



Annual Activity Report 2022

Annexes

Office for Infrastructure and Logistics
in Luxembourg

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ANNEX 1: Statement of the Director in charge of Risk Management and Internal Control

I declare that in accordance with the Commission's communication on the internal control framework¹, I have reported my advice and recommendations on the overall state of internal control in OIL to the acting Head of Service.

I hereby certify that the information provided in the present Annual Activity Report and in its annexes is, to the best of my knowledge, accurate and complete.

Luxembourg, 31 March 2023.

Signed

Xavier GILQUIN
Head of Unit
Finance - Procurement - Reporting

¹ C(2017)2373 of 19.04.2017.

ANNEX 2: Performance tables

General objective 7: A modern, high performing and sustainable European Commission			
Impact indicator 1: Image of the European Union			
Source of the data: Standard Eurobarometer			
Baseline	Interim Milestone	Target	Latest known results
2019	(2022)	(2024)	(Eurobarometer 97, summer 2022)
43% (EU 27)	Increase	Increase	47%
Impact indicator 2: Staff engagement index in the Commission			
Source of the data: European Commission Staff Survey			
Baseline	Interim Milestone	Target	Latest known results
2018	(2022)	(2024)	(2021)
69%	Increase	Increase	72%
Impact indicator 3: Percentage of female representation in management in the Commission			
Source of the data: DG HR			
Baseline	Interim Milestone	Target	Latest known results
2019	(2022)	(2024)	(2022)
40.5%	Increase	50%	46.1%
Impact indicator 4: Environmental performance in the Commission (percentage reductions compared to 2014 levels)			
Source of the data: Environmental Statement			
Baseline²	Interim Milestone	Target	Latest known results
2014	(2020)	(2024)	(2020)
<i>Energy consumption of buildings (MWh / person): 11.6</i>	-5.2%	-21% or 9.1 (MWh / person)	8.9
<i>Water use (m³ / person): 21.7</i>	-5.4%	-21% or 17 (m ³ / person)	13.5
<i>Office paper consumption (sheets / person / day): 30.2</i>	-34%	-47% or 16 (sheets / person / day)	6.8
<i>CO₂ emissions from buildings (tonnes / person): 1.9</i>	-5.1%	-33% or 1.3 (tonnes / person)	1.3

² Baseline correction: In 2014, the Commission set up for the first time medium-term environmental performance targets for the period 2014-2020, validated by the EMAS Steering Committee. During a mid-term review in 2019, the EMAS Steering Committee adopted even more ambitious environmental targets.

Baseline² 2014	Interim Milestone (2020)	Target (2024)	Latest known results (2020)
<i>Non-hazardous waste generation (tonnes / person): 0.24</i>	-9.7%	-26% or 0.17 (tonnes / person)	0.10

Impact indicator 4: Environmental performance in the Commission* (percentage reductions compared to 2014 levels)

Source of the data: Environmental Statement 2021 results³

Baseline⁴ 2019	Interim Milestone (2020)	Target (2023 and 2030)	Latest known results (2021) ⁵
<i>Commission Carbon footprint** (tonnes CO2e): 234 177</i>	- 44%	-38% in 2030	- 43%
<i>Energy consumption of buildings (MWh / person): 10.4</i>	- 13%	-12% in 2023 (-22% in 2030)	- 14%
<i>Water use (m3 / person): 18.0</i>	-25%	-5% in 2023 (-10% in 2030)	- 36%
<i>Office paper consumption (sheets / person / day): 18.7</i>	- 64%	-15% in 2023 (-29% in 2030)	- 74%
<i>Non-hazardous waste generation (tonnes / person): 0.21</i>	-53%	-11% in 2023 (-16% in 2030)	-48%

* Data for 2020 and 2021 are heavily impacted by the COVID pandemic conditions.

** The Communication on Greening the Commission [C(2022) 2230 final] established 2019 as a baseline for the carbon footprint (8 main sites, 2019 scope), and a 38% target reduction by 2030. Other EMAS parameters are aligned accordingly.

³ [Environmental Statement 2021: 2020 results: Corporate Summary \(europa.eu\)](#) .

⁴ Baseline, interim milestone and target update for the 2022 AARs according to the Communication on Greening the Commission [C(2022) 2230 final], representing percentage reductions compared to the new baseline 2019 levels [before 2014 levels].

⁵ Data for 2020 and 2021 are heavily impacted by the COVID pandemic conditions. New normal conditions expected from 2022 results and onwards.

A. Appropriate and satisfactory building and office space management

Building management

Strategic plan 2020-2024 result indicators:

Specific objective 1: The Commission's buildings and infrastructures in Luxembourg are in line with the Commission policy in the building sector and with guidelines referring modernisation of the Commission and facing security threats, while taking care of the financial interests of the Commission

Result indicator: Publications Office's moving operation to be completed within deadlines and budget

Source of data: OIL

Baseline (2019)	Interim Milestone (2023)	Target (2024)	Latest known results (2022)
Preparatory works	Completed	Completed	Preparatory works ongoing.

Result indicator: JM02 phase 1 moving operation to be completed within deadlines and budget

Source of data: OIL

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2022)
Excavation works	Concrete structure completed	Completed	Concrete structure ongoing, new delivery schedule: 1 November 2024.

Result indicator: JM02 phase 2 in progress within deadlines and budget

Source of data: OIL

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2022)
Excavation works	Concrete structure completed	Completed	Concrete structure ongoing, new delivery schedule: 1 August 2025. Move in 2026.

Result indicator: Construction of a new inter-institutional Children’s Centre (CPE VI) in the Kirchberg district (in replacement of CPE I and possibly CPE II) within deadlines and budget

Source of data: OIL

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2022)
Project under preparation	Excavation works	Ongoing	Definition of technical and financial conditions of a revised project

Result indicator: Commission’s real estate portfolio and surface allocation in line with “The Workplace of the Future” communication – “new ways of working”-related projects implemented

Source of data: OIL

Baseline (2020)	Interim Milestone (2022)	Target (2024)	Latest known results (2022)
Pilot experience for DIGIT (Helios/ex-Drosbach)	Implemented in 1 ‘big’ DG.	Implemented for new buildings	Pilot experience finalised. Further refurbishment works for DIGIT completed.

Management plan 2022 expected outputs

Main outputs in 2022:			
Building management			
Output	Indicator	Target	Latest known results (situation on 31/12/2022)
Construction of JMO 2 building	Progress on planning of construction phase.	Building structure works progress Start and follow-up of facade works and of some major technical works (related to electricity, HVAC, sprinklers, sanitary installations)	Building works in progress. Facade works to start in 2023.
CPE VI construction project	Completion of administrative steps with Budgetary Authority and Luxembourg State.	Budgetary Authority agreement and signature of agreement with Luxembourg State by Q1-2022	Draft revised project presented to DG BUDG. The work on optimisation and internal discussions resulted in the project being delayed.
Data center space fit to DIGIT needs	Signature of the occupancy of the additional IT room in the Windhof data centre and reception of specific works for its fitting out.	Q3-2022	Amendment to the lease contract signed on 28 February 2022. The reception of the specific works was completed on 21 October 2022.
Extension of lease contracts	Extension of the lease contracts for BECH and HITEC buildings.	Q1-2022	HITEC lease terminated on 31/12/22 BECH lease extension signed on 22/12/22

Office space management

Strategic plan 2020-2024 result indicators:

Specific objective 2: Good quality office space and related services are provided in Commission buildings in Luxembourg

Result indicator: Satisfaction with general quality of office space in Luxembourg

Source of data: HR Staff Opinion Survey on the services provided by the administrative services: PMO, OIB and OIL

Baseline (2017 – latest year available)	Interim Milestone (2022)	Target (2024)	Latest known results (2022)
72%	Positive trend	Continue positive trend	No survey in 2022. A survey is planned for S1 2023.

Result indicator: Satisfaction with office cleaning in Luxembourg

Source of data: HR Staff Opinion Survey on the services provided by the administrative services: PMO, OIB and OIL

Baseline (2017 – latest year available)	Interim Milestone (2022)	Target (2024)	Latest known results (2022)
69%	Positive trend	Continue positive trend	No survey in 2022. A survey is planned for S1 2023.

Management plan 2022 expected outputs

Main outputs in 2021:

Office space management

Output	Indicator	Target	Latest known results (situation on 31/12/2022)
EUFO: renovation works	Completion of EUFO roof works	Q4-2022	Works completed on the roof. Renewal of the grass on the groundfloor (workplace installation) scheduled on spring 2023.

B. Provision of performant, secure and sustainable logistics related services

Health and safety at work

Strategic plan 2020-2024 result indicators:

Specific objective 3: Office space respects the Health and Safety Rules applicable to the Commission sites in Luxembourg and OIL's service-oriented culture is enhanced

Result indicator: EC staff trained in first aid (Percentage of total EC staff)

Source of data: OIL

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2022)
5.7%	≥ 5%	6%	8% ⁶

Result indicator: EC staff trained as fire warden (Percentage of total EC staff)

Source of data: OIL

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2022)
7.9%	8%	8%	9,5 %

Result indicator: Average number of evacuation exercises per building per year

Source of data: OIL

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2022)
1 exercise in each administrative building.	1 exercise in each administrative building.	1 exercise in each administrative building.	1 exercise in each administrative building.
2 exercises for each CPE building	2 exercises for each CPE building	2 exercises for each CPE building	2 exercises for each CPE building

⁶ The change in percentage is due to the refinement of the calculation methodology: only EC staff is included and not all the people physically in the EC premises.

Result indicator: Number of information initiatives on health and safety subjects per year
Source of data: OIL

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2022)
1	1	2	1 An information campaign for the EC staff in Luxembourg on phone numbers for emergency as well as for technical failure was started in 2022

Result indicator: Work accident statistics (excluding while commuting)
Source of data: OIL

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2022)
Tf ⁷ = 2.034 Tg ⁸ = 0.026	Decreasing trend	Decreasing trend	Tf = 1.5611 Tg = 0.0203

Management plan 2022 expected outputs

Main outputs in 2022:

Health and safety at work

Output	Indicator	Target	Latest known results (situation on 31/12/2022)
Commission staff trained as first aider	See SP 2020-2024 result indicator above.		
Commission staff trained as fire warden	See SP 2020-2024 result indicator above		
Evacuation exercises	See SP 2020-2024 result indicator above		
Workplace risk analysis	Posts analysed as a fraction of total posts.	1/3 of all posts analysed ⁹	5 posts analysed in 2022 ¹⁰

⁷ The frequency rate (Tf) is the ratio between the total number of accidents (at the workplace) resulting in death or total incapacity for at least one day (excluding the day of the accident) and the number of hours of exposure to risk, multiplied by 1,000,000.

⁸ The actual severity rate (Tg) is the ratio between the number of calendar days actually lost as a result of workplace accidents (at the workplace) and the number of hours of exposure to risk, multiplied by 1,000.

⁹ In agreement with DG Human Resources (including the Medical Service), OIL has categorised all available posts at the Commission in 16 types of posts. A third of these types is analysed during a given year, as requested by the Luxembourgish legislation.

Output	Indicator	Target	Latest known results (situation on 31/12/2022)
Communication of health and safety at work	See SP 2020-2024 result indicator above		
Work accident (excluding while commuting)	See SP 2020-2024 result indicator above		
Follow up of the health and safety audit on water in Brussels and Luxembourg	Number of non-compliant water samples	Reduction of 50% on the last year's basis (4.5% non-compliant samples between Dec. 2020 and Nov. 2021)	In 2022, the number of non-compliant samples was 2,0 % due to the implementation of the new OIL SST 08 procedure. The non-compliant sample threshold is now > 10,000 UFC/L of Legionella pneumophila.
Follow up of the health and safety audit on indoor air quality in Brussels and Luxembourg	Implemented actions aiming at removing existing non-compliances	100% of the actions concerned	The follow-up audits on water management & indoor air quality in Brussels and Luxembourg were closed in March 2023 (Occupational health and safety follow-up audits on water management & indoor air quality in Brussels and Luxembourg) with the following remark) as regards OIL: 'All observations have been addressed in a satisfactory manner by the OIL'.
Revision and update of the emergency intervention plans (Plan Intervention Pompiers)	Number of PIP (Plans d'Intervention Pompiers) carried out	All PIP of buildings remaining after opening JMO2	The target is under revision after changes in the Commission's buildings policy in Luxembourg.
Develop an action plan following the OHS (Occupational Health and Safety) audit on emergency preparedness and response (2021)	Number of non-conformities and observations	Submission of the approved action plan to DG HR. Audit team. Q1 2022.	The action plan was submitted to DG HR on 2/02/22 (Rapport d'audit SST sur les urgences & équipes de 1ère intervention - 2021 - Plan d'action).

¹⁰ In total 1/3 of the posts have been analysed.

Environment-related actions

Strategic plan 2020-2024 result indicators:

Specific objective 4: Reduction of the Commission's carbon and ecological footprint in Luxembourg consistent with the objectives of the EU green deal, notably a climate-neutral Commission by 2030

Result indicator: EMAS-registered buildings (number)

Source of data: Annual EMAS Environmental Statement for the Luxembourg site

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2022)
14 out of 18	15 out of 18 (with Fischer)	All buildings that will be kept in the mid and long-term	15 (all office buildings)

Result indicator: Environmental performance in the Commission

Source of data: Annual EMAS Environmental Statement (ES) for the Luxembourg site

Baseline (2019 – latest full year available) ¹¹	Interim Milestone (2022)	Target (2024, data at 31/12/2023) as established in the EMAS GAAP 2022 ¹²	Latest known results (EMAS 2022 ES, data at 31/12/2021) ¹³
Energy consumption of buildings	11.5 (MWh / person)	11.4	10.03
Water use	12.4 (m ³ / person)	13	5.59
Office paper consumption	10 sheets / person / day)	9	2
CO ₂ emissions from buildings (tonnes / person): 1,36	1.26 (tonnes / person)	1.29	1.29
Non-hazardous waste generation	0.130 (tonnes / person)	0.12	0.059

¹¹ Some of the values indicated below have been revised since the publication of the 2020-2024 Strategic plan.

¹² Target to be possibly revised further to the adoption of the Communication on Greening the Commission.

¹³ 2021 consumption data used as baseline (as noted in the Commission's Environmental Statement 2022, Annex B for Luxembourg).

Result indicator: Percentage of sorted waste

Source of data: Annual EMAS Environmental Statement for the Luxembourg site

Baseline (2019 – latest full year available) ¹⁴	Interim Milestone (2022)	Target (2024)	Latest known results (31/12/2021)
64.2	> 67%	65	68.6

Result indicator: Transport services average real CO2 emissions

Source of data: Annual EMAS Environmental Statement for the Luxembourg site

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (31/12/2021)
247	< 240g/km	220	246

Result indicator: Sustainable transport - % of electric and plug-in-hybrid vehicles¹⁵ in the official vehicle fleet

Source of data: OIL.01

Baseline 2020	Interim Milestone (2022)	Target (2024)	Latest known results (31/12/2022)
38%	55%	80%	54%

Result indicator: Reduction of the number of car park spaces in Luxembourg

Source of data: OIL

Baseline (2019)	Target (2024 – post JMO2 removal)	Latest known results (2022)
2,850	2,000	2,750 (no major change until the Publications Office move)

¹⁴ Some of the values indicated below have been revised since the publication of the 2020-2024 Strategic plan, Baseline in OIL's strategic plan 2020-2024 was 57 for 2018 (latest full year available).

¹⁵ Only for official vehicles at this stage.

Result indicator: Green Public Procurement criteria in contracts

Source of data: OIL.06

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2022)
100%	100%	100%	100%

Result indicator: New environmental friendly projects offered by the catering service

Source of data: OIL.04

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2022)
N/A	At least one new project implemented each year	At least one new project implemented each year	2 Ecobox; New dynamic purchase of foodstuffs system, integrating EMAS and Green Deal provisions, has been implemented since Q2-2022.

Management plan 2022 expected outputs

Main outputs in 2022:			
Environment-related actions			
Output	Indicator	Target	Latest known results (situation on 31/12/2022)
Implementation of the Action plan for the greening of the Commission – i.e. the actions to be completed in 2022 where OIL is involved	Percentage of actions implemented	100 %	100%
Commission's environmental performance	Energy-saving measures during holidays	Implemented	In summer 2022, Laccolith building closed between 18 July and 26 August. Energy saving measures implemented during end of the year holidays. Additional saving measures implemented since October 2022 in all EC office buildings.
Transport services average real CO2 emissions	CO2 emissions of car fleet. (actual and not manufacturer's)	< 240g/km (2019 baseline=247)	246 g/km
Organisation and/or participation in soft mobility campaigns	Number of campaigns	1	1
New environmental friendly projects offered by the catering service	Number of new projects implemented	1	1
Environmental performance in the Commission buildings in Luxembourg			
Explanation: This indicator is part of a corporate impact indicator. It looks at percentage reductions from 2014 levels.			
Source of data: Annual EMAS Environmental Statement for the Luxembourg site			
See result indicators above			

Other logistics services

Strategic plan 2020-2024 result indicators:

Specific objective 5: The best working conditions are provided through the good quality of logistics services while ensuring their sound financial management

Result indicator: Number of postal delivery rounds per day in line with decreasing volume of mail

Source of data: OIL

Baseline (2020)	Interim Milestone (2022)	Target (2024)	Latest known results (2022)
2	2 (1 for some institutions).	1	With the new contract some institutions (for example : Court of Auditors) pass to 1 delivery by day. The rest of the DGs and institutions will pass to 1 delivery by day during 2023.

Result indicator: Commission staff satisfaction rate with the quality of office furniture and supplies

Source of data: HR Staff Opinion Survey on the services provided by the administrative services: PMO, OIB and OIL

Baseline (2017 – latest year available)	Interim Milestone (2022)	Target (2024)	Latest known results (2022)
66%	Positive trend over the period	Continued positive trend	No survey in 2022. A survey planned for S1 2023.

Result indicator: Commission staff satisfaction rate with moving of furniture, boxes and belongings

Source of data: HR Staff Opinion Survey on the services provided by the administrative services: PMO, OIB and OIL

Baseline (2017 – latest year available)	Interim Milestone (2022)	Target (2024)	Latest known results (2022)
75%	Positive trend over the period	Continued positive trend	No survey in 2022. A survey planned for S1 2023.

C. Provision of modern and high quality social services and infrastructure

Catering

Strategic plan 2020-2024 result indicators:

Specific objective 6: To offer catering services (Restaurants, canteens, and cafeterias facilities) corresponding to the needs of the staff working in Luxembourg, taking into account the effective use of resources and integrating the requirements of EMAS and the Green deal

Result indicator: Commission staff satisfaction rate with the provision of catering services
Source of data: HR Staff Opinion Survey on the services provided by the administrative services: PMO, OIB and OIL

Baseline (2017 – latest year available)	Interim Milestone (2021-22)	Target (2024)	Latest known results (2022)
Cafeterias: 41%	Positive trend over the period	Continued positive trend	No survey in 2022. A survey planned for S1 2023.
Self-service restaurants: 38%	Positive trend over the period	Continued positive trend	No survey in 2022. A survey planned for S1 2023.
Restaurant Foyer européen: 72%	Positive trend over the period	Continued positive trend	No survey in 2022. A survey planned for S1 2023.

Result indicator: Number of meals sold

Source of data: OIL

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2022)
1,600	1,550	1,500	682 (Q4-2022) The figure cannot correspond to any of the pre-Covid forecasts. It corresponds to the 'new normal', with the presence, on average, of 40-50 per cent of staff in the office.

Result indicator: Occupancy rate at the Foyer européen – Number of meetings held
Source of data: OIL

Baseline (2019)	Interim Milestone (2021)	Target (2024)	Latest known results (2022)
180	220	270	131 The figure cannot correspond to any of the pre-Covid forecasts. It corresponds to the 'new normal', with the presence, on average, of 40-50 per cent of staff in the office.

Management plan 2022 expected outputs

Main outputs in 2022:			
Catering			
Output	Indicator	Target	Latest known results (situation on 31/12/2022)
Catering services in canteens and cafeterias	Daily average number of meals sold in canteens and cafeterias	150 (if back to phase 1) to 1,200 (all restrictions lifted)	682 (Q4-2022)
New software for cash management.	Software is operational and staff are trained	Q1-2022	Implemented Q2-2022
New software for Banqueting reservation	Software is operational and staff are trained	Q3-2022	Postponed to the Q1-2023
Promotional actions and events in canteens and cafeterias	Number of actions organised during the year	5 (if all restrictions lifted)	5
Meetings/seminars held at <i>Foyer européen</i>	Number of meetings organised during the year	12 (if return to phase 1) to 120 (all restrictions lifted)	131

Childcare

Strategic plan 2020-2024 result indicators:

Specific objective 7: Appropriate child-care infrastructures and good quality, attractive and up-to-date services are offered to staff working in Luxembourg.			
Result indicator: Overall satisfaction of parents with childcare facilities as per CPE survey			
Source of data: OIL CPE Satisfaction Survey			
Baseline (2019)	Interim Milestone (2021-22)	Target (2024)	Latest known results (2022)
82%	Positive trend over the period	Continued positive trend	New survey postponed to 2023
Result indicator: Occupancy rate at the CPE			
Source of data: OIL			
Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2022)
99%	<100% (Keep the percentage over the period)	<100% (Keep the percentage over the period)	100%

Result indicator: Percentage of educational staff having completed the compulsory training programme

Source of data: OIL/HR

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2022)
n/a	75%	90%	93%

Management plan 2022 expected outputs

Main outputs in 2022:			
Centre Polyvalent de l'Enfance interinstitutionnel-CPE			
Output	Indicator	Target	Latest known results (situation on 31/12/2022)
CPE organisation adapted to its current environment.	Admission and implementing rules modernised	First proposal in 2022	Draft version established in Q4 2022 in the framework of a joint working group OIB/OIL on governance
Pedagogical strategy up to date with the latest educational standards (CPE inclusion policy)	Pedagogical project (PP) gradually implemented (Inclusion action plan over 5 years)	Specific reporting on the implementation of the PP and inclusion plan	Revised pedagogical project communicated to parents in September 2022 Working group on the implementation of the pedagogical project ongoing (schoolyear 2022/2023) Educational and administrative CPE staff trained in 2022 on inclusion (introduction module)
CPE budget adapted to the challenges over the medium and long term	Stable financial situation	Balanced budget	Deficit of 454 K€ as at 31/12/2021 ¹⁶ . Result not known yet for 2022.
Performant and supportive IT tools (robust and reliable)	Development and testing of the new system to be ready in 2022	Smooth transition to the new system by Q4-2022	Development and testing extended up to Q1 2023 Migration end of Q1 2023

¹⁶ Contributions from parents, which have not been reassessed since 2016, have not been sufficient for two years to cover the expenses they usually finance. Following the resumption of activities post-COVID, expenses increased while the number of children decreased in 2021.

ANNEX 3: Financial Reports

Annex 3 Financial Reports - DG OIL - Financial Year 2022

Table 1 : Commitments

Table 2 : Payments

Table 3 : Commitments to be settled

Table 4 : Balance Sheet

Table 5 : Statement of Financial Performance

Table 5 Bis: Off Balance Sheet

Table 6 : Average Payment Times

Table 7 : Income

Table 8 : Recovery of undue Payments

Table 9 : Ageing Balance of Recovery Orders

Table 10 : Waivers of Recovery Orders

Table 11 : Negotiated Procedures

Table 12 : Summary of Procedures

Table 13 : Building Contracts

Table 14 : Contracts declared Secret

Table 15 : FPA duration exceeds 4 years

Table 16 : Commitments co-delegation type 3 in 2022

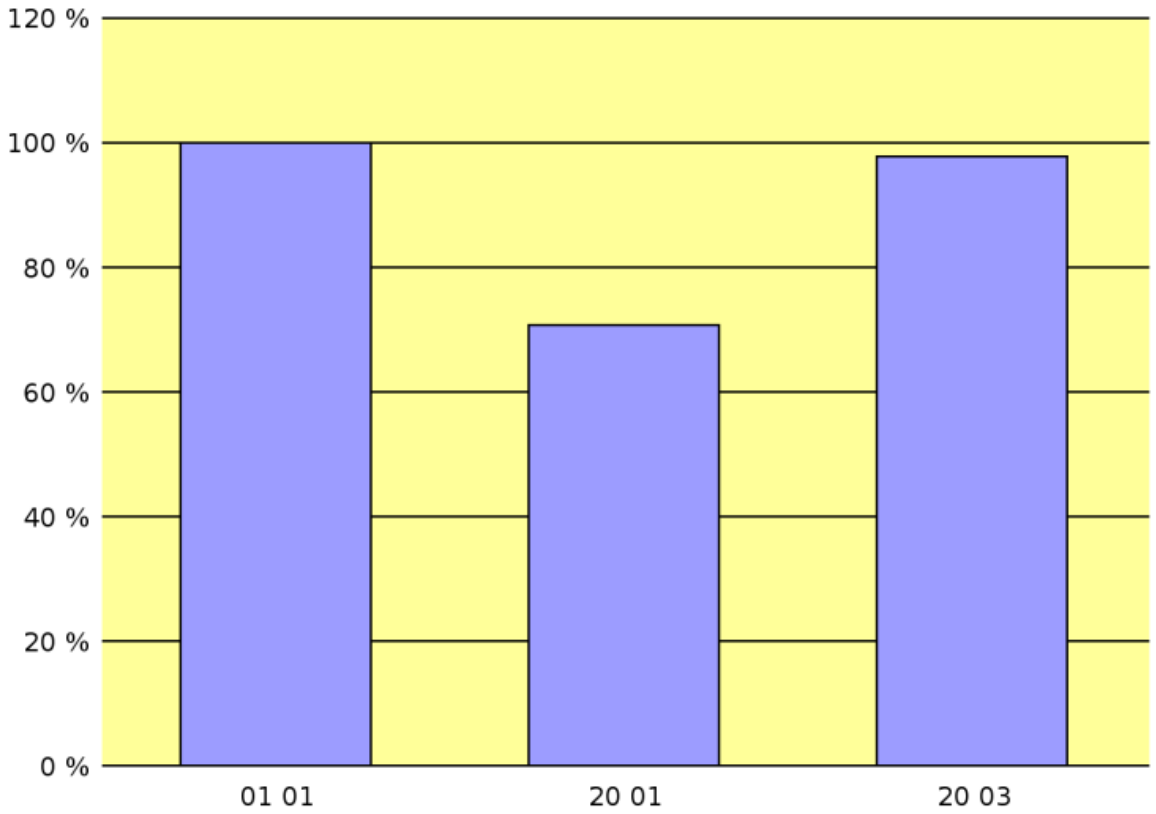
Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Refresh date : 16/03/2023

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2022 (in Mio €) for DG OIL					
			Commitment appropriations authorised*	Commitments made	%
			1	2	3=2/1
Title 01 Research and Innovation					
01	01 01	Support administrative expenditure of the "Research and Innovation" cluster	1.91	1.91	100.00 %
Total Title 01			1.91	1.91	100.00 %
Title 20 Administrative expenditure of the European Commission					
20	20 01	Members, officials and temporary staff	9.02	6.37	70.69 %
	20 03	Administrative Operating expenditure	92.36	90.27	97.74 %
Total Title 20			101.38	96.65	95.34 %
Total Excluding NGEU			103.29	98.56	95.42 %
Total DG OIL			103.29	98.56	95.42 %

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

% Outturn on Commitment Appropriations in 2022 for DG OIL



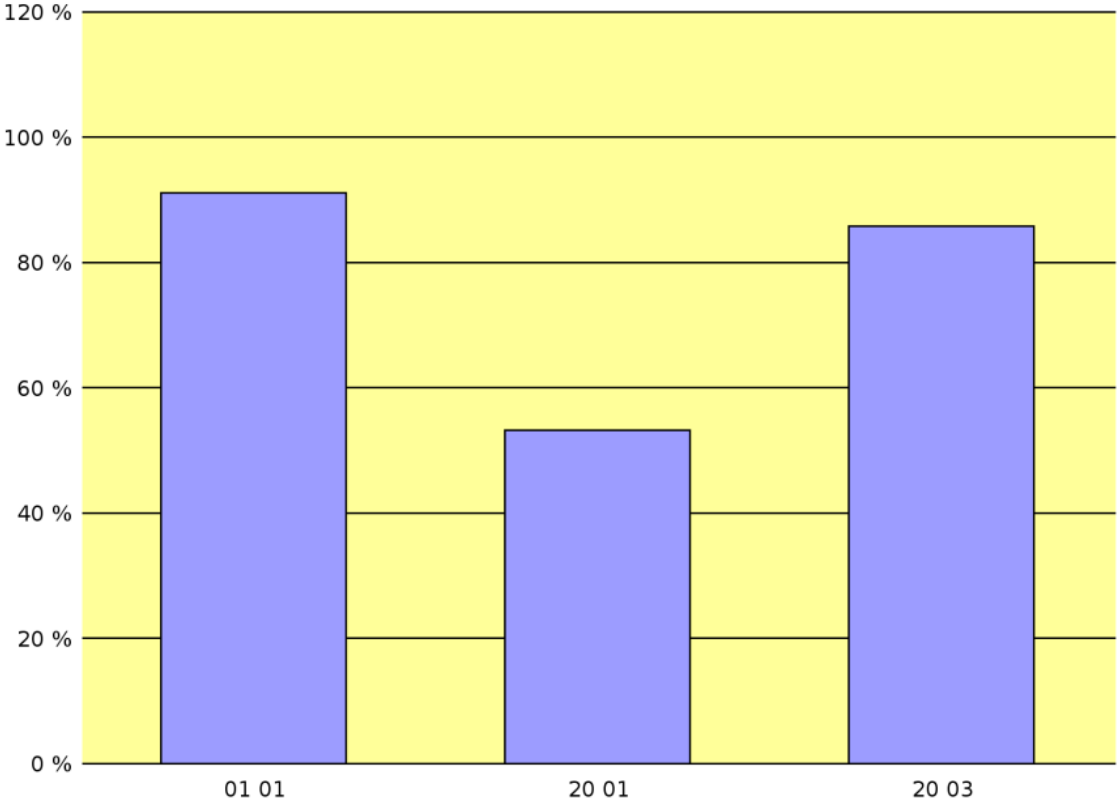
Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Refresh date : 16/03/2023

TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS in 2022 (in Mio €) for DG OIL					
			Payment appropriations authorised *	Payments made	%
			1	2	3=2/1
Title 01 Research and Innovation					
01	01 01	Support administrative expenditure of the "Research and Innovation" cluster	2.43	2.22	91.09 %
Total Title 01			2.43	2.22	91.09%
Title 20 Administrative expenditure of the European Commission					
20	20 01	Members, officials and temporary staff	10.20	5.43	53.19 %
	20 03	Administrative Operating expenditure	100.38	86.12	85.79 %
Total Title 20			110.58	91.54	82.78%
Total Excluding NGEU			113.01	93.76	82.96%
Total DG OIL			113.01	93.76	82.96 %

** Payment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous payment appropriations for the period (e.g. internal and external assigned revenue).*

% Outturn on Payment Appropriations in 2022 for DG OIL



Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

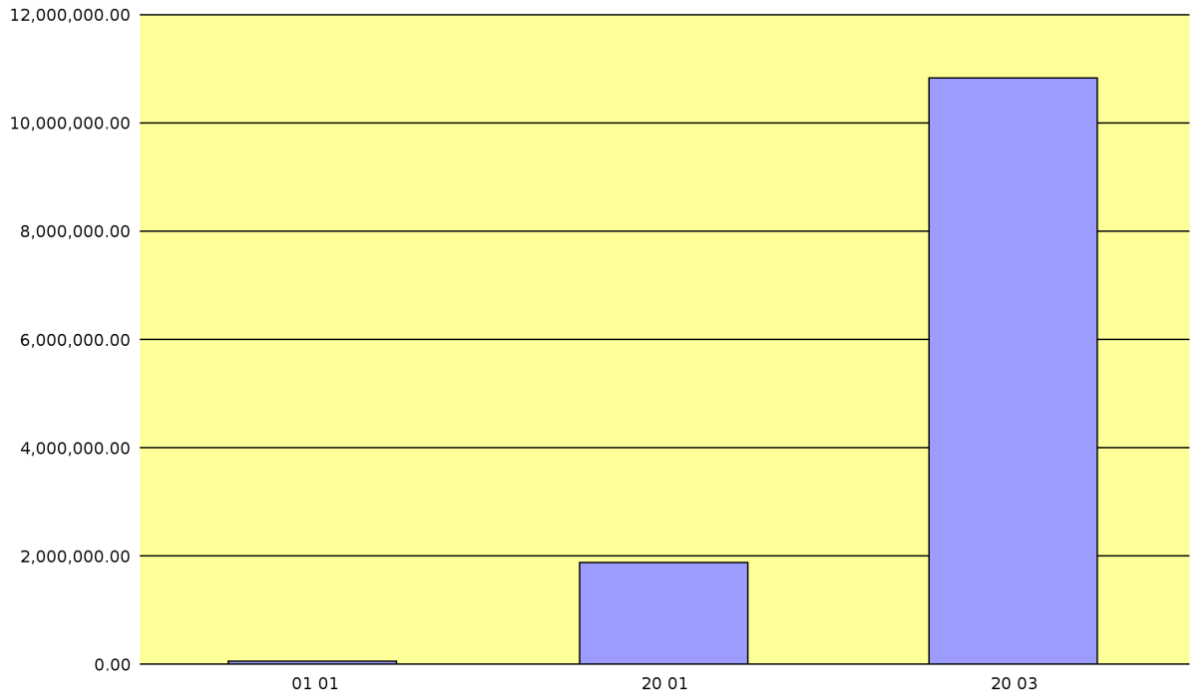
Refresh date : 16/03/2023

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2022 (in Mio €) for DG OIL									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2021	Total of commitments to be settled at end of financial year 2022	Total of commitments to be settled at end of financial year 2021
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
01	01 01	Support administrative expenditure of the "Research and Innovation" cluster	1.91	1.86	0.05	2.54%	0.00	0.05	0.52
Total Title 01			1.91	1.86	0.05	2.54%	0.00	0.05	0.52
TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2022 (in Mio €) for DG OIL									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2021	Total of commitments to be settled at end of financial year 2022	Total of commitments to be settled at end of financial year 2021
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
20	20 01	Members, officials and temporary staff	6.37	4.51	1.86	29.18%	0.01	1.87	2.27
	20 03	Administrative Operating expenditure	90.27	79.45	10.83	11.99%	0.00	10.83	8.02
Total Title 20			96.65	83.96	12.69	13.13%	0.01	12.70	10.29
Total Excluding NGEU			98.56	85.82	12.74	12.92%	0.01	12.75	10.81
Total for DG OIL			98.56	85.82	12.74	12.92 %	0.01	12.75	10.81

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Refresh date : 16/03/2023

Breakdown of Commitments Remaining to be Settled (in Mio EUR) in 2022 OIL



Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Refresh date : 16/03/2023

TABLE 4 : BALANCE SHEET for DG OIL

BALANCE SHEET	2022	2021
A.I. NON CURRENT ASSETS	206,900,606.78	180,416,083.96
A.I.1. Intangible Assets	147,999.93	248,974.35
A.I.2. Property, Plant and Equipment	206,752,606.85	180,167,109.61
A.II. CURRENT ASSETS	737,632.76	5,987,662.68
A.II.3. Curr Exch Receiv & Non-Ex Recoverables	221,460.53	5,592,551.35
A.II.6. Cash and Cash Equivalents	516,172.23	395,111.33
ASSETS	207,638,239.54	186,403,746.64
P.I. NON CURRENT LIABILITIES	-68,197,702.92	-89,972,956.33
P.I.3. Non-Current Financial Liabilities	-68,197,702.92	-89,972,956.33
P.II. CURRENT LIABILITIES	-39,196,319.86	-7,645,596.25
P.II.2. Current Provisions	-311,000.00	-311,000.00
P.II.3. Current Financial Liabilities	-4,142,741.48	-5,283,187.38
P.II.4. Current Payables	-34,742,578.38	-2,051,408.87
P.II.5. Current Accrued Charges & Defrd Income	0.00	0.00
LIABILITIES	-107,394,022.78	-97,618,552.58
NET ASSETS (ASSETS less LIABILITIES)	100,244,216.76	88,785,194.06

P.III.2. Accumulated Surplus/Deficit	896,113,219.38	816,666,253.88
Non-allocated central (surplus)/deficit*	-996,357,436.14	-905,451,447.94
TOTAL DG OIL	0.00	0.00

It should be noted that the balance sheet and statement of financial performance presented in Annex 3 to this Annual Activity Report, represent only the assets, liabilities, expenses and revenues that are under the control of this Directorate General. Significant amounts such as own resource revenues and cash held in Commission bank accounts are not included in this Directorate General's accounts since they are managed centrally by DG Budget, on whose balance sheet and statement of financial performance they appear. Furthermore, since the accumulated result of the Commission is not split amongst the various Directorates General, it can be seen that the balance sheet presented here is not in equilibrium.

Additionally, the figures included in tables 4 and 5 are provisional since they are, at this date, still subject to audit by the Court of Auditors. It is thus possible that amounts included in these tables may have to be adjusted following this audit.

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Refresh date : 16/03/2023

TABLE 5 : STATEMENT OF FINANCIAL PERFORMANCE for DG OIL

STATEMENT OF FINANCIAL PERFORMANCE	2022	2021
II.1 REVENUES	-25,855,328.71	-13,570,169.49
II.1.1. NON-EXCHANGE REVENUES	-2,309,081.45	
II.1.1.8. OTHER NON-EXCHANGE REVENUES	-2,309,081.45	
II.1.2. EXCHANGE REVENUES	-23,546,247.26	-13,570,169.49
II.1.2.2. OTHER EXCHANGE REVENUE	-23,546,247.26	-13,570,169.49
II.2. EXPENSES	95,682,774.73	93,017,134.99
II.2. EXPENSES	95,682,774.73	93,017,134.99
II.2.10. OTHER EXPENSES	81,819,120.82	78,671,426.65
II.2.6. STAFF AND PENSION COSTS	9,759,003.75	8,701,818.23
II.2.8. FINANCE COSTS	4,104,650.16	5,643,890.11
STATEMENT OF FINANCIAL PERFORMANCE	69,827,446.02	79,446,965.50

It should be noted that the balance sheet and statement of financial performance presented in Annex 3 to this Annual Activity Report, represent only the assets, liabilities, expenses and revenues that are under the control of this Directorate General. Significant amounts such as own resource revenues and cash held in Commission bank accounts are not included in this Directorate General's accounts since they are managed centrally by DG Budget, on whose balance sheet and statement of financial performance they appear. Furthermore, since the accumulated result of the Commission is not split amongst the various Directorates General, it can be seen that the balance sheet presented here is not in equilibrium.

Additionally, the figures included in tables 4 and 5 are provisional since they are, at this date, still subject to audit by the Court of Auditors. It is thus possible that amounts included in these tables may have to be adjusted following this audit.

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Refresh date : 16/03/2023

TABLE 5bis : OFF BALANCE SHEET for DG OIL

OFF BALANCE	2022	2021
OB.1. Contingent Assets	199,203.00	224,203.00
GR for performance	199,203.00	224,203.00
OB.3. Other Significant Disclosures	-744,069,962.09	-607,390,927.55
OB.3.3.7. Other contractual commitments	-507,861,569.15	-395,911,474.94
OB.3.5. Operating lease commitments	-236,208,392.94	-211,479,452.61
OB.4. Balancing Accounts	743,870,759.09	607,166,724.55
OB.4. Balancing Accounts	743,870,759.09	607,166,724.55
OFF BALANCE	0.00	0.00

It should be noted that the balance sheet and statement of financial performance presented in Annex 3 to this Annual Activity Report, represent only the assets, liabilities, expenses and revenues that are under the control of this Directorate General. Significant amounts such as own resource revenues and cash held in Commission bank accounts are not included in this Directorate General's accounts since they are managed centrally by DG Budget, on whose balance sheet and statement of financial performance they appear. Furthermore, since the accumulated result of the Commission is not split amongst the various Directorates General, it can be seen that the balance sheet presented here is not in equilibrium.

Additionally, the figures included in tables 4 and 5 are provisional since they are, at this date, still subject to audit by the Court of Auditors. It is thus possible that amounts included in these tables may have to be adjusted following this audit.

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Refresh date : 16/03/2023

TABLE 6: AVERAGE PAYMENT TIMES for DG OIL

Legal Times									
Maximum Payment Time (Days)	Total Nbr of Payments	Nbr of Payments within Time Limit	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)	Late Payments Amount	Percentage
30	3,158	3,028	95.88 %	15.03	130	4.12 %	52.57	1,171,595.71	2 %
45	92	92	100.00 %	17.13				0.00	0 %
60	30	30	100.00 %	23.23				0.00	0 %
Total Number of Payments	3,280	3,150	96.04 %		130	3.96 %		1,171,595.71	1 %
Average Net Payment Time	16.65			15.17			52.57		
Average Gross Payment Time	18.46			16.29			71.01		

Suspensions							
Average Report Approval Suspension Days	Average Payment Suspension Days	Number of Suspended Payments	% of Total Number	Total Number of Payments	Amount of Suspended Payments	% of Total Amount	Total Paid Amount
0	70	84	2.56 %	3,280	1,273,156.36	1.35 %	94,247,611.40

Late Interest paid in 2022			
DG	GL Account	Description	Amount (Eur)
OIL	65010000	Interest expense on late payment of charges	11,736.99
OIL	65010100	Interest on late payment of charges New FR	258.70
			11,995.69

NB: Table 6 only contains payments relevant for the time statistics. Please consult its exact scope in the AAR Annex3 BO User Guide (https://myintracomm.ec.europa.eu/budgweb/EN/abac/dwh/Pages/its-030-10-20_documentation.aspx).

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Refresh date : 16/03/2023

TABLE 7 : SITUATION ON REVENUE AND INCOME in 2022 for DG OIL								
Chapter		Revenue and income recognized			Revenue and income cashed from			Outstanding balance
		Current year RO	Carried over RO	Total	Current Year RO	Carried over RO	Total	
		1	2	3=1+2	4	5	6=4+5	
31	Revenue linked to property	812,647.24	4,109,055.00	4,921,702.24	812,647.24	4,109,055.00	4,921,702.24	0.00
32	Revenue from the supply of goods, services and work - Assigned revenue	1,347,578.01	1,269,408.17	2,616,986.18	1,340,085.01	1,269,408.17	2,609,493.18	7,493.00
33	Other administrative revenue	3,827,649.55	273,112.74	4,100,762.29	3,694,999.95	132,770.25	3,827,770.20	272,992.09
Total DG OIL		5,987,874.80	5,651,575.91	11,639,450.71	5,847,732.20	5,511,233.42	11,358,965.62	280,485.09

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Refresh date : 16/03/2023

TABLE 8 : FINANCIAL IMPACT OF EX-ANTE AND EX-POST CONTROLS in for DG OIL

EX-ANTE CONTROLS	Irregularity	Total undue payments recovered
NON ELIGIBLE IN COST CLAIMS		
CREDIT NOTES	9,841.56	9,841.56
RECOVERY ORDERS ON PRE-FINANCING		
Sub-Total	9,841.56	9,841.56

EX-POST CONTROLS	Irregularity	Total undue payments recovered
INCOME LINES IN INVOICES		
RECOVERY ORDERS OTHER THAN ON PRE-FINANCING		
Sub-Total		
GRAND TOTAL (EX-ANTE + EX-POST)	9,841.56	9,841.56

Refresh date : 16/03/2023

TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 12/31/2022 for DG OIL

	Number at 1/1/2022 1	Number at 12/31/2022	Evolution	Open Amount (Eur) at 1/1/2022 1	Open Amount (Eur) at 12/31/2022	Evolution
2016	1	1	0.00 %	140,043.39	140,043.39	0.00 %
2020	4	1	-75.00 %	564.60	99.60	-82.36 %
2021	55	1	-98.18 %	5,510,967.92	199.50	-100.00 %
2022		26			140,142.60	
	60	29	-51.67 %	5,651,575.91	280,485.09	-95.04 %

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Refresh date : 16/03/2023

TABLE 10 :Recovery Order Waivers >= 60 000 € in 2022 for DG OIL

Waiver Central Key	Linked RO Central Key	RO Accepted Amount (Eur)	LE Account Group	Commission Decision	Comments
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Total DG OIL	
---------------------	--

Number of RO waivers	
-----------------------------	--

There are no waivers below 60 000 €

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Refresh date : 16/03/2023

TABLE 11 : Negotiated Procedures in 2022 for DG OIL

Internal Procedures > € 60,000

Negotiated Procedure Legal base	Number of Procedures	Amount (€)
Annex 1 - 11.1 (b) - Artistic/technical reasons or exclusive rights or technical monopoly/captive market	1	134,300.00
Total	1	134,300.00

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Refresh date : 16/03/2023

TABLE 12 : Summary of Procedures in 2022 for DG OIL

Internal Procedures > € 60,000

Procedure Legal base	Number of Procedures	Amount (€)
Negotiated procedure middle value contract (Annex 1 - 14.2)	1	122,000.00
Negotiated procedure without prior publication (Annex 1 - 11.1)	1	134,300.00
Open procedure (FR 164 (1)(a))	4	18,429,000.00
Total	6	18,685,300.00

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Refresh date : 16/03/2023

TABLE 13 : BUILDING CONTRACTS in 2022 for DG OIL

Legal Base	Procedure subject	Contract Number	Contractor Name	Contract Subject	Contracted Amount (€)

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Refresh date : 16/03/2023

TABLE 14 : CONTRACTS DECLARED SECRET in 2022 for DG OIL

Legal Base	LC Date	Contract Number	Contract Subject	Contracted Amount (€)

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Refresh date : 16/03/2023

TABLE 15 : FPA duration exceeds 4 years - DG OIL

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Refresh date : 16/03/2023

TABLE 16 : Commitments co-delegation type 3 in 2022 for DG OIL

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Refresh date : 16/03/2023

ANNEX 4 : Financial Scorecard

DG OIL

The Annex 4 of each Commission service summarises the annual result of the standard financial indicators measurement. Annexed to the Annual Activity Report 2022, 10 standard financial indicators are presented below, each with its objective and result for the Commission service and for the EC as a whole (for benchmarking purposes)¹⁷:

- | | |
|--|---|
| <ul style="list-style-type: none"> - Commitment Appropriations (CA) Implementation - CA Forecast Implementation - Payment Appropriations (PA) Implementation - PA Forecast Implementation - Global Commitment Absorption | <ul style="list-style-type: none"> - Timely Payments - Timely Decommitments - Invoice Registration Time - Accounting Data Quality - Management Data Quality |
|--|---|

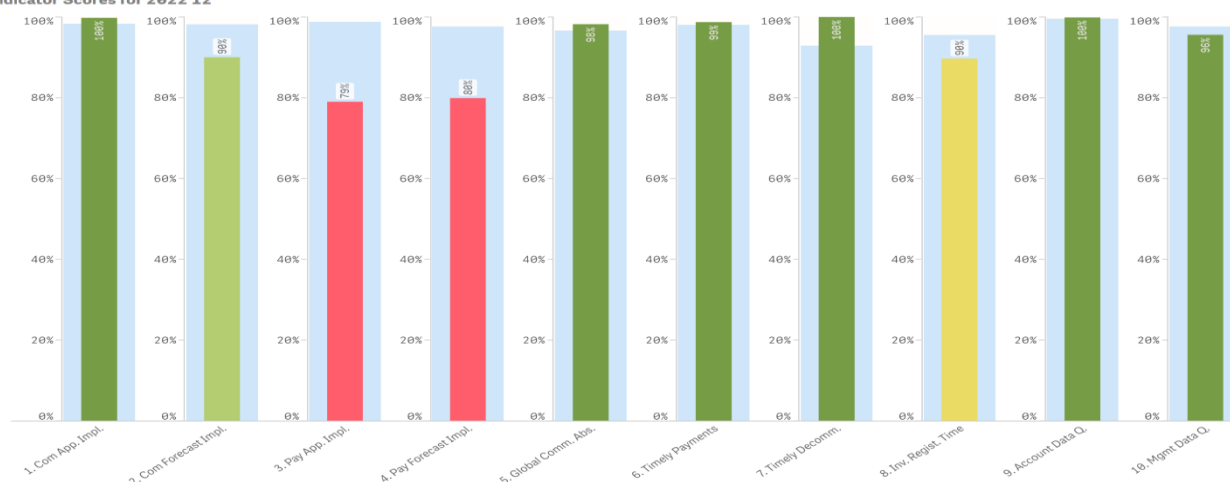
For each indicator, its value (in %) for the Commission service is compared to the common target (in %). The difference between the indicator's value and the target is colour coded as follows:

- 100 – >95% of the target: dark green
- 95 – >90% of the target: light green
- 90 – >85% of the target: yellow
- 85 – >80% of the target: light red
- 80 – 0% of the target: dark red

The Commission services are invited to provide commentary for each indicator's result in the dedicated comment section below the indicators scores as this can help the reader to understand the Commission's service context. In cases when the indicator's value achieves 80% or less of the target, the comment becomes mandatory.

The detailed definitions of the indicators are available on the internal DG BUDG site (BudgPedia) and managed by unit BUDG.C5 Financial Reporting.

OIL Indicator Scores for 2022 12



For each indicator the light blue bar denotes the EC Score.

¹⁷ If the EC service did not perform any transaction in the area measured by the indicator or the information is not available in the central financial system, the indicator is not calculated (i.e. displayed as “-“ in this Annex.

Indicator	Objective	Comment ¹⁸	OIL Score	EC Score
1. Commitment Appropriations Implementation	Ensure efficient use of commitment appropriations expiring at the end of Financial Year		100%	98%
2. Commitment Forecast Implementation	Ensure the cumulative alignment of the commitment implementation with the commitment forecast in a financial year		90%	98%
3. Payment Appropriations Implementation	Ensure efficient use of payment appropriations expiring at the end of Financial Year	Execution of payment appropriations expiring in 2022 was largely due to the fact that budgetary commitments for expenditure related to buildings in Luxembourg were kept at a conservatively high level, in anticipation of final invoicing for 2021 (final invoices for energy, for example). OIL continues its effort to make precise estimates and decommit any unused budgetary appropriations.	79%	99%
4. Payment Forecast Implementation	Ensure the cumulative alignment of the payment implementation with the payment forecast in a financial year	In agreement with DG Budget OIL did not do a forecast for its purely administrative budget. Instead, DG Budget agreed to apply for the dashboard a linear increase of OIL's payment appropriation forecast throughout the year. Surprisingly, this extrapolation by the system led to a scenario where the forecasted payment appropriations for 2022 exceed the corresponding budget (117 Mio € vs. 113 Mio €), a situation which obviously result in a low execution percentage. In view of this unrealistic assumptions by the system OIL envisages to register in the future its own budget forecast in the system.	80%	98%

¹⁸ An explanation behind the indicator result can be provided, e.g. the comment about the achievement itself, reference to the whole Commission performance (better or worse), reasons behind this achievement. The comment is mandatory for the 'Timely payments' indicator. For the rest of indicators the comment is mandatory only if the score is equal or below the target of 80%.

5. Global Commitment Absorption ¹⁹	Ensure efficient use of already earmarked commitment appropriations (at L1 level)		98%	97%
6. Timely Payments	Ensure efficient processing of payments within the legal deadlines		99%	98%
7. Timely Decommittments	Ensure efficient decommitment of outstanding RAL at the end of commitment life cycle		100%	93%
8. Invoice Registration Time	Monitor the accounting risk stemming from late registration of invoices in the central accounting system ABAC		90%	95%
9. Accounting Data Quality	Ensure the good data quality of ABAC transactions with the focus on fields having a primary impact on the accounts		100%	100%
10. Management Data Quality	Ensure the good data quality of ABAC transactions with the focus on fields having a primary impact on the management decisions		96%	98%

¹⁹ Due to technical limitation: 1. the indicator does not take into account the Com L1 Consumption between the FDC ILC date and the FA FDI allowed as an exception in the external actions for Com L1 of type GF, i.e. with Financing Agreement, under the FR2018 Article 114.2. 2. it is technically not possible to exclude the decommitment of RAL (C8) which is subsequently re-committed for a new purpose. As a result, the actual Indicator score may be slightly higher than the one reported for DGs using the GF commitments.

ANNEX 5: Materiality criteria

This annex provides a detailed explanation on how the AOD defined the materiality threshold as a basis for determining whether significant weaknesses should be subject to a formal reservation to his/her declaration of assurance.

1. Qualitative criteria

The qualitative criteria OIL used to establish that it had no reservations relate to any factual event or significant weaknesses linked to the use of resources, sound financial management or legality and regularity of underlying transactions, which might:

- Harm the image and reputation of the Commission,
- Entail legal liability for the Commission,
- Relate to serious errors in the Office’s internal control system.

Significant occurrence of errors in the underlying transactions (legality and regularity)	Ex post controls and audits did not point out any major system weaknesses with financial impact.
Significant control system weaknesses	<p>In order to assess the significance of any weaknesses, the following factors have been taken into account by the Office:</p> <ul style="list-style-type: none"> • the nature and scope of the weakness; • the duration of the weakness; • the existence of compensatory measures (mitigating controls which reduce the impact of the weakness); • the existence of effective corrective actions to correct the weaknesses (action plans and financial corrections) which have had a measurable impact. <p>No significant control weaknesses have been identified for 2022.</p>
Non application of one or more internal control principles	The assessment of the functioning of internal control at OIL does not reveal any issues which have an impact on the declaration of assurance.
Insufficient evidence from internal control systems or	In addition to ex-post controls and audits, OIL's exception register, AOSD reports and supervision tools ensure the

audit coverage	extensive coverage of the activities of the Office.
Critical issues outlined by the European Court of Auditors or the Internal Audit Service or OLAF	There were no critical issues outlined by the European Court of Auditors or the Internal Audit Service or OLAF in 2022 and no critical issues pending from earlier years.
Significant reputational events	There were no significant reputational events for OIL in 2022. To arrive at this conclusion OIL considered the following three factors: <ul style="list-style-type: none"> • The nature of the impact on reputation • The breadth of awareness of the event • The duration of impact on reputation
Litigations/potential litigations	No litigations or potential litigations corresponding to the materiality criteria set up by the Commission.

2. Quantitative criteria

In line with the guidelines annexed to Communication COM(2003) 28 of 21 January 2003, the Office considered that the materiality of any reservation should be subject, in quantitative terms, to a threshold of 2% of the authorised payments of the reporting year of the ABB activity concerned.

Since 2019²⁰, a 'de minimis' threshold for financial reservations has been introduced. Quantified AAR reservations related to residual error rates above the 2% materiality threshold, are deemed not substantial for segments representing less than 5% of a DG's total payments and with a financial impact below EUR 5 million. In such cases, quantified reservations are no longer needed.

²⁰ Agreement of the Corporate Management Board of 30/4/2019.

ANNEX 6: Relevant Control System(s) for budget implementation (RCSs)

The Office for Infrastructure and Logistics in Luxembourg manages exclusively administrative expenditure in the direct management mode. Procurement mainly relates to three types of contracts: service, supply and works contracts. Contracts duration: generally, framework contracts are signed for a period of 4 years, whilst direct contracts cover a longer time span (generally five years).

I. Procurement

Stage 1

A. Planning of procurement

Main control objectives: Effectiveness, efficiency and economy, legality and regularity (compliance).

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (the three E's)
Needs not well defined (operationally and economically) and decision to procure inappropriate to meet the operational objectives Discontinuation of the services provided due to a late contracting (poor planning and organisation of the procurement procedure)	Planning of procedures is regularly reviewed and discussed at management meetings, degrees of priority are defined for tenders to be launched and adjustments to the planning made if necessary. All elements of tender procedures to be launched (technical specifications, selection and award criteria, estimated amount of the market) are systematically approved by the (sub) delegated authorising	Coverage All key procurement procedures (> 135.000 € and/or having significant impact on the objectives of OIL) are approved at management level Depth (intensity) 100% of the forecasted procurements > 135.000 € are justified in a note addressed by the AOS to the Finance Unit.	Effectiveness: - Regular monitoring of procurement procedures and delays indicators - MP objectives followed through several indicators - Budget reporting - Number of projected tenders cancelled - Number of contracts discontinued due to lack of use (poor planning). Benefits : - reliable procurement planning avoids gaps in business continuity (nq) - rejection of unjustified purchases (nq) - avoiding double calls for tender procedures by coordination with other Commission departments

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (the three E's)
	<p>Officer and checked by at least 2 people in the Finance unit, in close cooperation with the operational units.</p> <p>The current coordination with other institutions and Commission's services at the GTA0 (Groupe Technique Appels d'Offres) enables synergies by sharing procedures and helps to bring relevant adjustments to the overall planning.</p>		<p>and EU institutions (GTA0)(nq).</p> <p>Efficiency: - Average cost per tender.</p> <p>Economy (costs): - Cost of staff involved in operational and procurement units.</p> <p>(q: quantified; nq: not quantified)</p>

B. Needs assessment and definition of needs

Main control objectives: Effectiveness, efficiency and economy, legality and regularity (compliance with FR and Vade-mecum on procurement).

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (the three E's)
<p>The best offers are not submitted due to the poor definition of the tender specifications.</p> <p>Procurement needs for complex works and services designed in a way that does not facilitate the management of the contract.</p> <p>Insufficient number of tenderers or candidates responding to calls for tenders.</p> <p>Risk of discontinued services resulting from procurement procedure.</p>	<p>Procurement procedures, at the exception of buildings procedures, are conducted by the central procurement sector for consistency with the FR and for quality revision of the tender documents.</p> <p>All the specifications are verified so as to avoid technical requirements drafted in a too restrictive way.</p> <p>a) Application of best practice by obtaining technical specifications for identical calls for tenders from other DGs and/or other institutions.</p> <p>b) Controls by AOSD (supervision and approval of specifications within the operational units)</p> <p>c) Additional supervisory verification by the finance unit (sector Contracts and Calls for Tenders mainly), in close cooperation with the operational units).</p>	<p>Coverage Procurement procedures conducted by central procurement sector</p> <p>Tender specifications submitted by the operational units entirely checked.</p> <p>Depth (intensity): Determined by the amount and/or the impact on the operational objectives pursued.</p>	<p>Effectiveness: - - Number of procedures and contracts signed</p> <ul style="list-style-type: none"> - Number of 'open' or procedures where only one or no offers were received. - Number of negative GAMA²¹ opinions - Recommendations from ECA, IAS - Register of exceptions - Anti fraud indicators (e.g. OLAF or IDOC investigations opened). <p>Benefits :</p> <ul style="list-style-type: none"> - Increased competition and value for money (q) - legal certainty (nq) - litigations avoided (nq) - risk of cancellation of a tender limited (nq). <p>Efficiency:</p> <ul style="list-style-type: none"> - Estimated average cost of a procurement procedure. <p>Economy (costs):</p> <ul style="list-style-type: none"> - Estimation of cost of staff involved from operational units and procurement sector. <p>(q: quantified; nq: not quantified)</p>

²¹ Groupe d'Analyse des Marchés Administratifs.

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (the three E's)
	<p>For low value markets, more suppliers than required by the norms are consulted.</p> <p>For all new calls for tenders, tender documents are actively revised to simplify them.</p> <p>For markets requiring publication in the OJ and for which proximity is a selection criteria, tender notices give rise to adequate publicity in the neighbouring region's press.</p>		

C. Selection of the offer and evaluation

Main control objectives: Effectiveness, efficiency and economy; Legality and regularity (compliance with FR and Vade-mecum on procurement); Fraud prevention and detection.

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (the three E's)
The most economically advantageous offer not being selected, due to a biased, inaccurate or unfair evaluation process.	<p>For all tenders above 135.000 €, opening and evaluation committees are systematically appointed and include an external member from other DGs or institutions.</p> <p>Members of opening and evaluation</p>	<p>Coverage :</p> <ul style="list-style-type: none"> - All procurement procedures, whatever their amount, are verified from a technical and procedural angle. 	<p>Effectiveness:</p> <ul style="list-style-type: none"> - Procurement reporting (status of procedures, - Number of unsuccessful procurement procedures - Number of negative GAMA opinions - Register of exceptions - Anti fraud indicators - Number of 'valid' complaints or litigation cases filed.

<p>Risk of fraud, unequal treatment of tenderers, legal action, financial penalties or bad reputation resulting from unethical behaviour, breach of confidentiality rules or non-compliance rules with the procurement rules.</p>	<p>committees sign a declaration of absence of conflict of interest and are aware of their obligations and are reminded by the finance unit of the key procedural steps, in order to reduce the risk of contest by tenderers; systematic measures are being taken to ensure confidentiality as to on-going procedures, including for low value procurement.</p> <p>Evaluation is based exclusively on the criteria set out in the tender specifications.</p> <p>Compulsory trainings for staff involved in procurement.</p> <p>Central services are consulted for advice, including the legal service if necessary.</p> <p>Tenders above 135.000 € are notified to GAMA. After sampling or on request of the authorizing officer the consultative GAMA committee provides an opinion as to the compliance with FR.</p>	<p>-Risk based sampling combined with random sampling done by the GAMA group.</p> <p>Depth (intensity) : All underlying documentation is checked.</p>	<p>Benefits :</p> <ul style="list-style-type: none"> - Increased legal certainty (nq); - Compliance with FR and vade-mecum on procurement (nq); - Difference between the most onerous offer and the selected one (q) - Potential irregularities/ inefficiencies prevented (nq) - Risk of fraud or litigation reduced (nq). <p>Efficiency:</p> <ul style="list-style-type: none"> - Average cost of a tendering procedure. - Recommendations from ECA, IAS. <p>Economy (costs):</p> <ul style="list-style-type: none"> - OIL is a member of the GAMA group (1 people – part of his time) - Participation in the meeting of officers from operational and procurement units for sampled files. <p>(q: quantified; nq: not quantified)</p>
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Stage 2 – Financial transactions

Expenditure implementation (commitment, validation authorisation and payment of expenditure)

Main control objectives: Ensuring that the implementation of the contract is in compliance with the signed contract; legality and regularity (compliance with FR), fraud prevention and detection, safeguarding of assets

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (the three E's)
<p>The products, services/works foreseen are not, totally or partially, provided in accordance with the technical description and requirements foreseen in the contract (L&R and SFM).</p> <p>Inefficient management of funds (SFM) including late reinforcement of existing budgetary commitment.</p> <p>Inaccurate reporting leading to wrong management decisions.</p>	<p>All transactions (payments and commitments) are controlled based on financial procedures in place.</p> <p>Delegations of powers (AOSD, CAF ...) are documented and updated.</p> <p>Operational and financial checks are performed in accordance with the financial circuits (four eyes principles). Specialized training sessions are organized to reinforce the quality of financial files.</p> <p>OIL applies additional guidelines to support the CAF process including quality checks for the most complex contracts.</p>	<p>Coverage All transactions (payments and commitments) are controlled based on financial procedures in place.</p> <p>Depth (intensity) Determined by the amount and/or impact on the operational objectives (complexity of services, studies or works, technical equipment, received etc...) as defined in the risk register.</p>	<p>Effectiveness:</p> <ul style="list-style-type: none"> - % of payments handled outside contractual delays - Value of late interest payments - Average time to pay - Budget reporting - ECA's DAS recommendations - IAS recommendations - % of a posteriori payments - AOSD reports. <p>Benefits:</p> <ul style="list-style-type: none"> - Errors, frauds and potential litigations prevented or minimized (nq) - Sound financial management and respect of contractual deadlines (q) - Accounting errors identified and corrected at an early stage (q). <p>Efficiency:</p> <ul style="list-style-type: none"> - Time-to-payment - Late interest payment and damages paid (by the Commission). <p>Economy (costs):</p> <ul style="list-style-type: none"> - estimation of cost of staff

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (the three E's)
	Controls embedded in the IT applications (ABAC SAM) for budgetary commitments		involved. (q: quantified; nq: not quantified)
Safeguarding of assets not properly ensured (lost, stolen or written off)	Regular tracking exercises. Supplementary controls are embedded in the IT application (ABAC SAM) for assets. Accounting controls on assets.	Coverage: all assets checked every three years (3 yearly inventory), based on the inventory regulation (Règlement d'inventaire). Depth (intensity) : Include access to underlying documentation.	Effectiveness: - Percentage of non-located assets. Benefits: - EC property safeguarded (nq). Efficiency: - Tracking rate. Economy (costs): - estimation of cost of staff involved + The team responsible for the inventory + The accounting staff). (q: quantified; nq: not quantified)

Stage 3 - Supervisory measures

Main control objectives: legality and regularity (FR, ICF...), detection and correction of weaknesses

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost- Effectiveness indicators (the three E's)
<p>Reliability of reporting not ensured (decisions made on the basis of erroneous information and data).</p> <p>Sound financial management aspects not adequately monitored.</p> <p>Internal control systems not well defined or applied (internal control framework not correctly implemented): risks not well identified and/or correctly managed.</p> <p>Risk of litigations and reputational damage due to non-compliance with rules in force (FR, accounting).</p>	<p>Supervisory checks on the management of contracts and related financial transactions by quality cells, under the supervision of AOS.</p> <p>AOSD reports issued every six months, including SFM aspects: financial data submitted by the financial unit and controls by financial correspondents.</p> <p>Register of exceptions, open audit recommendations are analysed, registered and actions taken to address weaknesses.</p> <p>Internal procedures regularly updated.</p> <p>Compliance with Internal Control Framework monitored regularly, risk management performed and risk register implemented (mitigating measures).</p>	<p>Coverage Any item or transaction (if applicable).</p> <p>Depth (intensity): Controls foreseen in the instructions from central services or in the decision of creation of the Offices (governance aspects).</p>	<p>Effectiveness:</p> <ul style="list-style-type: none"> - % of AOSD reports awaited - % of audit recommendations implemented on time - % of a posteriori payments - Number of IC principles not fully compliant or ineffective - Anti fraud indicators (e.g. OLAF or IDOC investigations opened) - Risk assessment results and related mitigated actions. <p>Benefits:</p> <ul style="list-style-type: none"> - issues are addressed and followed-up (nq); - Processes and procedures improved (nq); - Continuous improvement of the internal

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost- Effectiveness indicators (the three E's)
<p>Risks of errors not prevented, detected or corrected by ex-ante control.</p>	<p>Antifraud strategy and related anti-fraud controls.</p> <p>Quality of reporting assessed (feedback from management board and Commissioner analysed and correction done if needed) three times per year: MAPF, MP, AAR mid-term review.</p>		<p>control system (nq);</p> <ul style="list-style-type: none"> - Contributes to the reasonable assurance (nq); - Issues are followed up and addressed (nq); - Processes and procedures improved (nq); - Amounts detected associated with fraud & error (q); - Deterrents & systematic weaknesses corrected (nq). <p>Efficiency:</p> <ul style="list-style-type: none"> - Costs of the ex post controls and supervisory measures with respect to the 'benefits'; - Average cost of an ex-post control. <p>Economy (costs):</p> <ul style="list-style-type: none"> - Estimation of cost of staff involved (q: quantified; nq: not quantified).

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost- Effectiveness indicators (the three E's)
<p>Risk of litigations and reputational damage due to non-compliance with rules in force (FR, accounting)</p> <p>Risks of errors not prevented, detected or corrected by ex-ante control</p>	<p>Ex post controls cover a representative sample of financial transactions and purchasing procedures.</p>	<p>Coverage Two samples selected by ex post, one risk based (50%) and one random (50%)</p> <p>Depth: Look for any systemic problem in the purchasing procedure and in the financial transaction procedure</p>	<p>Effectiveness: - Number of significant errors highlighted by EPC (errors at level 5)</p> <p>Benefits: - Correction of errors and continuous improvement of the internal control system (nq); - Deterrent & systematic weaknesses corrected (nq); - Operational and financial objectives attained, instructions and policies set up by central services adequately followed, sound internal control environment.</p> <p>Efficiency: - % of the execution of the annual ex post control programme - % of errors vs total checked.</p>

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost- Effectiveness indicators (the three E's)
			Economy (costs): - Estimation of cost of staff involved (mainly management staff). (q: quantified; nq: not quantified)

II. Revenues

Due to the nature of its activities and its interinstitutional role, the Office recovers allocated revenue either from other institutions/equivalent bodies or from the users of various services. The types of revenue are generated through the sub-letting of property, the provision of office supplies and furniture, catering services, the Interinstitutional Children's Centre (CPE) and the Fitness Centre.

Stage 1. Planning

Main control objectives: Effectiveness, efficiency and economy, legality and regularity (compliance)

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (the three E's)
<p>Recognition of the revenues is not done at the right moment (e.g. when they become due, when the ownership is transferred, when they become certain) or not for the right amount.</p> <p>Failure to notify the debtor through a pre-information letter or dispute from the debtor of the pre-information letter.</p> <p>Failure/ oversight to initiate the Recovery Order transaction.</p>	<p>Follow up of the recoveries for the interinstitutional budget (CPE and Foyer) and CAS subventions.</p> <p>Separate circuit and controls implemented for the catering activities – Delegated accountant, OSCAR and CIEL software.</p> <p>Timely and accurate follow up of the SLAs and contracts which give rights to recoveries.</p>	<p>Coverage All recovery orders or recoveries for catering activities.</p> <p>Depth (intensity) : Intensive controls including check of underlying documentation.</p>	<p>Effectiveness: - Regular monitoring of the cashing of the recoveries; - Budget reporting.</p> <p>Benefits: - Exhaustiveness of recoveries (q); - Less revenues cashed in with delays (q); - Error and fraud minimized (nq).</p> <p>Efficiency: - MP objectives followed through several indicators.</p> <p>Economy (costs): - Estimation of cost of staff involved in the recovery of revenue.</p> <p>(q: quantified; nq: not quantified)</p>

Stage 2 - Financial transactions

Main control objectives: Ensuring that the implementation of the contract is compliant with the signed contract; legality and regularity (compliance with FR and with the contract signed), fraud prevention and detection, safeguarding of assets

Effectiveness, efficiency and economy, legality and regularity (compliance with FR).

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (the three E's)
<p>Risk that counterparties do not pay or do not pay in time</p> <p>Risk of bad reputation due to non-compliance with rules in force (FR, accounting)</p> <p>Risk of mismanagement of cash income (specifically for catering activities)</p>	<p>Budget reporting includes revenue operations.</p> <p>A specific procedure for the recovery orders, encompassing all the specific cases managed by OIL: same level of controls and reporting as for expenditure. Recovery orders delays are followed up, on the basis of BO reports and quarterly reporting.</p> <p>Recovery orders exceptions kept in the register of exceptions.</p> <p>AOSD reports on financial matters include Recovery Orders.</p> <p>Specific procedures for the management and reporting of cash processes.</p> <p>Offsetting of unpaid recoveries with the amounts of invoices to be paid.</p>	<p>Coverage All recovery orders or recoveries for catering activities.</p> <p>Depth (intensity) : Intensive controls including check of underlying documentation.</p>	<p>Effectiveness:</p> <ul style="list-style-type: none"> - Amount of revenue generated - Reports by the catering controller - ECA and IAS audit recommendations - Register of exceptions - AOSD reports. <p>Benefits:</p> <ul style="list-style-type: none"> - Maximisation of amount of the revenue generated (q) - Less revenues cashed in with delays (q) - Error and fraud minimized (nq). <p>Efficiency:</p> <ul style="list-style-type: none"> - Percentage of outstanding recovery orders - Error detected by ex post control on the revenue operations. <p>Economy (costs):</p> <ul style="list-style-type: none"> - Estimation of cost of staff involved in the recovery of revenue. <p>(q: quantified; nq: not quantified)</p>

Stage 3. Supervisory measures

Main control objectives: legality and regularity (FR, ICF), detection and correction of weaknesses

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (the three E's)
<p>The ex-ante controls fail to prevent, detect and correct negligence, irregularities, errors, losses or attempted fraud.</p>	<p>Ex-post control strategy (“surveillance” performed by independent staff not involved in the operational and financial circuits): carry out desk-reviews of a representative sample of operations to determine effectiveness of ex-ante controls (+ consider ex-post findings for feedback and improving the ex-ante controls)</p> <p>Recommended: to be able to serve multiple purposes (e.g. overall assurance, largest corrections), consider having at least 2 segments in the sampling, respectively random/representative and risk-based (for ‘complex’ transactions)</p> <p>If error rate over tolerable threshold, control a risk-based sample to lower the residual error rate below the tolerable threshold.</p>	<p>Coverage:</p> <ul style="list-style-type: none"> • Representative sample: random sample sufficiently representative to draw valid management conclusions • Risk-based sample, determined in accordance with the selected risk criteria, aimed to maximise error correction (either higher amounts or expected error rate). <p>Depth:</p> <p>Desk review of all underlying elements and documents.</p>	<p>Effectiveness:</p> <ul style="list-style-type: none"> - % of the execution of the annual ex post control programme - number of significant errors highlighted by EPC (errors at level 5). <p>Benefits:</p> <ul style="list-style-type: none"> - Budget value of the errors, detected by the supervisors, which have actually been corrected. <p>Efficiency:</p> <ul style="list-style-type: none"> - % of errors vs total checked. <p>Economy (costs):</p> <ul style="list-style-type: none"> - Estimation of cost of staff involved in the supervision strategy (which may include missions and/or contracted services). <p>(q: quantified; nq: not quantified)</p>

ANNEX 7: Specific annexes related to "Financial Management"

1. Financial Management in OIL – Complementary information content:

a. Main financial data - Administrative expenditure and revenue

The sources of OIL's budget were:

Budget appropriations (own credits and co-delegated or sub-delegated credits)	EUR 85.150.000
Appropriations from internally assigned revenue: recovery orders from services provided to other Commission services and other institutions	EUR 11.750.000
Appropriations from externally assigned revenue: parental contributions to the CPE.	EUR 6.400.000
Revenue from the catering activity, including at the Foyer européen. Due to the COVID-19 health crisis and subsequent teleworking context, the latter revenue marked again a decrease in 2022. Despite OIL's efforts to rationalise costs in the new setting, the Commission had to partially compensate the loss of catering revenue by an additional ad-hoc budgetary allocation.	EUR 2.262.177

The implementation of commitment appropriations (budget appropriations, appropriations from internally assigned revenue and from externally assigned revenue) was as follows in 2022:

Fund source (OIL's budget)	Commitment appropriations	Commitments made	%	Payment appropriations	Payments made	%	NEI, e.g. Revenues, Assets, OBS ((in)tangible or financial assets & liabilities)
Budget appropriations (own credits and co-delegated or sub-delegated credits)	85.150.000	85.000.000	100	94.850.000	82.700.000	87	
Appropriations from internally assigned revenue	11.750.000	9.500.000	81	11.750.000	8.500.000	72	
Appropriations from externally assigned revenue	6.400.000	4.060.000	63	6.400.000	2.560.000	40	
Total (OIL's budget)	103.300.000	98.560.000	95	113.000.000	93.760.000	83	
Activities	Revenues						
Catering	2.262.177						
Total (Activities)	2.262.177						
Total (OIL's budget + Activities)	105.562.177						
Property, Plant and equipment							206,752,607
Other significant disclosures							-744,069,962

b. Budget implementation tasks entrusted to other services and entities

The activities concerned by a co-delegation mechanism were recurrent tasks delegated to PMO²² for the payment of salaries and missions. In addition, OIL co-delegated to DG HR the budget for the interim staff (excluding budget for CPE and catering interim staff, which is managed by OIL) and training, and to DIGIT the budget for the IT infrastructure and ICT support.

Moreover, OIL gave a co-delegation to OIB in the context of the synergies and efficiencies projects OIL-OIB, in particular for the development of the eKidWeb application. A co-delegation type III (payments only) was given to PMO for the payment of missions and mobility subsidies to staff.

²² Office for the Administration and Payment of Individual Entitlements.

c. Ex-post controls – additional information

The results of the ex-post controls of procurement-administrative expenditure are summarised in the following table:

OIL	Payments made (2022; €)	Average Error Rate (weighted AER; %)	Estimated overall amount at risk at payment (FY; €)	Average Recoveries and Corrections (adjusted ARC; %)	Estimated future corrections (2022; €)	Estimated overall amount at risk at closure (€)
Procurement	95,944,908.69 ²³	0,5	479,724.54	0	0	479,724.54

The results of the ex-post controls of revenue are summarised in the following table:

OIL	Revenue made (2022; €)	Average Error Rate (weighted AER; %)	Estimated overall amount at risk at payment (FY; €)	Average Recoveries and Corrections (adjusted ARC; %)	Estimated future corrections (2022; €)	Estimated overall amount at risk at closure (€)
Revenue	13,621,142.50 ²⁴	0	0	0	0	0

²³ This amount is comprised of : 93,756,976.45 € “Outturn on payment appropriations in 2022 for OIL” (Annex 3, table 2) and 2,187,932.24 € expenditure from the catering activities managed by OIL outside ABAC.

²⁴ This amount is comprised of: 11,358,965.62 € “Situation on revenue and income in 2022 for OIL” (Annex 3, table 7) and 2,262,176.88 € revenue from the catering activities managed by OIL outside ABAC.

d. Efficiency indicators – additional information

OIL Timely payment statistics

The evolution of the “Timely payments” indicator for OIL over the last three years is available in the table “Time-to-pay indicators (2019 – 2021)” below:

Year	Total number of payments	Timely payments (% of total payment amounts)
2020	3616	99%
2021	3626	99%
2022	3437 ²⁵	99%

Other efficiency aspects

OIL continued to work on improving the efficiency of its financial circuits in 2022. The Business Objects (BO) reports facilitated reporting by authorising officers by sub-delegation (AOSDs), providing useful information to the members of OIL's internal financial correspondent network.

Specific year-end monitoring of financial transactions was enhanced based on the experience gained in the past years. Furthermore, OIL continued to work closely with DG BUDG for the improvement of financial information systems and data quality.

e. Economy = the estimated cost of controls - details

Procurement – administrative expenditure

OIL's public procurement controls are implemented to ensure that tendering and awarding procedures and subsequent administrative follow-up and payment transactions fully comply with applicable rules and provide reasonable assurance to the competent Authorising Officers. Moreover, OIL participates in the inter-service group on public procurement (GAMA). In 2022, OIL submitted four procurement dossiers to the GAMA, out of which two were selected for analysis. None of them received a negative opinion.

²⁵ Source: Budget implementation dashboard, report n°7.

Revenue

The use of specialised software enables the efficient management of revenues from catering activities: EASYTEO for accounting and UCASH for cash and inventory management.

The electronic sending of debit notes to parents of children at the CPE and to other EU institutions continued in 2022.

No case of forced recovery was registered in 2022. The forced recovery case registered in OIL in 2016 (failure of a contractor to carry out the works entrusted through a contract) is followed up closely in cooperation with the Legal Service.

The ageing balance of recovery orders (ROs) indicates a decrease of overdue items pending at year-end (see Annex 3, Table 9). The difference between the open amount at 1 January 2022 and the open amount at 31 December 2022 mainly comes from the fact that OIL recovered in 2022 almost all recovery orders issued at the end of December 2021 for large amounts, related to contributions to the CPE and *the Foyer européen* activities from the other EU institutions. As a result, the amount open at the end of 2022 is far smaller than at the beginning of the year.

f. Financial management - Performance indicators

Strategic plan 2020-2024 result indicators

Specific objective 9: The authorising officer by delegation has reasonable assurance that resources have been used in accordance with the principles of sound financial management, and that cost-effective controls are in place which give the necessary guarantees concerning the legality and regularity of underlying transactions		
Result indicator: Estimated risk at closure		
Explanation: This indicator is the best, conservative estimation of the expenditure authorised during the year, which would be still in breach of applicable regulatory and contractual provisions, in value terms. It is calculated by subtracting the estimated future corrections from the estimated overall risk at payment. The indicator is expressed in % of the relevant expenditure (or revenue).		
Source of data: OIL ex post control report		
Baseline (2019)	Target (2024)	Latest known results (2022)
0,5%	≤ 0,5%	0,5%
Result indicator: Detected error rate		
Explanation: This indicator measures the error rate detected by OIL's ex post controller. It is calculated as a ratio between the amount of the detected error divided by the total amount of the relevant expenditure (or revenue) controlled.		
Source of data: OIL ex post control report		
Baseline (2019)	Target (2024)	Latest known results (2022)

0,5%	≤ 0,5%	0,5%
<p>Result indicator: Overall cost of controls (%) Explanation: This indicator measures OIL’s control effort during the ex-ante and ex post control stages. It is calculated as a ratio between the total cost of ex ante and ex post controls divided by the total amount of the relevant expenditure (or revenue) controlled. Source of data: Document “Cumulative cost of controls OIL 2019”</p>		
Baseline (2019)	Target (2024)	Latest known results (2022)
2,38%	2,5%	2,68% ²⁶
<p>Result indicator: 3-year rolling inventory control of items – percentage of scanned items vs. theoretical inventory (furniture and equipment) Explanation: This indicator measures the percentage of assets found during the scanning exercises compared to the theoretical inventory. Source of data: OIL.03 – Inventory team – file “Statistiques par bâtiment”</p>		
Baseline (2020)	Target (2023 ²⁷)	Latest known results (2022)
90%	93%	60.58% (3-year rolling cycle)

Management plan 2022 expected outputs

Main outputs in 2022:			
Output	Indicator	Target	Latest known results (situation on 31/12/2022)
Carry out the regular program of annual ex-post controls.	Number of reports	2 per year	2
Reliability of the accounts.	Accounting Observation Letter from ECA.	0	0
Closing of outstanding audit recommendations.	Number of recommendations still open after deadlines agreed with the auditing entity.	0	0

²⁶ The percentage of costs of controls exceeds the target because of the controle of invoices related to JMO2, which are not included in the administrative spendings.

²⁷ The target year corresponds to a complete 3-year inventory cycle. The intermediate target value for 2024 will be adapted in the 2024 management plan, taking into account the results of the 2021-2023 inventory cycle.

Strengthen procurement through participation in GAMA ²⁸ .	Number of negative opinions from GAMA.	0	0
Effective controls: Legal and regular transactions	Detected error rate	≤ 0,5% of relevant expenditure	0,5%
	Estimated risk at closure	≤ 0,5% of relevant expenditure	0,5%
Efficient controls	Budget execution rate	≥ 93% of payment appropriations	87%
Efficient controls	Time-to-pay 1 - in value (amounts paid)	remains 99 % of payments on time, in value	99%
Efficient controls	Time-to-pay 2 – in number of payments	remains 97% of number of payments	96%
Efficient controls	Time-to-procure	9 months	9 months ²⁹
Economical controls	Overall estimated cost of controls	Remains ≤ 2,5% of funds managed	2,68% ³⁰
Awareness-raising sessions regarding internal control and risk management in OIL.	Number of sessions organised	2	0 ³¹

g. Fraud prevention, detection and correction – additional information

The three objectives of OIL’s anti-fraud strategy 2020-2022 were to:

- Further fraud-proof OIL’s internal procedures and monitor their effectiveness and efficiency in the prevention, detection, and reparation of fraud;
- Raise the level of fraud awareness, including about professional ethics, by training actions and relevant internal communication to OIL staff; and
- Maintain and develop an efficient collaboration in the domain of fraud prevention and detection with the European Public Prosecutor’s Office (EPPO), the European Anti-Fraud Office (OLAF), the Investigation and Disciplinary Office of the Commission (IDOC) as well as with other Commission services, including via the Fraud Prevention and Detection Network (FPD Net).

²⁸ GAMA = “Groupe d’analyse des marchés administratifs”.

²⁹ Source: Payment times Dashboard, tables n°1 “Payment Times KPIs” and n°7 “Custom Report with Details – Late Payments”.

³⁰ The percentage of costs of controls exceeds the target because of the controle of invoices related to JMO2, which are not included in the administrative spendings.

³¹ Session could not be organised in 2022 due staff changes.

As regards other actions in the fraud risk management area, OIL’s annual risk management exercise included the assessment of fraud risks and the adoption of appropriate measures in order to mitigate them.

OIL’s register of sensitive functions was updated in 2021 after a process of internal consultation and made available to all staff on MyOIL. After the update, the only genuinely sensitive function at OIL is the function of Head of Service. The other potentially sensitive functions analysed were not considered to be genuinely sensitive after taking into account the mitigating measures implemented.

OIL participated and provided input when necessary in the meetings of the Fraud Prevention and Detection Network (FPD Net) and of the FPD Net subgroup on internal cases.

OLAF opened one fraud investigation against an OIL staff member in 2022 and issued a recommendation to the Secretary-General. IDOC opened no fraud investigation regarding OIL during the reporting period.

Strategic plan 2020-2024 result indicators

<p>Specific objective 10: The risk of fraud is minimised through the application of effective anti-fraud measures and the implementation of the Commission Anti-Fraud Strategy aimed at the prevention, detection and correction³² of fraud</p>		
<p>Result indicator: Implementation of the actions included in OIL’s anti-fraud strategy over the whole strategic plan lifecycle (2020-2024)</p> <p>Explanation: This indicator measures the percentage of actions from OIL’s Anti-Fraud Strategy that are implemented in time.</p> <p>Source of data: OIL’s annual activity report, OIL’s anti-fraud strategy, OLAF reporting</p>		
<p>Baseline (2019)</p>	<p>Target (2024)</p>	<p>Latest known results (2022)</p>
<p>n/a³³</p>	<p>100% of action points implemented on time</p>	<p>100%</p>
<p>Result indicator: Fraud awareness-raising among target populations (number of training sessions organised for OIL staff)</p> <p>Explanation: This indicator measures the intensity of fraud awareness-raising activities at OIL.</p> <p>Source of data: OIL’s annual activity report</p>		
<p>Baseline (2019)</p>	<p>Target (2024)</p>	<p>Latest known results (2022)</p>
<p>2/year</p>	<p>2/year</p>	<p>0³⁴</p>

³² Correction of fraud is an umbrella term, which notably refers to the recovery of amounts unduly spent and to administrative sanctions.

³³ OIL’s new anti-fraud strategy, based on the methodology provided by OLAF, was adopted in June 2020.

³⁴ Session could not be organised in 2022 due to staff changes.

Management plan 2022 expected outputs

Main outputs in 2022:			
Output	Indicator	Target	Latest known results (situation on 31/12/2022)
Organise training sessions for newcomers on specific ethics issues relevant for OIL	Number of training sessions	100% of newcomers trained	0 ³⁵
Raise fraud awareness of OIL staff through specific information about anti-fraud activities and documents published on OIL's intranet (ad-hoc news, OLAF and IDOC annual reports, other anti-fraud documents)	Number of fraud-awareness news items published	3/year	3
	Percentage of newcomers having followed an internal training session	100%	0 ³⁶
Participate in FPD Net subgroups – in particular in the subgroup on Internal Fraud, where OIL is enlisted	Number of meetings attended	4/year	OIL participated in 3 plenary meetings of the FPD Net and in 2 FPD Net subgroup meetings.
Reporting on the follow-up of the financial recommendations issued by OLAF	Percentage of OLAF financial recommendations followed-up	100%	OIL did not receive any financial recommendations from OLAF.
Preparation of the OIL Anti -Fraud Strategy 2023-2025	Draft document	Q4-2022	
Update OIL's Register of sensitive functions OIL's	Register of sensitive functions updated	100%	After examination, the register of sensitive functions remains unchanged.

³⁵ Session could not be organised in 2022 due to staff changes.

³⁶ Session could not be organised in 2022 due to staff changes.

2. Table Y on the estimated “cost of controls” at Commission level

Table Y - Overview of OIL’s estimated cost of controls at Commission (EC) level:

Table Y personalised heading :	OIL
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OIL - Overview of OIL’s estimated cost of controls at Commission (EC) level

The absolute values are presented in EUR

OIL	Ex ante controls***			Ex post controls			Total	
	(a) EC total costs	(b) related payments Made	(c) Ratio (%)** (a)/(b)	(d) EC total costs	(e) total value verified and/or audited	(f) Ratio (%) (d)/(e)	(g) EC total estimated cost of controls (a)+(d)	(h) Ratio (%)** (g)/(b)
Procurement	2 601 850,00 €	93 756 976,00 €	2,78%	136 800,00 €	40 170 863,67 €	0,34%	2 738 650,00 €	2,92%
Revenue	277 850,00 €	5 987 874,80 €	4,64%	34 200,00 €	1 819 253,00 €	1,88%	312 050,00 €	5,21%
	- €	- €	0,00%	- €	- €	0,00%	- €	0,00%
	- €	- €	0,00%	- €	- €	0,00%	- €	0,00%
	- €	- €	0,00%	- €	- €	0,00%	- €	0,00%
	- €	- €	0,00%	- €	- €	0,00%	- €	0,00%
	- €	- €	0,00%	- €	- €	0,00%	- €	0,00%
	- €	- €	0,00%	- €	- €	0,00%	- €	0,00%
	- €	- €	0,00%	- €	- €	0,00%	- €	0,00%
	- €	- €	0,00%	- €	- €	0,00%	- €	0,00%
	- €	- €	0,00%	- €	- €	0,00%	- €	0,00%
	- €	- €	0,00%	- €	- €	0,00%	- €	0,00%
	- €	- €	0,00%	- €	- €	0,00%	- €	0,00%
	- €	- €	0,00%	- €	- €	0,00%	- €	0,00%
	- €	- €	0,00%	- €	- €	0,00%	- €	0,00%
OVERALL total estimated cost of control at EC level for expenditure	2 879 700,00 €	99 744 850,80 €	2,89%	171 000,00 €	41 990 116,67 €	0,41%	3 050 700,00 €	3,06%

SHARED/POOLED CONTROL ACTIVITIES (RTD & REA)

Common Audit Service (only DG RTD)	- €	- €	0,00%	- €	- €	0,00%	- €	0,00%
Validation services (only REA)	- €	- €	0,00%	- €	- €	0,00%	- €	0,00%
Expert management (only REA)	- €	- €	0,00%	- €	- €	0,00%	- €	0,00%

NON-EXPENDITURE ITEMS *****

OIL	Ex ante controls***			Ex post controls			Total	
	(a) EC total costs	(b) related amounts	(c) Ratio (%)** (a)/(b)	(d) EC total costs	(e) total value verified and/or audited	(f) Ratio (%) (d)/(e)	(g) EC total estimated cost of controls (a)+(d)	(h) Ratio (%)** (g)/(b)
Only applicable for DGs with non-expenditure items								
	- €	- €	N/A	- €	- €	N/A	- €	N/A
	- €	- €	N/A	- €	- €	N/A	- €	N/A
	- €	- €	N/A	- €	- €	N/A	- €	N/A
	- €	- €	N/A	- €	- €	N/A	- €	N/A

* if the control costs are not attributable to a single RCS and may relate to a 'mix' of expenditure, revenue, assets/liabilities, etc, they may be grouped

** ratio possibly "Not Applicable (N/A)", e.g. if a RCS specifically covers an Internal Control Objective such as safeguarding sensitive information, reliable accounting/reporting, etc

*** any "holistic" control elements (e.g. with "combined" ex-ante & ex-post characteristics) can be reported in the ex-ante column provided that a footnote clarifies this (their nature + their cost). Example: MS system audits in shared management.

**** These include revenue operations (e.g. assigned revenue, fines, interest); assets (e.g. (in) tangible or financial assets, inventories, treasury) and financial liabilities or 'off balance sheet' items (e.g. employee benefits, guarantees offered or other commitments)

ANNEX 8: Specific annexes related to "Assessment of the effectiveness of the internal control systems"

Not applicable.

ANNEX 9: Specific annexes related to "Control results" and "Assurance: Reservations"

1) Annex related to "Control results" - Table X: Estimated risk at payment and at closure

Table X : Estimated risk at payment and at closure

OIL - Estimated risk at payment and at closure

DG OIL -1	Payments made (2022;MEUR) -2	minus new prefinancing [plus retentions made] (in 2022;MEUR) -3	plus cleared prefinancing [minus retentions released and deductions of expenditure made by MS] -4	Relevant expenditure (for 2022;MEUR) -5	Detected error rate or equivalent estimates -6	Estimated risk at payment (2022;MEUR) -7	Adjusted Average Recoveries and Corrections (adjusted ARC; %) -8	Estimated future corrections [and deductions] (for 2022;MEUR) -9	Estimated risk at Closure (2022;MEUR) -10
Procurement	93,76	0,00	0,00	93,76	0,50% - 0,50%	0,47 - 0,47	0,00% - 0,00%	0,00 - 0,00	0,47 - 0,47
DG total	93,76	0,00	0,00	93,76	0,50% - 0,50%	0,47 - 0,47	0,00% - 0,00%	0,00 - 0,00	0,47 - 0,47
					Overall risk at payment in %	0,50% - 0,50% <i>(7) / (5)</i>		Overall risk at closure in %	0,50% - 0,50% <i>(10) / (5)</i>

Notes to the table X

(1) Relevant Control Systems differentiated per relevant portfolio segments and at a level which is lower than the DG total.

(2) Payments made or equivalent, e.g. expenditure registered in the Commission's accounting system, accepted expenditure or cleared pre-financing. In any case, this means after the preventive (ex-ante) control measures have already been implemented earlier in the cycle.

In all cases of Co-Delegations (Internal Rules Article 3), "payments made" are reported by the Delegated DGs. For Cross-Sub-Delegations (Internal Rules Article 12), the reporting remains with the Delegating department.

(5) For the purpose of equivalence with the ECA's scope of the EC funds with potential exposure to legality & regularity errors (see the ECA's Annual Report methodological Annex 1.1), our concept of "relevant expenditure" includes the payments made, subtracts the new pre-financing paid out and adds the pre-financing actually cleared during the FY. This is a separate and 'hybrid' concept, intentionally combining elements from the budgetary accounting and from the general ledger accounting.

(6) In this column, we disclose the detected error rates or equivalent estimates.

(8) There were no corrective measures further to ex-post controls over the last 3 years.

2) Reservations

None for OIL.

ANNEX 10: Reporting – Human resources, digital transformation and information management and sound environmental management

Human resources

Strategic plan 2020-2024 result indicators:

Specific objective 8: OIL employs a competent and engaged workforce and contributes to gender equality at all levels of management to effectively deliver on the Commission's priorities and core business.

Result indicator: Number and percentage of first female appointments to middle management positions.

Source of data: SEC(2020)146

Baseline (2019)	Target (2022)+(2024)	Latest known results (2022)
3 female middle managers (i.e. 43%)	2022: 1 first female appointment to middle management 2024: still to be defined	Target met

Result indicator: OIL staff engagement index

Source of data: Commission staff survey [DG HR]

Baseline (2018)	Target (2024)	Latest known results (2021)
61%	63%	69%

Result indicator: Percentage of positive answers to the Staff survey question “I achieve a good balance between my work life and my private life”

Source of data: Commission staff survey [DG HR]

Baseline (2018)	Target (2024)	Latest known results (2021)
72%	75%	80%

Management plan 2022 expected outputs

Main outputs in 2022:			
Human resources			
Output	Indicator	Target	Latest known results (situation on 31/12/2022)
Replace CPE interim staff by contract agents	Progress made with selection and recruitment	20 contract agents recruited (educators and nurses)	All recruited except 2 nurses.
Work environment enabling staff to perform optimally	Percentage of positive answers to the Staff survey question "I achieve a good balance between my work life and my private life" (% positive answers)	75%	80%
First female appointments to middle management positions in OIL	Number of first female appointments to middle management positions	1 ³⁷	1
Gender balance in middle management	Ratio: number of women middle managers / total number of middle managers	43%	29%
Engaged staff	Percentage of positive answers to the Staff survey question "OIL staff engagement index"	63%	69%

³⁷ Target (determined by DG HR / the College) for 2022.

Digital transformation

Strategic plan 2020-2024 result indicators:

Specific objective 11: OIL is using innovative, trusted digital solutions for better policy-shaping, information management and administrative processes to forge a truly digitally transformed, user-focused and data-driven Commission.

Result indicator: Degree of implementation of the digital strategy principles by the most important IT solutions

Source of data: Unit OIL.02

Baseline (2019)	Interim milestone (2022)	Target (2024)	Latest known results (2022)
GEPI ³⁸ : 50%	68%	86%	80%
KiddyWeb Front Office (eKidWeb) and Back Office (KWBO) ³⁹	To be reported by OIB as service provider.	To be reported by OIB as service provider.	To be reported by OIB as service provider.
EC Transport (replacing LOGIPAX) ⁴⁰	To be reported by OIB as service provider.	To be determine by the service provider OIB.	To be reported by OIB as service provider.

Result indicator: Percentage of OIL's key data assets for which corporate principles for data governance have been implemented

Source of data: Unit OIL.06

Baseline (2019)	Interim milestone (2022)	Target (2024)	Latest known results (2022)
33%	50%	74%	50%

Result indicator: Percentage of staff attending awareness-raising activities on data protection compliance

Source of data: Data protection coordinator responsible for OIL

Baseline (2019)	Interim milestone (2023)	Target (2024)	Latest known results (2022)
5%	50%	100%	25% of the target audience (controllers and record editors)

³⁸ Estimated. Accurate figures are calculated by DIGIT.01 during the first semester of 2023.

³⁹ Child care solution solution system (common OIB/OIL). OIB/OIL are system owner and OIB is the system provider.

⁴⁰ Fleet management and Dispatching (common OIB/OIL). OIB/OIL are system owner and OIB is the system provider.

Management plan 2022 expected outputs

Main outputs in 2022:			
Output	Indicator	Target	Latest known results (situation on 31/12/2022)
GEPI software: technical migrations on Tomcat operating software server and on Oracle database 19C	Module is operational	End of Q2 2022	–Completed in acceptance, Go Live in Q1-2023 ³¹ .
GEPI module hoteling (for collaborative space)	Module is operational	End of 2022	Not implemented. ⁴¹ – Target is end Q1 2024
IT management: new OIL/OIB common application: (eKidWeb)	All OIL ‘must have’ functionalities developed.	Go live end of S1-2022	Not implemented. New target= - Q1-2023 ⁴²
EC Transport: Dispatching module	Module is operational	End of 2022	Completed
Integration of IT system	Integrations of IT systems with Hermes-Ares-NonCom (HAN) via Hermes-Repository-Services (HRS).	End of 2022	Completed

⁴¹ Delay due to technical issues on the version 26.3 of ARCHIBUS with iOS and contractor capacity.

⁴² The service provider of eKidWeb is OIB. Due to late delivery, the go-live will take place in Q1 2023.

Sound environmental management

Strategic plan 2020-2024 result indicators:

Specific objective 2.E: OIL takes full account of environmental impact in all its actions and actively promotes measures to reduce the day-to-day impact of the administration and its work.

Result indicator: Number of OIL Staff General Assemblies (GAs) where at least one “Sound environmental management” topic is discussed

Source of data: OIL

Baseline (2019)	Target (2024)	Latest known results (2022)
2	2	1

Result indicator: Number of EMAS training actions dedicated to specific groups of OIL staff such as educators, drivers, catering staff etc.

Source of data: Unit OIL.01

Baseline (2019)	Target (2024)	Latest known results (2022)
1 group trained per year	1 group trained per year	1 (drivers)

Management plan 2022 expected outputs

Main outputs in 2022:

Human resources

Output	Indicator	Target	Latest known results (situation on 31/12/2022)
Raise staff awareness on sound environmental management by all means available, e.g. MyOIL, plasma screens	Number of awareness-raising campaigns	≥ 1	Completed: EMAS mini site opened on MyOIL; Building environmental passports and videos on waste reduction published on the intranet or displayed on plasma screens.
Training on environmental issues for CPE educators	Number of training sessions	1	Training postponed to 2023.
Formal EMAS management review (OIL EMAS committee) meeting at least once a year	Number of meetings	2	1
Contracts over €60k including environmental clauses	Number of contracts	100%	100%

ANNEX 11: Implementation through national or international public-sector bodies and bodies governed by private law with a public sector mission (if applicable)

Not applicable.

ANNEX 12: EAMR of the Union Delegations (if applicable)

Not applicable.

ANNEX 13: Decentralised agencies and/or EU Trust Funds (if applicable)

Not applicable.

ANNEX 14: REPORTING ON THE RECOVERY AND RESILIENCE FACILITY

Not applicable.