activities described in the report have been used for their intended purpose and in accordance with the principle of sound financial management; the control procedures put in place give the necessary guarantees concerning the legality and regulatory compliance the underlying transactions.

[16] Article 17(1) of the Treaty on European Union.

“We need to step up efforts to **align political & corporate communication** This is not just an administrative change, but a political imperative. We should all be **telling the story** of this Commission!”

Margaritis Schinas, Deputy Director-General & Chief spokesperson External Communication Network (ECN) (20/01/2016)

In view of the growing importance of **social media** platforms, the Directorate-General for Communication focussed on improving engagement with the public and increasing the quality of content, as well as systematically evaluating existing accounts. In this context, stronger synergies between the Spokesperson’s service and the members of the Social Media team were developed, which is resulting in improved the engagement rate[17] and, ultimately, the online image of the European Commission. Furthermore, synergies between Audiovisual Services and Graphic Design Services, as well as reinforced cooperation at the national level with Representations are contributing to sharpening the Commission's profile on Social Media.

The Commission Representations increased their added-value by re-focussing their services in 2016 to better serve the College and its political agenda:

- Concentrating on the 10 Political Priorities of the Commission and playing an enhanced role when ensuring preparation, support and follow up of Commissioners' visits to Member States ("the eyes, ears and voice of a more political Commission") as confirmed by the respective satisfaction surveys, notably when ensuring preparation, support and follow up of Commissioners' visits to Member States;

- Providing political intelligence and reporting (analysis, delivery and quality improvement) as well as feeding country-specific perspectives into the Commission's decision making process.

Informing citizens and communicating directly with them take place via the ***Europe Direct Contact Centre (EDCC),*** the ***Europe Direct Networks*** or via the European ***Commission's Visitors Centre***, which in 2016 further developed a politically driven approach aiming at increasing visitors’ knowledge of the Commission and its 10 Political Priorities. They often made use of ***information material and publications*** produced by the Directorate-General for Communication. In line with the Commission Work Programme 2016, publications were revamped and newly conceptualised, making them shorter, clearer and increasing their relevance to European citizens (examples ranging from the General Report 2016 to the two new series "*The EU and …*" and "*Spotlight on*").

[17] The engagement presents a cross-platform growth. There are more and more Social Media users talking and sharing EU related information, as well as more Digital Newspapers using our accounts as a source of their information. The central accounts on Facebook and Twitter reach over 11 million people per month.

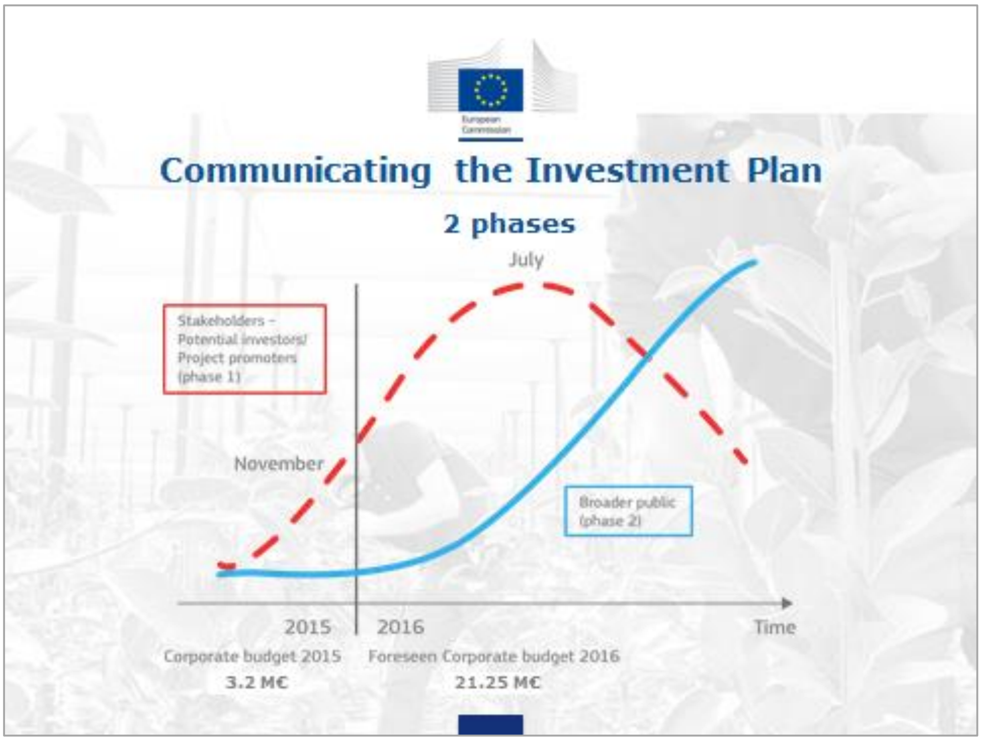
With a view of going beyond one-way communication flows and enabling direct exchanges between citizens and Members of the College, the Commission committed in its 2016 Work Programme[18] *"… to expand our* **Citizens' Dialogues** *which allow the Members of the Commission to listen directly to citizens in their own regions and reply on the issues that matter most to them*". The Directorate-General for Communication was given a clear mandate to further develop this communication tool notably by increasing the multiplying effect via TV coverage from a target of 25 to this latest result of 39 on 31 December 2016. These Dialogues are organised for Members of the College, involving also Members of the European Parliament, Committee of the Regions, Economic and Social Committee and national governments. They give as "townhall-meetings", on the one hand, citizens the opportunity to discuss the initiatives being delivered under the 10 Political Priorities of the Commission and on the other hand, they give Members of the Commission the opportunity to directly gather citizens' views.

Citizens' Dialogue with Commissioner Corina Creţu in Valencia 2016

Corporate Communication, having been introduced steps by steps since 2011, aims at achieving coherent, consistent and cost efficient communication across the Commission, being "big on big things". This implies ensuring that all available resources from across the Directorate-General for Communication and from the Communication Units of the various Directorates-General are optimally aligned to support the 10 Political Priorities of the Commission. Following the President's State of the Union Speech in September 2016, complemented by the Bratislava Declaration of the European Council, a ***three strand narrative*** has been established for the years 2017/2018: ***"EU delivers, EU empowers and EU protects"***.

The **Corporate Communication Decision** of October 2016[19] allows for a further pooling of communication resources from line Directorates-General **in 2017 and 2018**, as outlined in the Commission Work Programme[20], following on the EUR 3.2 million non-delegated under the 2015 budget[21].

[18] COM(2015)610 – 27/10/2015, page 13.
[19] C(2016)710 final – 25/10/2016.
[20] COM(2015)610 – 27/10/2015, page 14.
[21] SEC(2011) 867 final – 29/06/2011), SEC(2013)486 – 23/09/2013 and C(2015)7346 – 27/10/2015.



Communicating the Investment Plan – a 2-phase approach

Further to the Communication on ***"Synergies and Efficiencies in the Commission - New Ways of Working"***[22], a **new governance structure** for external and internal communication has been put in place. It includes a Director-General level ***Corporate Communication Steering Committee (CCSC)*** and a Head of Unit level ***Communication Network (CN)***, the latter being a merge of the former External Communication Network and Internal Communication Network. Both governance bodies are co-chaired by the Directorate-General for Communication (for external communication) and Directorate-General Human Resources (for internal communication). Via the Corporate Communication Steering Committee and the Communication Network the following initiatives, as per Synergies and Efficiencies Decision, were launched / consolidated in the second semester 2016:

Under the Directorate-generals specific objective 2 (advise):

- **Alignment of corporate communication**, which implies also more upstream planning and stronger support to political announcements, as well as more downstream coordination of major campaigns on corporate themes (breaking down silos);
- **Gradual central provision for new communication framework contracts** via the Directorate-General for Communication,

Second workshop on Professionalisation of external Communication - September 2016

[22] SEC(2016)170.

accessible to all European Commission services, agencies and institutions. The Directorate-General for Communication provides advice and expertise to the users of these framework contracts and will gradually phase in any new related contracts.

Under the Directorate-generals specific objective 3 (engage):

- **Implementation of the Digital Transformation Project** aiming at creating a single web presence of the European Commission – the "new Europa" – that is relevant for the user, coherent and cost-effective, as well as "mobile first, linked up with social media and built in the new Corporate Web Content Management System."

The main outputs of the year 2016 as discussed above, as well as the other outputs discussed in the performance tables (see annex 12) contribute to achieving the horizontal services' general objective.

These outputs also contribute to achieving the overarching objective for external communication as well as specific objectives of the Directorate-General for Communication as defined in its Strategic Plan 2016-2020, and the inputs and actions managed to achieve the defined outputs (Management Plan 2016).

VP Katainen gave a press conference on the three evaluations of the Investment Plan for Europe November 2016

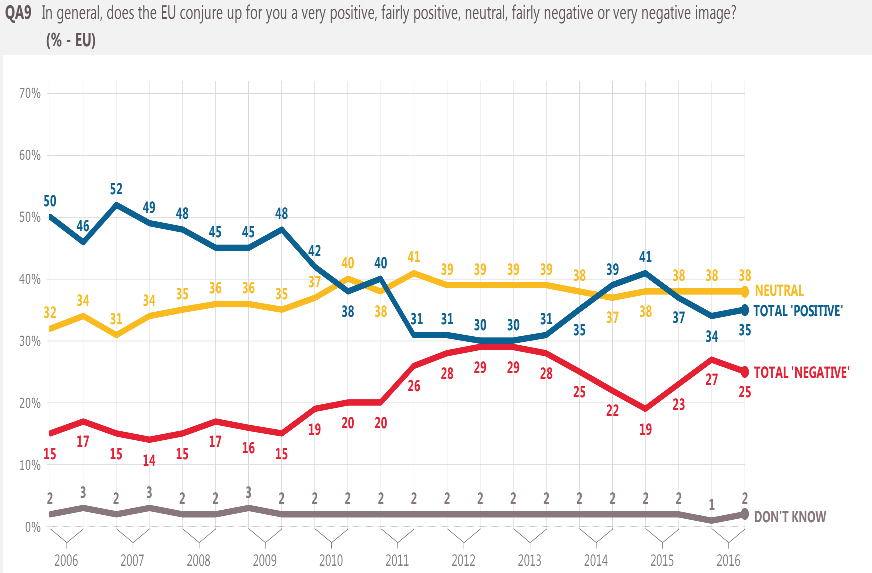
b) Key Performance Indicators (KPIs)

For 2016, the Directorate-General for Communication has identified the following three key performance indicators (KPI) in its Strategic and Management Plans, two of them concerning core communication activities **("what we deliver?")** and one stemming from a horizontal activity **(how we deliver?"):**

1. Percentage of EU citizens having a positive image of the European Union (impact indicator of the overarching objective).

Definition: Eurobarometer measures the state of public opinion in the EU Member States. Eurobarometer data is influenced by many factors and externalities, including the work of other European Union institutions and national governments, as well as political and economic factors; it does not only reflect the communication actions of the Commission. However, it is relevant as a proxy for the overall perception EU citizens have of the European Union.

Percentage of EU citizens having a positive image of the European Union:
Source of data: Standard Eurobarometer carried out in each Member State at twice a year (every May and every November)

Result/Impact indicator (description)	Target (or milestones)	Latest known results as per Annual Activity Report
Ultimate impact	To contribute to improving and maintaining a positive image of the EU in the media and among citizens: Milestone in 2017: 32% Target in 2020 ≥ 50%	35 % of EU citizens have a positive image of the European Union in November 2016 **Status as of** November 2016 Total "Positive": 35 % Neutral: 38 % Total "Negative": 25%
KPI 1 Percentage of EU citizens having a positive image of the European Union		

2. Number of unique visitors to the EUROPA websites (interinstitutional and Commission domains including the Representations' and RAPID websites)

Definition: "Unique visitors" refers to the number of distinct individuals requesting pages from a website during a given period. As it is recorded by the device requesting the pages, one person visiting the site from his/her mobile phone and computer will be counted as two unique visitors

Number of unique visitors to the EUROPA websites:
Source of data: SAS Analytics (corporate data collection tool, COMM.A.5)

Baseline 31.12.2014	Milestone 2017	Target 2020	Latest known results as per Annual Activity Report (31/12/2016)
258 298 695	300 000 000+	350 000 000+	220 420 315[23]

3. Budget execution by commitments (output indicator defined in Management Plan)

For each year, Directorate-General for Communication sets itself the target of "close to 100% in the execution of commitments".

Budget execution by commitments:
Source of data: 2016 operational budget overall implementation (COMM.D.1)

Baseline 2015	Milestone 2017	Target 2020	Latest known results as per Annual Activity Report
99.83%	Close to 100%	Close to 100%	99.98%

[23] This figure is lower than the baseline due to the deletion of content following migration and transformation of sites in 2016. This quantitative indicator has been changed in the Management Plan 2017. In addition, the coherent, corporate web presence will be measured by the qualitative performance of the Commission websites.

c) Key conclusions on Financial management and Internal control (executive summary of section 2.1)

In accordance with the governance statement of the European Commission, the Directorate-General for Communication and its staff conduct the 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 European 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 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. The Directorate-General for Communication has assessed the internal control systems during the reporting year and has concluded that the internal control standards are implemented and function as intended. Please refer to AAR section 2.1.3 for further details.

In addition, the Directorate-General for Communication 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 2.1 for further details.

In conclusion, management of the Directorate-General for Communication has reasonable assurance that, overall, suitable controls are in place and are working as intended; risks are being appropriately monitored and mitigated; and necessary improvements and reinforcements are being implemented.

The Director-General, in his capacity as Authorising Officer by Delegation has signed the Declaration of Assurance.

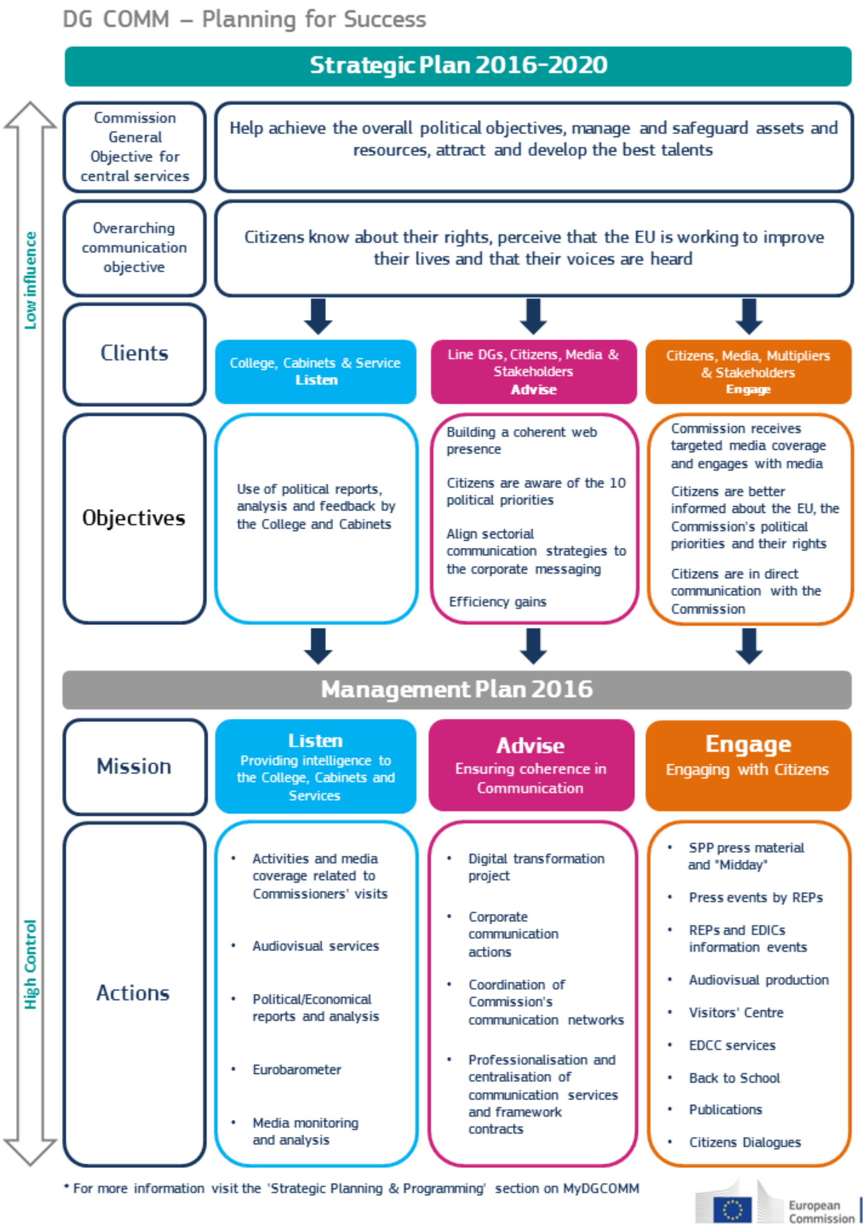
d) Information to the President

In the context of the regular meetings during the year between the Director-General and the Cabinet of the President Juncker on management matters, also the main elements of this report and assurance declaration have been brought to the attention of the Cabinet of the President Juncker on 9 March 2017.

KEY RESULTS AND PROGRESS TOWARDS THE ACHIEVEMENT OF GENERAL AND SPECIFIC OBJECTIVES OF THE DIRECTORATE-GENERAL FOR COMMUNICATION

1. KEY RESULTS AND PROGRESS TOWARDS THE ACHIEVEMENT OF GENERAL AND SPECIFIC OBJECTIVES OF THE DG

The objective of the information provided below is to give an overview of ***"What Directorate-General for Communication has delivered in 2016"*** and to illustrate how outputs, actions and objectives contributed to the achievement of the general objective for the European Commission's central services[24] and, by the nature of its core business of external communication, contribute to professionally communicating on the achievement of the 10 Political Priorities of the Commission.



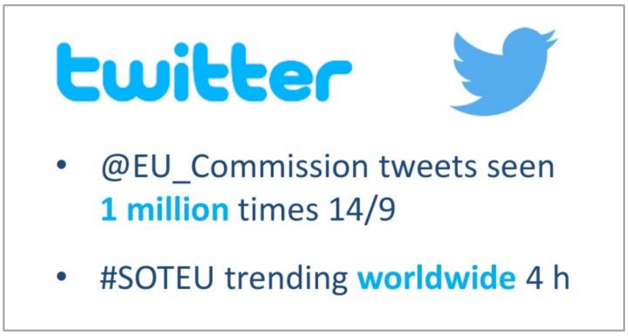
[24] "To help achieve the overall political objectives, the Commission will effectively and efficiently manage and safeguard assets and resources, and attract and develop the best talents."

Throughout 2016, substantial progress has been made on the core business of communicating on the European Commission's 10 Political Priorities (notably as regards communicating on the European Investment Fund and the European Solidarity Corps, see below), and on defining and implementing the new role of the Directorate-General for Communication as domain leader for external communication[25].

Directorate-General for Communication as communication service

The **Spokesperson's Service**, in 2016, again stood strong in communicating 24/7 to the media, both in the press room and beyond, according to its mission: to support the President's and College's communication on the 10 Political Priorities and the management of the multiple crises of 2016. With close to 250 daily Midday briefings, 180 visits in the press room of the President, Vice-Presidents and Commissioners, over 120 press conferences, around 100 technical briefings and more than 45 press events in the VIP corner, the Spokesperson's Service looks back to yet another successful year. The indicator measuring the relevance of the European Commission press material developed again positively: 100% of the top 100 press releases of the European Commission attain more than 10 000 online page views, which is above the target fixed for this year and a considerable improvement compared to the previous year.

Social media becoming ever more popular, the Directorate-General for Communication facilitates social media conversations, with the rate of engagement increasing notably on topics such as the 10 Political Priorities of the Juncker Commission, the Bratislava Roadmap or the future of the EU. The engagement rate presents a cross-platform growth, there are more and more social media users talking and sharing EU related information, as well as more Digital Newspapers using Commission accounts as a source of their information. The central accounts on Facebook and Twitter reach over 11 million people per month. A prime example for such a lead on social media is the social media activity around the President's State of the Union Speech: on 14 September 2016, the day of State of the Union Speech of the President to the European Parliament, there were more than 105 000 mentions on social media of which most (around 70%) occurred in Twitter. Tweets sent by the European Commission Twitter account were viewed almost 1 000 000 times. The hashtag *#SOTEU* was again among the worldwide top trends on Twitter from 9.00 until 16.00 and the worldwide top trending hashtag from 9.30 until 13.00. Another example of successful social media activity is the synergies of social media activities in flanking the corporate campaign and in drawing stakeholders' attention to the Investment Plan. Such social media activity was flanked by the localised messaging provided through the "digital leaders" managing the social media activities of the European Commission Representations in the Member States.



As announced in the Commission Work Programme 2016, the Directorate-General for Communication **increased the number of Citizens' Dialogues** (73 in 2016 compared to 53 in the year 2015) with a view to improve citizens' knowledge about the EU and its

[25] SEC(2016)170 – 04/04/2016.

policies, whilst at the same time contributing to restoring citizens' trust in the EU Institutions and EU policy-making. The results of this indicator "Leverage of Citizens' Dialogues outreach through media coverage" was 83 000 000 in 2016, a considerable increase compared to 10 000 000 in 2015. In 2016, further efforts were made to ensure the coverage of Citizens' Dialogues by media and in particular by TV programmes. This has had a strong leverage effect as regards the outreach to Europeans and the feeling that the citizens' voice is heard by EU policy-makers.

Digital Transformation progress piloted by the Directorate-General for Communication is well on its way, 2016 seeing two important milestones regarding the **Commission web presence, i.e. the new EUROPA**: after a test period of the new, thematic concept with external users, the Commission’s new information site went live successfully at the end of June 2016, following the February 2016 launch of the new political site. In the second half of 2016 the gradual replacement of the current websites by the new web presence continued, with the aim of finishing the building phase by the end of 2017.

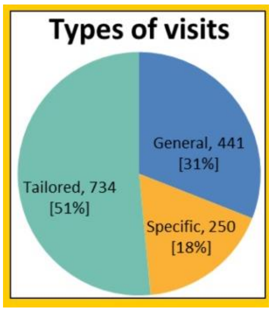
This new web presence is focused on providing information and services in a thematic and user-centred way. The project also pioneers the new working methods of the European Commission, working across silos, by pooling at corporate level communication resources from various Directorates-General and by steering collaboration among them on content creation.

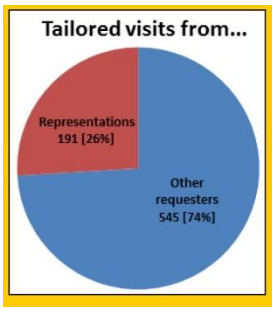
Informing and communicating with citizens has taken place, throughout 2016, in the form of direct contacts, as for example **Europe Direct Networks** or via the **Commission's Visitors Centre**, which in 2016 has further developed a politically driven approach aiming at increasing visitors' knowledge of the Commission and its 10 Political Priorities. The services of the Visitors' Centre were further enhanced through a strategic partnership with the Commission Representations and Regional Offices in the Member States although the number of General Information.

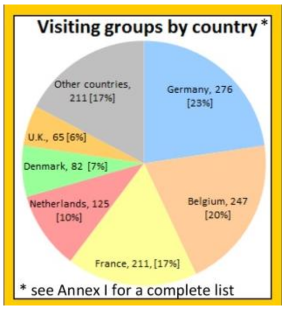
Statistics 2016

Visiting groups: **1.424**

Visitors: **41.343**







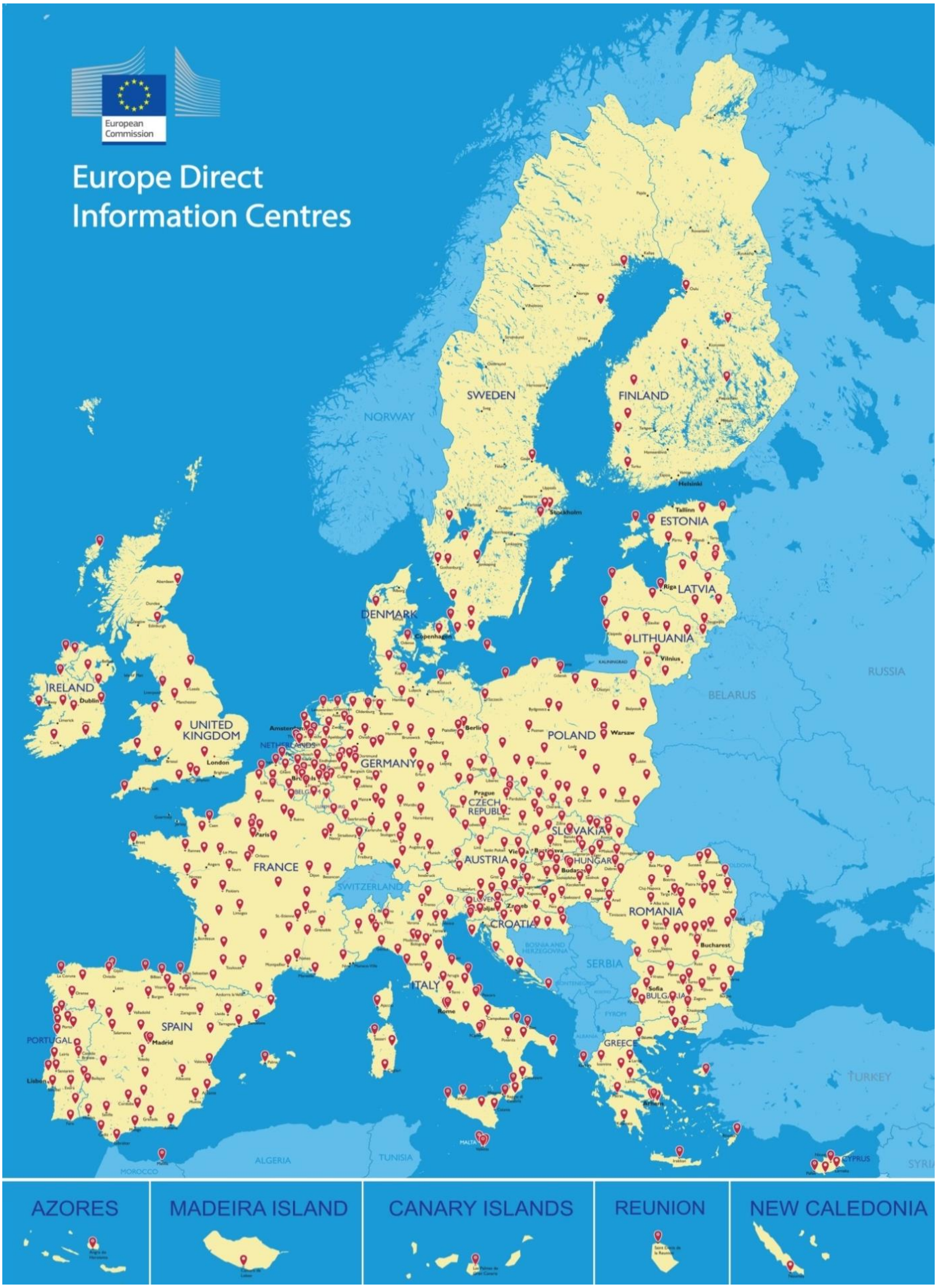
Visitor's Centre of the European Commission- Statistics 2016

In line with the Commission Work Programme 2016, the Directorate-General for Communication revamped its **publications**: The General Report 2015 was published in spring 2016 in a new and much shorter form with the title "The EU in 2015" and was accompanied by a "Highlights 2015" brochure which was distributed to the general public[26]. Other publications were revamped and the first examples of the two new series "*The EU and …*" and "*Spotlight on …*" now provide short, clear and more relevant information to citizens throughout Europe, with the aim of increasing the awareness of the European Union and its priorities.

In 2016, an 'Editorial Panel' consisting of all relevant services of the Directorate-General and the participation of the Publications Office was established with the aim of improving the publications' relevance and quality.

[26] The General Report 2016 and Highlights 2016 are foreseen to be published on 15 March 2017.

In 2016, the Directorate-General for Communication further developed its tools for direct contact with citizens, like the **Europe Direct Contact Centre** or events organised by one of the 513 **Europe Direct Information Centres**, for the latter 90% of participants agreed that, after attending the event, they feel better informed on the European Union. The **Europe Direct Information Centres network is a positive concept.** As confirmed by the final evaluation report, the network brings a number of benefits: it is aligned with institutional goals; has consensus among European Commission staff in contact with Europe Direct Information Centres that Europe Direct Information Centres are important; provides local channels for European Union information / feedback / local support to the European Commission and other institutions; brings the institutions closer to citizens; can generate goodwill about the European Union; is staffed at all levels (Europe Direct Information Centres, Commission Representations and Headquarters) by often passionate and enthusiastic public; has very satisfied users.



Europe Direct Information Centres in 2016

Directorate-General for Communication as corporate service

Following the Commission Decision on **Synergies and Efficiencies** recognizing the Directorate-General for Communication as a domain leader for external communication, new **governance structures for a streamlined corporate communication** have been established with the Corporate Communication Steering Committee and the Communication Network (merging external and internal communication networks)[27]. The Corporate Communication Steering Committee composed of Directors-General and co-chaired by the domain leaders, namely the Directorates-General for Communication and for Human Resources, in its second meeting, adopted the **communication priorities for the years to come**, following the President's annual State of the Union speech, the Bratislava Declaration and the Commission Work Programme 2016 and taking into account citizen's concerns and insights from Eurobarometer surveys and Media Analysis.

The aforementioned priorities are also reflected in the Corporate Communication Decision 2017/18, adopted on 25 October by the College[28] thus defining a budgetary and policy framework until the end of the mandate. This Decision outlines priority themes and budgetary framework for corporate actions in the coming years, pooling EUR 44 million from different programmes in 2017 and 2018. For the implementation of the corporate communication activities, the Directorate-General for Communication **introduced a joined up approach** which set up working methods with other Directorates-General, permanent and ad-hoc project teams pushing forward corporate communication on the Political Priorities beginning with the **European Investment Fund**, with the Directorate-General for Communication in the lead, as co-chair or in an advisory function.

A particularly telling illustration of the joined up approach is the result of the communication on the **European Solidarity Corps:** more than 10 000 young people signed up for the European Solidarity Corps in its first week in December 2016, exceeding all expectations. The Directorate-General for Communication is now leading this taskforce to ensure that the growing number of young people registering to the Corps remains engaged and committed in the period until their first deployments.

Launch of the European Solidarity Corps, December 2016

[27] In 2016, the Corporate Communication Steering Committee met twice adopting its mandate and setting up general guidelines for Europa, and corporate narrative in 2017 and the Communication Network met four times.
[28] C(2016)6838 final.

Investment Plan for Europe - General public campaign

In 2016, certainly one of the key communication challenges of the Directorate-General for Communication focussed on raising awareness about the **European Investment Fund**. The combination of supporting activities of the Commission Representations and Europe Direct Information Centres in Member States, audio-visual products, 10.5 million print advertisements in European media and 113 million online advertisements Europe-wide resulted in an important increase (quadruplication) in the number of projects encoded into European Investment Project Portal (EIPP).

In 2016, this **alignment of corporate communication** implied also more upstream planning and support to political announcements, as well as more downstream coordination of major campaigns on other corporate themes (breaking down silos).

In the context of the Synergies and Efficiencies Decision, the Directorate-General for Communication also reinforced the central provision for new **communication framework contracts**, accessible to all Commission services, agencies and Institutions, providing advice and expertise and aiming at reducing[29]. An example illustrating the service approach of the Directorate-General for Communication in managing such framework contracts is in the fields of media monitoring, licences for copyrights and subscriptions to newsletters and news aggregator, which now enable all Commission staff to access the newsroom in MyIntracomm and the platform MyNews with selected and most relevant EU news. In order to reinforce performance management in the field of communication, a new framework contract on evaluation of communication actions was signed towards the end of 2016.

Directorate-General for Communication as executive service

Capacity building in the European **Commission Representations in the Member States** focussed in 2016 on enhancing their representative function and communication visibility. Outreach and media relationships were concentrated on the Juncker Commission's 10 Political Priorities, especially the Investment Plan, and improving the quality of the reporting output.

Political reporting output, currently evaluated as "good" at 70%, has been retargeted to meet the specific requests as per the 2016 user survey of Senior Management. The increase in the number of horizontal reports covering such issues the European Councils, extraordinary summit on migration, Comprehensive Economic and Trade Agreement (CETA), or relations with Russia and China, has been well received. Rigorous and systematic qualitative and quantitative performance assessment is contributing to ensure that Representations' communication activities meet the objectives in terms of participation and influence.

[29] In line with the Corporate Communication Steering Committee decision on 12 July 2016.

Vice-President Dombrovskis visit in Athens

In terms of its role as an executive service, Directorate-General for Communication, and in particular the Representations in the Member States, increased the impact of **the Members of the Commission missions in the Member States** and established the 2016 services as a baseline for future systematic satisfaction surveys, aiming at increasing synergies with the objectives set for Citizens' Dialogues.

Highly responsive and multi-faceted **media monitoring and analysis** executive and corporate services were provided continuously, on a daily basis, with specific press reviews and selections of news agency wires covering the latest news developments: in 2016, the threshold of 76% of the satisfaction rate concerning media monitoring products was reached.

Similarly, **Eurobarometer** results were systematically fed upstream into the internal decision making process.

The main outputs of the year 2016 as discussed above, as well as the other outputs' discussed in the performance tables (see annex 12) contribute to achieving the horizontal services' general objective and the overarching objective for external communication as well as Directorate-General for Communication's specific objectives defined in Strategic Plan 2016-2020, and the inputs and actions managed to achieve the defined outputs (Management Plan 2016).

ORGANISATIONAL MANAGEMENT AND INTERNAL CONTROL

2. ORGANISATIONAL MANAGEMENT AND INTERNAL CONTROL

This section answers to the question ***how*** the achievements described in the previous section were delivered by the Directorate-General. This section is divided in two subsections.

The first subsection reports the control results and all other relevant information that support management's assurance on the achievement of the financial management and internal control objectives. It includes any additional information necessary to establish that the available evidence is reliable, complete and comprehensive; appropriately covering all activities, programmes and management modes relevant for the Directorate-General.

The second subsection deals with the other components of organisational management: human resources, better regulation principles, information management and external communication.

2.1 Financial management and internal control

Elements of Assurance

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 monitor the functioning of the internal control systems on a continuous basis, and by internal and external auditors. Its results are explicitly documented and reported to the Director-General. The reports produced are:

- Authorising Officer by Sub-delegation (AOSD) reports in the context of the Annual Activity Report exercise: each of 113 Authorising Officer by Sub-delegation within Directorate-General for Communication signed the Authorising Officer by Sub-delegation Statement on the implementation of programmes, operations or actions in respect of the powers which have been sub-delegated to her/him[30];
- Reports from Directors-General of other Directorates-General who manage as Authorising Officers the budget appropriations of the Directorate-General for Communication via cross-subdelegation[31]. The complete list of these reports is included under Annex 15;
- Contribution of the Internal Control Coordinator including the results of the internal control monitoring at Directorate-General level[32];
- Reports of ex-post supervision;
- Recommendations reported by the Internal Audit Service and the European Court of Auditors.

[30] Ares(2017)1544753 – 22/03/2017.

[31] Ares(2017)889867 – 17/02/2017.

[32] The internal survey on Directorate-General for Communication effectiveness of internal control systems (iCAT) was launched among Directorate-General for Communication managers in December 2016 the third consecutive year. The participation rate was of 50% and the overall satisfaction assessed by the participants was of 81.26%.The results were analysed serving as a tool to assess control effectiveness at Directorate-General for Communication. The exercise will be performed on an annual basis. Senior Management was briefed on the iCAT – Survey on 22.02.2016, see also Ares(2016)1022207.

These reports result from a systematic analysis of the evidence available. This approach provides sufficient guarantees as to the completeness and reliability of the information reported and results in a complete coverage of the budget implementation delegated to the Director-General of the Directorate-General for Communication.

This part of the 2016 Annual Activity Report presents the control results and other relevant elements that support management's assurance. It is structured into 2.1.1 Control results, 2.1.2 Audit observations and recommendations, 2.1.3 Effectiveness of the internal control system, and resulting in (d) Conclusions as regards assurance.

2.1.1 Control results

This section reports and assesses the elements identified by management that support the assurance on the achievement of the internal control objectives[33]. The assurance building and materiality criteria of the Directorate-General for Communication are outlined in the Annual Activity Report Annex 4. Annex 5 outlines the main risks together with the control processes aimed to mitigate them and the indicators used to measure the performance of the control systems.

Coverage of the Internal Control Objectives and their related main indicators

- ***Control effectiveness as regards legality and regularity***

The Directorate-General for Communication has set up internal control processes aimed at ensuring the adequate management of the risks relating to the legality and regularity of the underlying transactions, taking into account the nature of the payments concerned and the fact that it is a multi-site Directorate-General spread across 37 locations.

The control objective of the Directorate-General for Communication is to ensure that the residual error rate is as low as possible and does not exceed 2% of annual budget implementation, the amounts are calculated in terms of payments made.

The control system of the Directorate-General for Communication is designed to detect and correct irregularities and fraud by ex-ante and ex-post controls covering all types of financial operations, procurement and grant procedures and Internal Control Standards prioritised for 2016.

The results in terms of residual error rate in the Directorate's-General for Communication are displayed in annex 10 table 4 and provide the conclusion that the **overall impact of errors and weaknesses found for 2016 by the internal control system is 0.4% of payments made**. At the same time residual error rates are below 2% for all budget lines and for all types of expenditures.

[33] 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 programmes as well as the nature of the payments (FR Art 32).

	Procurements	Grants
Ex-ante procedural and legal matters Covering in-depth review[34] and ex-ante control[35] as well as a helpdesk function[36]for the Authorising Officer by Sub-Delegation	• A total of 42 procurement files were presented for in-depth review in 2016 representing a total amount of EUR 221 103 338[37]. Four of these files (representing EUR 697 000) were still under in-depth review at the end of the year. • Ex-ante control was performed for 26 files for a total amount of EUR 88 109 338. • One file was in the ex-ante control process at the end of 2016 for a total of EUR 400 000. **As the control covers all procurements above EUR 135 000**[38], the residual level of errors at the procurement/contract level for large contracts is considered zero.	• A total of 5 calls for proposal were reviewed in depth in 2016 representing a total amount of EUR 2 080 000. • Ex-ante control was performed on 27 calls for proposal for a total amount of EUR 1 923 433. **As the control covers all call for proposal files**, the residual level of errors is considered zero.

[34] ***In-depth review*:** Consists of a mandatory check for consistency and coherence with financial rules prior to the publication of all calls for proposals above the EUR 60 000 threshold and all procurement files over EUR 135 000 including reopening of competition under framework contracts. Advice is also provided to the Authorising Officer by Sub-Delegation on an ad hoc basis during the initial preparatory phase on the way in which to ensure this consistency and coherence.

[35] ***Ex-ante control***: Consists of mandatory checks for consistency and coherence with the Financial Regulations, the rules of application and the procedures defined in the vademecum throughout the entire call for proposal or procurement process. If any discrepancies are detected, advice is given to the Authorising Officer by Sub-Delegation on corrective action. Following the ex-ante control an opinion is addressed to the Authorising Officer by Sub-Delegation and is taken into account by the Authorising Officers by Sub-Delegation when signing the award decision.

[36] A ***helpdesk function*** is also provided to Authorising Officers by Sub-Delegation to respond to queries about calls for proposal, procurement procedures and on-going contract management as well as ad hoc assistance with procedures regardless of the value of the contract.

[37] The value of each procedure checked covers the entire duration foreseen for the resulting contract (generally 4 years) and in many cases is used by other services within the Commission or Inter-institutionally. As a result the total value of checked procedures is not linked to the annual budget of the Directorate-General for Communication.

[38] Representing 100% controls for procedures **above EUR 135 000**. According to the Directorate-General for Communication internal financial rules, the control for transaction below the Directive threshold is performed ex-post by sampling (see Annex 5).

<table>
<tr><td rowspan="2">Ex-ante second level verification on financial transactions[39]</td><td colspan="2">From January to December 2016, 27 430 transactions initiated in the Commission Representations were validated by the Directorate-General for Communication via the MUS DICE control system[40], of which 956 were selected for second-level ex-ante financial control. This control covered 3.5% of the total number of transactions implemented by all Commission Representations and represents 15% of the value of the transactions.</td></tr>
<tr><td>Four non-quantitative substantial errors linked to non-correct procedures applied were detected in four cases[41]

Two quantitative errors were detected in payments (amounted to EUR 2 828.25[42]).

(See Annex 10, table 1 for value of error).

All 6 transactions were corrected.

Mitigation measures were set out in one exception report.[43]</td><td>There were no errors detected in payments (amounts), nor were there any procedural errors detected for grants.</td></tr>
<tr><td rowspan="2">Ex-post on-the-spot review of financial transactions</td><td colspan="2">In 2016, 12 on-the-spot controls were carried out[44]:
• in 9 Commission Representations[45]
• in 3 Units in Headquarters[46]</td></tr>
<tr><td>397 procurement files were checked for a total value of EUR 31 821 111. Six final[47] reports and three[48] draft reports for the Commission Representations were established. For the Units, three final[49] reports were established.</td><td>36 grant files were checked for a total value of EUR 1 007 185. Six final reports and three draft reports for the Commission Representations were established.

For the Units in Headquarters, three final reports were established.</td></tr>
</table>

[39] Performed by Headquarters on Representations' transactions.

[40] MUS-DICE control system: Monetary Unit Sampling-Decentralised Integrated Control Environment, a corporate tool directly linked to ABAC.

[41] Representation in Berlin, Representation in Dublin and Representation in Madrid (non-correct procedures applied).

[42] Representation in Rome (Milano) and Representation in Tallinn.

[43] Ares(2016)4030343, Representation in Ljubljana.

[44] Controls in Commission Representations and Directorate-General for Communication Units in Headquarters follow a multi-annual approach. All Representations and Units are controlled within the period of 3-4 years.

[45] Austria, Ireland, Sweden, Germany, Estonia, Denmark, Finland, Latvia and France.

[46] Headquarters Units COMM.A.3, COMM.A.5 and COMM.D.2.

[47] Austria, Ireland, Sweden, Germany, Estonia and Denmark.

[48] Finland, Latvia and France.

[49] Headquarters' Units COMM.A.3, COMM.A.5 and COMM.D.2.

	There were no quantifiable errors detected; but one procedural error was reported (for which action plans are being established for follow up).	**There were no payment (amount) errors or procedural errors detected.** The final results from controls performed on 26 Europe Direct Information Centres grant files and 4 Management partnerships 2012 and 2013[50] managed by Commission Representations gave the following results: **No payment (amount) error was detected.**
Ex-post on-the-spot on grants beneficiaries	No control was performed	No control was performed

General conclusion on the ABB-materiality of the amount at risk

Materiality of the amount at risk is obtained by dividing the total of the amounts at risks[51] by the total value of payments made for a given AAB activity and the administrative budget. The Commission threshold for materiality is set at below 2%.

For the Directorate-General for Communication, the materiality of the amount at risk on both ABB activities and the administrative budget combined is 0.7% which is considerably lower than the 2% threshold and, therefore, no reserve is needed (see annex 10 Financial control results, table 5).

This leads to the conclusion that the Directorate-General for Communication has set up internal control processes which guarantee an adequate management of the risks and a reasonable assurance relating to the legality and regularity of transactions, as well as the nature of the payments concerned. This system operates effectively, finding, correcting and preventing errors.

Furthermore, the resources assigned have been used for their intended purpose and in accordance with the principles of sound financial management.

In the context of the protection of the EU budget, at the Commission's corporate level, the Directorates'-General estimated overall amounts at risk and their estimated future corrections are consolidated.

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[50] ECR Stockholm, Berlin and Paris: Management Partnerships 2012 and 2013.

[51] The Directorate-General for Communication assessed the overall risk relating to the legality and regularity of the underlying transactions by calculating the weighted average error rate for the annual expenditure and the resulting amount at risk. Where a specific error rate is not available for certain expenditure categories (i.e. no errors were detected during controls carried out in 2016) the average risk of error and amount at risk is presented as a best estimate with reference to a relevant budget line (see Annex 10, table 3).

For the Directorate-General for Communication, the estimated overall amount at risk *at relevant expenditure*[52] for the 2016 payments made is EUR 746 350. This is the Authorising Officer's by Delegation best, conservative estimation of the amount of *relevant expenditure*[53] not in conformity with the applicable contractual and regulatory provisions at the time the payment is made.

This 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. The conservatively estimated future corrections[54] for those 2016 payments made are EUR 662 371. This is the amount of errors that the Directorate-General conservatively estimates to identify and correct from controls that it will implement in successive years.

The difference between those two amounts leads to the estimated overall amount at risk *at closure*[55] of EUR 83 979.

[52] In order to calculate the weighted average error rate (AER) for the total relevant expenditure in the reporting year, the detected, estimated or other equivalent error rates have been used.
[53] "Relevant expenditure" during the year = payments made, minus new pre-financing paid out, plus previous pre-financing cleared.
[54] Even though based on the 7 years historic average of recoveries and financial corrections (ARC), which is the best available indication of the corrective capacity of the ex-post control systems implemented by the Directorate-General over the past years, the Authorising Officer by Delegation has adjusted this historic average to the rate of 0.64%. Any coding errors, ex-ante elements, one-off events, (partially) cancelled or waived ROs, other factors from the past years that would no longer be relevant for current programmes (e.g. higher ex-post corrections of previously higher errors in earlier generations of grant programmes) [have been adjusted] in order to come to the best but conservative estimate of the expected corrective capacity average to be applied to the reporting year's relevant expenditure for the current programmes in order to get the related estimated future corrections.
[55] For some programmes with no set closure point (e.g. EAGF) and for some multiannual programmes for which corrections are still possible afterwards (e.g. EAFRD and ESIF), all corrections that remain possible are considered for this estimate.

Table 6 - Estimated overall amount at risk at closure

DG COMM	Payments made	Minus new prefinancing	Plus cleared prefinancing	Relevant expenditure	Average Error Rate (weighted AER; %)	Estimated overall amount at risk at relevant expenditure (€)	Average Recoveries and Corrections (adjusted ARC; %)	Estimated future corrections (€)	Estimated overall amount at risk at closure (€)
1	2	3	4	5 = 2-3+4	6	7 = 5*6	8	9 = 5*8	10 = 7-9
Total	112,417,723	13,073,179	9,887,195	109,231,740	0.7%	746,350	0.6%	662,371	83,979

Cost-effectiveness and efficiency

Based on an assessment of the most relevant key indicators and control results, the Directorate-General for Communication has assessed for 2016 the cost-effectiveness and the efficiency of the control system and reached a positive conclusion.

For the third year in a row, an analysis has been made of the costs and benefits of controls and related benefits for 2016. The **estimate of the costs of the main control processes** is based on the corporate guidelines defined during 2014[56]. These costs - which refer not only to verifications and checks for which benefits in terms of corrected errors can be quantified or other non-quantifiable benefits can be established, but also include management processes for programme implementation - are displayed in further detail in annex 14.

Taking into account only the quantifiable costs and benefits, the controls carried out by the Directorate-General for Communication in 2016 for the management of the budget appropriations were cost effective, except[57] for the "ex-ante financial and operational management" stage (annex 14).

However, a number of non-quantifiable benefits results from the controls operated during the various control stages - such as the programming phase which aims at ensuring that the financed actions contribute to the achievement of policy objectives - and from the deterrent and preventative effects of ex-ante and ex-post controls all of which also contribute to better value for money, efficiency gains and system improvements as well as being necessary elements of the regulatory environment. Since these benefits are non–quantifiable they are not reflected in the quantified conclusions on cost-effectiveness (ratio benefits/costs) provided in annex 14.

For this reason it is also necessary to consider efficiency indicators, which shows that the Directorate-General for Communication allocated the appropriate quantity and quality of resources to ensure a smooth operation of the controls.

Annex 13 displays the results of the analysis of **time-to-inform** and **time-to-grant** as efficiency indicators. In 2016 the average **time-to-inform** was 83 days (Commission benchmark 180 days), the average **time-to-grant** was 41 days, (Commission benchmark 90 days) both indicators are well below the Commission benchmarks. The average **time-to-pay** invoices was 13.9 days and 97.15% of all payments were made within the deadlines (see annex 3).

The Directorate-General for Communication has also defined efficiency measures for the controls associated with the main core processes:

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[56] In accordance with the guidelines from the Directorate-General for Budget – Ares (2013)3442589 – 08/11/2013 and updated average staff costs provided by them on 9 December 2015, an estimate was made of the FTE spent on controls in all of the units in Headquarters directly involved in control activities. In addition the Directorate-General for Communication has 28 Commission Representations and 9 antenna offices in 28 Member States. In order to determine the cost of controls in the Commission Representations, the Directorate-General for Communication extrapolated figures based on a starting set of actual data obtained from one Commission Representation. This extrapolation is considered a sound basis for establishing an estimate of overall costs since the control tasks in the Commission Representations are effectively standardised in so far as they relate to administrative costs. Differences in the number of operational activities controlled in each site are covered by the extrapolation which encompasses the difference in size between the Commission Representations. Externally contracted costs and an estimate of the associated indirect costs and overheads were then added.

[57] See details in Annex 14:Specific annexes related to "Cost benefit analysis".

- **For procurements**, an estimated EUR 2 416 037[58] were invested in the ex-ante control of all procedures including the 27 procurement procedures with a total value of EUR 88 509 338 subject to mandatory controls in 2016 and the estimated 4 701[59] other procurement procedures (low value, specific contracts and purchase orders) managed by the Directorate-General for Communication. Thus less than 2.7% of the total contract value was dedicated to ex-ante control and each procurement procedure concluded in 2016 has an estimated cost of EUR 511 (EUR 757 in 2015 and EUR 743 in 2014).
- **For grants**, an estimated EUR 557 444 were invested in controlling 27 calls for proposal for grants with a total value of EUR 1 923 433 subject to mandatory controls in 2016 and 580 annual grants mainly to the Europe Direct Information Centres in the Member States with a total value of EUR 12 471 926. Thus 3.9% of the total contract value was dedicated to control and each grant procedure has an estimated cost of EUR 918 (EUR 882 in 2015 and EUR 1 081 in 2014).
- **For financial circuits** an estimated EUR 5 816 794 were invested in controlling 26 341 financial transactions. Thus 5.2% of the total payment amounting to EUR 112 417 723 was dedicated to control which translates into each financial transaction costing an estimated EUR 221 (EUR 183 in 2015 and EUR 191 in 2014). However, the benefits of controls of the financial circuits can be quantified in terms of the amount of recovery orders issued. In the Directorate-General for Communication this amounts to EUR 681 691 in 2016 putting the net cost of control of financial circuits at 4.6% of all payments made. This percentage is due to the fact that the Directorate-General for Communication as a multi-site the Directorate-General has chosen to implement two different types of financial circuits, one for Headquarter and one for Commission Representations.
- **For supervisory measures** an estimated EUR 413 332 were invested in controlling 433 complete transaction files worth EUR 32 821 296. Thus 1.3% of the total values of transactions checked ex-post was dedicated to control. Each transaction or procedure checked ex-post costs an estimated EUR 955 (EUR 1 418 in 2015 and EUR 2 166 in 2014).

The evolution of these efficiency indicators should be analysed over time and/or be compared to relevant benchmarks in order to assess the relative efficiency of the controls. This will require a series of relevant data about efficiency indicators covering a significant number of years. 2016 is the third year that the Directorate-General for Communication has calculated and reported these indicators: the majority of individual indicators linked to transactions carried out in 2016 are comparable to those in 2015 and are lower than in 2014.

In light of the progressive evolution of these efficiency indicators over time, and taking into account its specificity as a multi-site service as well as the Commission-wide synergies and efficiencies exercise launched in 2016, the Directorate-General for Communication has launched the review of its control strategy with the aim of increasing cost-effectiveness whilst respecting the regulatory framework and requirements. This may include inter alia proposals for procedural simplification, an alignment of the control frequency and intensity with the risks and re-allocation of resources.

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[58] Based on the Guidelines from DG BUDG Ares (2013)3442589 – 08/11/2013.
[59] Estimated and extrapolated on the same basis as the Guidelines from DG BUDG Ares (2013)3442589 – 08/11/2013.

Fraud prevention and detection

The Directorate-General for Communication has developed, adopted and implemented its Anti-Fraud Strategy, including a broad risk analysis in December 2013[60], elaborated on the basis of the methodology provided by the European Anti-Fraud Office. The Directorate's-General first Anti-Fraud Strategy was valid until 31st December 2016 and was updated in the last quarter of 2016. The second Anti-Fraud Strategy of the Directorate-General was adopted in January 2017[61].

The first Anti-Fraud Strategy for 2014-2016 was focused on awareness raising activities on ethics and anti-fraud detection and reporting with the involvement of all Directorates. In this context, between 2014 and 2016:

- Various awareness raising actions - training, information sessions, seminars, etc. - on ethics and anti-fraud were implemented
- Specific sessions on ethics, anti-fraud and the Early Detection and Exclusion System[62] were systematically included in the **pre-posting programmes** for newly appointed staff in the Commission Representations (Heads of Representation and Regional Offices and Heads of Administration) coming from outside the Commission. Such training courses were also systematically organised for Newcomer staff.
- A **dedicated web site** on anti-fraud was developed and is regularly up-dated containing relevant information on fraud detection and prevention.
- **Specific guidelines and documentation** (red flags[63]) were set up and made available for the Directorate-General for Communication staff.
- **Fraud risk assessment** became an integral part of the Directorate-General for Communication Risk management exercise.
- **Fraud detection and reporting** are integrated into the Strategic Programming and Planning cycle in the Directorate-General (Management Plan and Annual Activity Report)[64].

The expected results and impact aimed for are that the Directorate-General for Communication staff and management are aware and share the ethical values and reflect them through their own behaviour and decision-making.

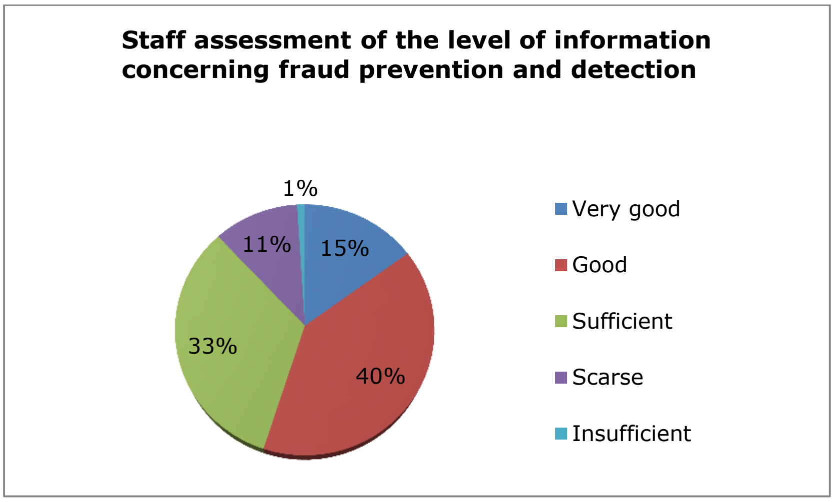
Measurable outcome of the 3-years strategy 2014-2016:

- More than 250 staff members participated in the ethics and anti-fraud related training courses.

[60] Ares(2013)3763018 - 19/12/2013.
[61] Anti-Fraud Strategy 2017-2019, Ares(2017)254198 - 17/01/2017.
[62] As of 1 January 2016, the Early Detection and Exclusion System (EDES) is the new system established by the Commission to reinforce the protection of the Union's financial interests and to ensure sound financial management.
[63] Red flags are indicators pointing to possible irregularities or fraud – not necessarily concluding to the existence of fraud but that certain activities/projects might need more attention to exclude potential suspicion. The presence of red flags should make the responsible staff more vigilant for additional verification.
[64] Prioritised internal control standard (Directorate-General for Communication 2014 Management Plan); implementation of the Anti-fraud strategy regularly reported in the subsequent Annual Activity Reports.

- Operational and financial staff received information about red flags and related guidelines[65].
- Level of staff awareness:

Following an internal survey on staff awareness on anti-fraud carried out in June 2016 the level of information on fraud prevention and detection is assessed as "good" or "very good" by 55% of the staff[66]:



Staff assessment of the level of information regarding fraud prevention and detection

European Anti-Fraud Office cases

Two European Anti-Fraud Office cases were closed in 2016:

- The first European Anti-Fraud Office internal investigation, opened in 2014, concerned potential irregularities in a tender: the investigation did not identify any irregularity committed by the members of the evaluation committee.
- The second European Anti-Fraud Office investigation, opened in 2016, was dismissed by OLAF following its evaluation.

At the date of this report, there are no ongoing European Anti-Fraud Office investigations.

Negotiated Procedure

As per DG BUDG report on negotiated procedures in 2016 (RAP Art. 53)67, the Commission-average of negotiated procedures was 14.3% and the average of the Directorate-general for Communication was with 30% above the Commission-average and above its average of 2015 (5%).

The use of the negotiated procedures in the Directorate-General for Communication is limited to the necessary core activities and strictly managed by Authorising Officers. 12 cases are reported for 2016:

[65] "Reporting of suspected fraud cases to OLAF – procedure for DG COMM" – Ares(2015)135035.
[66] Results from anti-fraud awareness survey carried out by Unit COMM.D.3 in June 2016.
[67] Ares(2017)1324680 of 14/03/2017.

- 8 of them are linked to the use of the negotiated procedure to conclude copyright licences and subscriptions to on-line information sources that are complementing DG COMM's media monitoring activity. The monopoly situations derive from the exclusivity of the copyright holders and the uniqueness of the information sources.
- 2 of them are linked to publicity actions carried out in 2 airports (Roma and Milan) concluded with the exclusive operators having the monopoly position on this specific market.
- 1 of them was done to bridge a transition period needed for drafting of a new Open Call for Tender and taking into account potentially new information and findings. For this reason the contract was prolonged with the same operator providing specific audio-visual servicers and at the same time ensuring the continuity of the operations.
- 1 of them to provide technical and financial assistance for interpretation costs previously covered by the United Nations in the context of the negotiations on the peace talks in Cyprus.

Safeguarding of assets

The Commission Representations' **buildings** are considered to be one of **the main assets of the Directorate-General for Communication**. Headquarters provides a full range of infrastructure support to the Representations and Regional Offices/Antennae in the Member States[68], from identifying adequate premises and defining negotiating terms, to providing architectural, logistic and procedural support for the procurement of supplies, services and renovation works. The Directorate-General for Communication is also responsible for maintaining the **security infrastructure in Commission Representations** and provides specialised advice concerning security installations and measures for new locations or renovation works[69]. A rolling programme of control missions from Headquarters monitors the inventory of physical assets in all 37 locations and ensures that records are kept up-to-date.[70]

In conclusion, the current accounting and control arrangements for safeguarding of assets present a fair and true view and work in practice as intended.

Other control objectives: Use of resources for their intended purpose: corporate communication under Multiannual Financial Framework 2014-2020[71]

Commission Decision SEC(2013)486 operationalised for the first time the corporate communication clause noted in the 2011 Multiannual Financial Framework texts. A corporate pilot campaign was successfully completed in 2015. This Decision also served

[68] 28 Commission Representations in the 28 Member States as well as 9 Regional Representations / Antennas, for a total of 37 offices; this includes the Commission Representations in Brussels (CHAR) and Luxembourg (MAEU). Of these 37 offices some are rented or owned jointly with the European Parliament while others are rented or owned separately.

[69] In close cooperation with the competent services of the European Parliament and under the supervision of the Directorate-General for Human Resources, Directorate Security (HR.DS).

[70] In 2016, the following control missions were done: Bonn, Ares(2016)384683; Milan, Ares(2016) 861768; Cardiff, Ares(2016)861700; Dublin, Ares(2016)1361636; Lisbon, Ares(2016)2172168; Riga, Ares(2016)2684669; Valetta, Ares(2016)2471907; Marseille, Ares(2016)5583281; London, Ares(2016) 6356267; Warsaw, Ares(2016)6914844; Berlin, Ares(2016)7018897; Ljubljana, Ares(2016)6954400.

[71] SEC(2013)486 of 23/09/2013.

as the legal basis for a new corporate communication action in 2015/16 based on **financial contributions from Directorates-General in 2015 totalling EUR 3.2 million**. These resources were invested in a **stakeholder communication campaign** on priority 1 of the 10 Political Priorities, namely "A New Boost for Jobs, Growth and Investment". The aim of this action, which targeted stakeholders, was to build awareness of the Investment Plan for Europe among investors, project promoters (infrastructure window) and small businesses.

Communication toolkit of the Investment Plan campaign

This stakeholders communication campaign on the Investment Plan (budget 2015), was funded with contributions from the Directorate-General for Regional and Urban Policy (EUR 3 million) and the Directorate-General for Maritime Affairs and Fisheries (EUR 200 000) and used 99.95% of Commitment Appropriations allocated to the Directorate-General for Communication as shown in the following table.

<table>
<tr><th>DG/programme</th><th>Budget line</th><th colspan="2">CA 2015</th><th colspan="2">PA 2015</th><th colspan="2">PA 2016</th></tr>
<tr><td>MARE – EMFF + CPR</td><td>11 06 62 04</td><td colspan="2">200,000</td><td colspan="2">5,000</td><td colspan="2">188,132[72]</td></tr>
<tr><td>REGIO – ERDF (CPR)</td><td>13 03 65 01</td><td rowspan="2">3,000,000</td><td>2,100,000</td><td rowspan="2">0</td><td>0</td><td rowspan="2">2,889,177[73]</td><td>2,014,784</td></tr>
<tr><td>REGIO – CF (CPR)</td><td>13 04 61 01</td><td>899,400</td><td>0</td><td>874,393</td></tr>
<tr><td>Total</td><td></td><td colspan="2">3,200,000</td><td colspan="2">5,000</td><td colspan="2">3,077,309</td></tr>
</table>

Corporate Budget delegated to the Directorate-General for Communication in 2015

[72] Directorate-General for Maritime Affairs and Fisheries Estimation Payment Appropriations 2017 – EUR 6 868.
[73] Directorate-General for Regional and Urban Policy Estimation Payment Appropriations 2017 – EUR 110 823.

The actions covered, making full use of the pooled resources, are:

- Campaign managed at Headquarters' level: contract with Media Consulta EUR 2 981 167 (EUR 2 885 343.08 paid in 2016)
- Exhibition stands on the Investment Plan: contract with Creaset EUR 8 143.15 (paid in 2016)
- External advice on social media strategy: low value contract with La Netscouade EUR 14 400 (no payments in 2016)
- Campaign managed at Representations' level: EUR 194 522.89 (EUR 184 582 paid in 2016)

The Commission Decision C(2015)7346 set up a **new corporate communication action in 2016** (EUR 21 million) defining both objectives and budget implementation. In 2016 corporate communication continued to focus on priority 1 of the 10 Political Priorities, namely "A New Boost for Jobs, Growth and Investment", and in particular on the Investment Plan for Europe.

This **campaign was co-designed together with the Commission Representations** – many of them implementing communication actions from this "corporate" budget.

The decision pooled a **budget of EUR 21 250 000 financed from contributions from different Multiannual Financial Framework (MFF) programmes**, as shown in following table:

DG/programme	Budget line	CA 2016	PA 2016	PA 2017
AGRI – EAGF	05 08 06	4,000,000	863,335	3,136,665
AGRI - EAFRD	05 04 06 02	2,600,000	0	2,600,000
CLIMA – LIFE	34 02 03	18,750	0	18,750
DEVCO – DCI	21 08 02	625,000	0	625,000
EAC – Erasmus	15 02 01 01	400,000	0	400,000
EMPL – ESF	04 02 63 01	2,200,000	0	2,200,000
ENER – CEF	32 01 04 01	125,000	0	125,000
ENV – LIFE+	07 02 03	56,250	0	56,250
FPI – PI	19 01 04 04	50,000	0	50,000
FPI - ICSP	19 01 04 01	75,000	0	75,000
GROW - COSME	02 02 01	50,000	0	50,000
GROW - Galileo	02 01 04 03	175,000	0	175,000
HOME - ISF	18 01 04 01	200,000	0	200,000
HOME - AMIF	18 01 04 02	200,000	0	200,000
MOVE - CEF	06 02 01	750,000	0	750,000
NEAR - IPA	22 02 04 01	400,000	0	400,000
NEAR - ENI	22 04 03 04	500,000	0	500,000
REGIO – ERDF	13 03 65 01	4,567,500	2,121,031	2,446,469
REGIO – CF	13 04 61 01	1,957,500	1,717,500	240,000
RTD – H 2020	08 02 05 00	2,200,000	0	2,200,000
SANTE –F&F	17 04 03	100,000	0	100,000
Total[74]		21,250,000	4,701,866	16,548,134

Corporate Budget delegated to the Directorate-General for Communication in 2016

The budget is mainly used to finance in 2016 a central contract for an integrated communication campaign to raise awareness about the Investment Plan for Europe and other jobs and growth initiatives. In this context, terms of reference were prepared to allow for a proper monitoring exercise of the upcoming activities to be delivered under this campaign. Building on the stakeholder communication on the Investment Plan, these resources were used ***to shift gradually communication towards citizens***, providing them an opportunity to reach a more informed view of the EU and how it contributes to jobs and growth creation by providing them with real-life examples of EU projects in their regions. In addition, decentralized actions - including Investment Dialogues – are being implemented by both the Commission Representations and the Europe Direct Information Centres (EDICs).

[74] The total co-delegated budget of EUR 13.45 million was implemented via three contracts on the pilot communication campaign (EUR 13,090,075), the evaluation of the campaign (EUR 310,400) and a specific Twitter campaign in Germany and Spain (EUR 49,525).

2.1.2 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 Directorate-General is audited by both internal and external independent auditors: the Commission Internal Audit Service (IAS) and the European Court of Auditors (ECA).

1. Internal Audit Service (IAS)

The Internal Audit Service reported in its 2016 Final Overview Report to be presented to the Audit Progress Committee that the Directorate-General for Communication has 2 audit recommendations overdue less than 6 months[75].

The Internal Auditor issued on 14 February 2017[76] his statement on the state of internal control in the Directorate-General for Communication and concluded that the internal control systems audited were overall working satisfactorily although one very important finding remained to be addressed, in line with the agreed action plan.

There were two audits performed in 2016 by the Internal Audit Service in the Directorate-General for Communication:

- **Audit on management of intramuros contractors**

  This multi-DG audit covered, apart from the Directorate-General for Communication, also the Directorates-General for Human Resources, for Budget and the Joined Research Centre. The final report was issued on 13 July 2016 and made three recommendations for the Directorate-General for Communication, two with medium underlying risk and one with high risk at corporate level.

  Implementation of the action plan is ongoing.

- **Audit on procurement at the Directorate-General for Communication**

  The final report was issued on 9 September 2016 and there were four recommendations, each assessed as important with medium underlying risk.

  Implementation of the action plan is on-going.

2. European Court of Auditors (ECA)

In the context of the Declaration of Assurance (DAS) 2015[77], the European Court of Auditors checked the reliability of the annual accounts of the Directorate-General for Communication. In this framework, the accounting team of the Directorate-General provided all the information and documents requested by the auditors. As a follow up to this audit, the accounting team has been informed that no official fundamental observations will be raised from the European Court of Auditors.

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[75] Ares(2017)1235518 – 09/03/2017.
[76] Ares(2017)806118 – 14/02/2017.
[77] ECA's notification received by e-mail on 20/04/2016.

2.1.3 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.

Directorate-General for Communication 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.

Assessment of the effectiveness of the internal control systems

The Directorate-General for Communication management performed an internal control self-assessment in December 2016 (iCAT survey).

The overall weighted effectiveness of the internal control standards were in line with previous years[78].

Based on risk assessment, the Directorate-General for Communication was focusing on the functioning of two internal control standards in 2016:

- **Internal Control Standard 10 "Business Continuity"[79]** is related to the only critical risk for the Directorate-General for Communication (security at Commission Representations). A specific questionnaire was developed to gather in-depth knowledge on the functioning of this standard and was followed up by ex-post controls.

- Concerning **Internal Control Standard 11 "Document Management"[80]**, the 2015 iCAT results showed that there were significant differences on the functioning of this standard in the different Commission Representations and in units in Headquarters. Specific awareness raising actions were designed to improve knowledge and competences on this field.

[78] 2014: 75.05%, 2015: 81.70%, 2016: 81.26%.
[79] https://myintracomm.ec.europa.eu/budgweb/EN/man/icrm/ics/Pages/ics10.aspx
[80] https://myintracomm.ec.europa.eu/budgweb/EN/man/icrm/ics/Pages/ics11.aspx

Standard	Relevant requirements and/or effectiveness criteria	Control issues and measures to improve or develop controls
ICS 10 Business Continuity	Adequate measures are in place to ensure continuity of service in case of "business-as-usual" interruption. Business Continuity Plans are in place to ensure that the Commission is able to continue operating to the extent possible whatever the nature of a major disruption.	Awareness raising actions business continuity Information sessions during the annual Heads of Administration seminar Specific action plan for Commission Representations Close monitoring through the Risk Management system
ICS 11 Document Management	Appropriate processes and procedures are in place to ensure that the document management is secure, efficient (in particular as regards retrieving appropriate information) and complies with applicable legislation.	Awareness raising actions and hands-on training, tailor-made for the Commission Representations. Regular monitoring reports by the Directorate's-General for Communication document management (CAD)

Internal Control Standards prioritised by Directorate-General for Communication in 2016

Compliance with Internal Control Standard 8 (ICS 8)

As regards compliance with Internal Control Standard 8, the Directorate-General for Communication maintains a register of all non-compliance and exception events identified within the Directorate-General. Mitigating actions are then taken by the responsible Authorising Officers by Sub-Delegation in order to correct the weaknesses in the control system and to avoid the future recurrence of those errors. In 2016 four exception reports[81] and one non-compliance event that triggered an exception report[82] were recorded.

1. **EC Representation in Berlin[83]**: Exception report. Mitigating measures allowing for proper planning of future procurement procedures were taken in the service to prevent similar cases recurring in the future. Proper needs assessment will be performed to decrease the risk of unexpected termination of a contract.
2. **EC Representation in Berlin[84]**: Exception report. As the situation described was not directly linked to the Directorate's-General for Communication rules and procedures, no mitigating measures were required to be implemented by Directorate-General for Communication.

[81] Two exception reports from Representation in Berlin, one report from Representation in Ljubljana, one report from Unit COMM.C.4
[82] Representation in Hague, Unit COMM.C.2.
[83] No 266 - Ares(2017)171140 – 12/01/2017 – exception report.
[84] No 262 - Ares(2016)474975 – 28/01/2016 – exception report.

3. **COMM.C.2**[85]: Non-compliance event and exception report. Given that the exception event was the result of an ad hoc human mistake no changes in the procedures were needed. However, control was reinforced in areas of contracts and commitments by Directorate-General for Communication.
4. **COMM.C.4**[86]: Exception report. Mitigating measures were defined in April 2016 in the service to prevent similar cases recurring in the future.
5. **EC Representation in Ljubljana**[87]: Exception report. Mitigating measures allowing for proper planning of future procurement procedures were taken in the service to prevent similar cases recurring in the future.

Risk management in the Directorate-General for Communication

A **Risk Management exercise** in line with applicable provisions and guidelines is conducted at least twice a year at Directorate-General-level and at least once a year in the Commission Representations as part of the Activity-Based Management/Strategic Planning and Programming cycle and more often if management considers it necessary. Within the overall framework of risk management, different actors intervene at different hierarchical levels (managers and members of staff, Directors, and Internal Control Coordinator, Deputy Director-Generals and Director-General) and the Risk Management Group (RMG).

The Risk Management Group, an internal consultative body created in 2011 and composed of the Directors' assistants, is providing quality assurance and ensures harmonisation in the identification, assessment and management of risks between the services. Its main objective is to integrate the risk management exercise at Directorate-General level. During 2016, four meetings of the group took place. The latest risk management exercise was presented at a Directors' Meeting in November 2016 and as a result, the 11th version of the Risk Register was approved by the senior management. The risk register at the Directorate-General for Communication level consists of five risks, one of which is considered as critical[88].

Main achievements of this exercise:

- Updating regularly of existing risks, introducing new ones and closing obsolete risks;
- Improving knowledge / raising awareness on risk management among the staff;
- Integrating fraud risk assessment in the risk management process;
- Consolidating risk management exercises within the Commission Representations.

In conclusion, the internal control standards are effectively implemented and functioning in 2016, mitigating measures were introduced where necessary.

85 No 263 - Ares(2016)1015048 – 29/02/2016 – non-compliance event and exception report.
86 No 264 - Ares(2016)1441500 – 23/03/2016 – exception report.
87 No 265 - Ares(2016)4030343 – 01/08/2016 – exception report.
88 The critical risks as discussed in the Management Plan 2016/2017 concerns security in the Commission Representations.

2.1.4 Conclusions as regards assurance

This section reviews the assessment of the elements reported above (in Sections 2.1.1, 2.1.2 and 2.1.3) and draws conclusions supporting the declaration of assurance and whether it should be qualified with reservations.

Assessment of the elements

The information reported in Section 2 is drawn from management reports and audit reports. These reports are the result of a systematic analysis of the evidence available. They provide sufficient guarantees as to the completeness and reliability of the information reported and cover the entire budget implementation delegated to the Director-General of the Directorate-General for Communication.

In particular the Directorate-General for Communication has shown that risks are appropriately monitored and mitigated. The budget and resources of the Directorate-General are used for their intended purpose and in accordance with the Financial Regulations and principles of sound financial management. Assurance has been received from other Directorates-General with cross sub-delegations and from the Internal Auditor.

The Directorate-General for Communication has implemented all possible suitable ex-ante and ex-post controls, to the extent that they remain cost-effective and do not affect other policy objectives. Internal control standards are respected and two of them have been both prioritised and controlled in 2016 – Business Continuity (ICS10) and Document Management (ICS11). A register of exceptions and non-compliance events is in place and demonstrates that Internal Control Standard 8 is functioning correctly across the service. The Directorate-General for Communication has developed a strategy for fraud prevention and detection which is identifying potential cases and then referring them appropriately.

The control results and efficiency indicators have been examined for both ABB activities and the administrative budget. Following this assessment, controls are cost effective when only quantifiable costs and benefits are taken into account, with the exception[89] of the "ex-ante financial and operational management" stage. However, certain non-quantifiable benefits are also determined and account is taken of the absolute need for the majority of the controls to be carried out in line with the regulatory framework.

Conclusion

In order to arrive at a conclusion on assurance, the Directorate-General for Communication assessed the overall risk relating to the legality and regularity of the underlying transactions by calculating the weighted average error rate[90] for the annual expenditure and the resulting amount at risk. Where a specific error rate is not available for certain expenditure categories (i.e. no errors were detected during controls carried out in 2016) the average risk of error and amount at risk is presented either as a best

[89] See details in Annex 14: Specific annexes related to "Cost benefit analysis"

[90] This is the detected error rate, not the residual error rate i.e. without any adjustment for errors corrected after the payment was made, as it is intended to represent the amount of errors which could not be prevented before making the payment and which will be subject to ex post controls in successive financial years.

estimate with reference to a relevant budget line or within a range or on the basis of information provided by another entity (see Annex 10, table 3).

The resulting amount at risk is the best, conservative estimate of the amount of expenditure authorised not in conformity with the applicable contractual and regulatory provisions at the time the payment is made. The results in terms of weighted average error rate per ABB activity and expenditure type are displayed in annex 10, table 5 and lead to the conclusion that the overall impact of errors and weaknesses found by the internal control system is 0.7% of payments made (well below the 2% threshold established by the European Court of Auditors) and that the specific weighted average error rates are below 2% for both ABB activities, for the administrative budget and for all types of expenditure.

In view of the control results and all other relevant information available, the Authorising Officer's by Delegation best estimate of the value at risk in 2016 amounts to EUR 768 119[91] (see Annex 10, table 5).

Since expenditure is subject to ex-post controls, a sizeable proportion of the underlying error is subsequently corrected. This report uses data provided by the Directorate-General for Budget on average annual recoveries and financial corrections since 2009 to calculate expected recoveries and corrections since this is the best available indication of the corrective capacity of the ex-post control systems implemented by the Directorate-General for Communication both currently and for the future. During the period 2009-2016 the implementation of corrective controls has resulted on average in recoveries and financial corrections representing 1% but, the Directorate-General for Communication adjusted this indicator to 0.61% (following more conservative approach) of the average payments made over the same period. This provides the best available indication of the corrective capacity of the ex-post controls systems implemented by the Directorate-General and amounts to EUR 681 691 for 2016 (see Annex 10, table 5).

Taking into account the conclusions of the review of all elements supporting assurance and the expected corrective capacity of the controls already in place, it is possible to conclude that the internal controls systems implemented by the Directorate-General for Communication provide sufficient assurance to adequately manage the risks relating to the legality and regularity of the underlying transactions.

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.

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 Director-General, in his capacity as Authorising Officer by Delegation has signed the Declaration of Assurance.

[91] 0.7% of payments made.

2.1.5 Declaration of Assurance

I, the undersigned, Timo Pesonen

Director-General of Directorate-General for Communication

In my capacity as Authorising Officer by Delegation

Declare that the information contained in this report gives a true and fair view[92].

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 and the lessons learnt from the reports of the European 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 institution.

Brussels, 28 March 2017

Signed

Timo Pesonen

(Director-General of Directorate-General for Communication)

[92] True and fair in this context means a reliable, complete and correct view on the state of affairs in the Directorate-General.

2.2 Other organisational management dimensions

2.2.1 Human resource management

2016 was a year marked by significant changes in the Commission's human resources community. In July, the Directorate-General for Communication joined the College, Internal Audit Service and the Directorates-General for Justice and Customers and for Migration and Home Affairs to be serviced by a shared Account Management Centre (AMC) as a pilot for the new Human Resources Delivery Model as part of the Commission's "Synergies and Efficiencies" initiative. Most of the former human resources unit was placed at the disposal of the Account Management Centre, leaving a five-person team in the Directorate-General for Communication as the Human Resources Business Correspondent's Team (HRBC). This change significantly affected the implementation of human resources-related plans that had been conceived well before the modernisation measures themselves were developed.

The management of the Directorate-General has seen a considerable improvement in gender-balance in 2016. The year began with 31% female middle managers (9 women) yet by 31 December 2016 there were 44% (14 women), as well as 46% female senior managers. Communication on the issue – to preselection panels in particular –, the encouragement of female deputy Heads of Unit in the headquarters of the Directorate-General since 2012, and a strong engagement on the part of senior management proved instrumental in this respect. The Directorate-General for Communication intends to create deputy Head of Representation positions in the Commission Representations in the Member States, which should also better support gender-balance in the years to come.

2.2.2 Better regulation

Not applicable for Directorate-General for Communication.

2.2.3 Information management aspects

The Commission adopted a new corporate strategy for data, knowledge and information management in October 2016. The new strategy establishes a corporate framework while leaving room for Directorates-General to develop and implement their own approaches tailored to their unique needs.

In 2016, the Directorate-General for Communication kept the number of registered documents that are not filed to a strict minimum (0.08%). To achieve this, monthly reports have been produced by the Documents Management Team of the Directorate-General and sent to the Document Management Officer correspondents in the Units and in the Commission Representations in the Member States. In addition, Ares statistic reports are sent quarterly to the Head of Units and the Head of Representations for appropriate follow-up. The "Comm file reader" setting is proposed as default at creation of new files. Only files from previous Internal Audit Control, Human Resources issues, etc. are strictly restricted to the need to know. The target for 2016 was 95%, the status achieved by December 2016 was that 92.27% of the files are open (91.5 % in 2015). Finally, 5.07% of HAN files are readable for the Commission; thus the objective for 2016 has been reached (5%).

2.2.4 External communication activities

The Directorate-General for Communication contributes to the Commission's organisational management as domain leader for external communication in line with the Synergies and Efficiencies decision[93]. In 2016, the External Communication Network and the Internal Communication Network were merged into a Communication Network, co-chaired by the Directorate-General for Communication and the Directorate-General for Human Resources and Security. The two Directorates-General also co-chair the Corporate Communication Steering Committee which was established in 2016 as the high-level decision making body in communication.

As mandated by the Synergies and Efficiencies decision, the Directorate-General for Communication started developing a professionalisation programme. As a first step, the training offer for staff in external communication is being reviewed. The Directorate-General for Communication continued giving advice to Commission services on aligning communication actions with the political priorities of the Commission and monitored and advised on Strategic Plans and Annual Management Plans; and – **for the first time in the Annual Activity Reports 2016 – analyses of the reporting of all Directorates-General on the use of the resources (financial and human) for the communication actions in the reporting year.**

Examples of economy and efficiency on financial and non-financial improving the activities in Directorate-General for Communication

- **Moving to paperless circuits for financial transactions -** The move towards paperless circuits supporting the financial workflow was reinforced in 2016. Dematerialisation of commitments started in June 2015 and of payments started in April 2016. In 2016, the 63% of commitments representing 85% of the total value and the 7% of payments representing 15% of the total value were implemented via electronic workflows supported by ARES. Consequently transactions were processed faster (the average payment time in the electronic workflow is 5 days less than with the paper workflow). By the end of 2017 all Units in headquarters should be able to use dematerialisation of circuits.
- **Publication of public procurement procedures via e-Tendering** – All public procurement procedures over the directive threshold launched in 2016 were published via the e-Tendering application provided by the Office of Publications. Using this interface for publication has allowed the increase of work effectiveness. In 2016, there was an increase of approximately 20% of procurement and grant procedures, 56 versus 46 in 2015, and the same number of Full-time equivalent (FTEs) was able to treat this increased workload by using the e-Tendering tool.

[93] SEC(2016)170 – 04/04/2016.