European Commission

Annual Activity Report
2022

DG Interpretation

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DG SCIC IN BRIEF

The mission of DG Interpretation (DG SCIC) is to facilitate the EU's democratic decision-making processes and enable multilingual communication. It does so by providing high-quality conference interpretation, and by delivering corporate conference organisation and meeting room management services across the Commission. As a service-oriented organisation in all its activity strands, DG SCIC comprehensively gives its 'customers' a 'voice'.

DG SCIC provides **interpretation** within the Commission and for other EU institutions, agencies and bodies ([1]) into the 24 official EU languages, non-EU languages and sign language. Interpretation activity is demand driven and varies according to the institutions' political cycle and priorities. Thus, DG SCIC faces two key challenges. On the one hand, optimising the use of available resources in striving to satisfy demand and provide quality interpretation – using staff and freelance interpreters. On the other, seeking to strike a financial balance based also on charge-back mechanisms and by operating under Heading 7 of the EU budget (administrative expenditure).

DG SCIC is **domain leader for meeting room management**. As such it modernises and enlarges the pool of corporate meeting rooms and provides high quality and modern meeting management services. This includes modernising audio-visual equipment in almost 1 000 meeting spaces and providing technical assistance and maintenance services in meeting rooms. Thanks to the new My Meeting & Conference Support service, we have streamlined support to our customers. Equipment and services are standardised across the European Commission including in smaller meeting rooms and senior management offices.

DG SCIC is also **domain leader for conference management**, which is based on a decentralised approach, characterised by the spread of activities, expenditure and staff across the Commission. We concentrate on setting standards, promoting greening of events and conferences, offering guidance and practical conference management tools, while the Corporate Events Database offers a comprehensive overview of activities in the domain.

To overcome the disruption of the pandemic on the **sustainability of the service**, several internal reflection exercises were carried out in 2022 to assess the framework in which DG SCIC operates and interacts with customers and stakeholders. The conclusions of these exercises were the basis of DG SCIC's internal reorganisation.

([1]) Primarily the European Council, the European Economic and Social Committee, the Committee of the Regions

EXECUTIVE SUMMARY

This annual activity report is a management report of the Director-General of DG SCIC to the College of Commissioners. Annual activity reports are the main instrument of management accountability within the Commission and constitute the basis on which the College takes political responsibility for the decisions it takes as well as for the coordinating, executive and management functions it exercises, as laid down in the treaties ([2]).

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

A. Key results and progress towards achieving the Commission's general objectives and department's specific objectives

DG SCIC facilitates the EU's democratic decision-making processes and contributes to modernising, digitalising and greening the Commission as a public administration. We contribute thus mostly to the horizontal general objective of 'A modern, high-performing and sustainable European Commission'.

Interpretation output in 2019, 2020, 2021 and 2022 per week (i-slots)
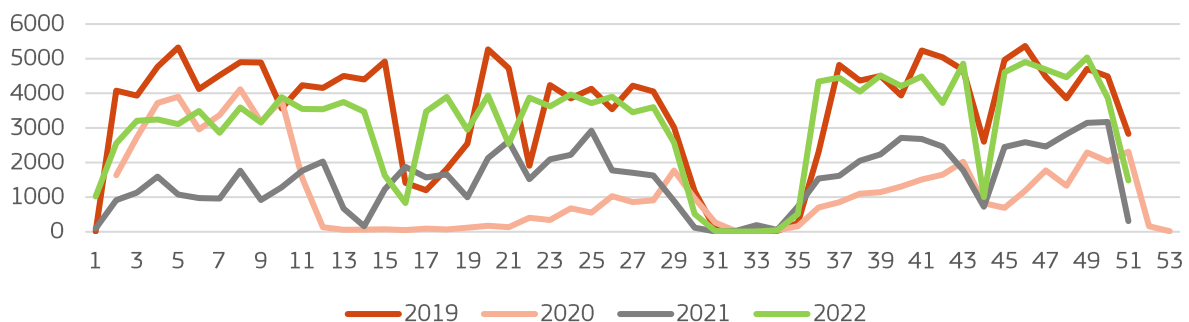
In 2022, DG SCIC provided 158 121 i-slots ([3]). This is 103% more than in 2021, and reflects the gradual lifting of COVID-19 restrictions, which enabled DG SCIC to return to normal operations in the second half of the year. It also brings output close to pre-COVID levels for external customers – and even beyond in the Council. Interpretation provided to the rotating EU presidencies – France and the Czech Republic – for meetings organised in the Presidency country also exceeded 2021 level. DG SCIC was able to satisfy 91% of this high overall demand. DG SCIC's ability to satisfy demand was limited by two factors: first, measures were taken to protect the health of staff. They lasted until September and had an impact on overall operations and productivity. Second, many Commission meetings were organised using interpretation platforms, which requires larger numbers of interpreters to be available. Also, the pool of active freelance interpreters was reduced.

DG SCIC contributed to the Commission's response to the various political crises, for instance by providing **Ukrainian interpretation** at both the highest political and operational level as soon as the Russian war of aggression against Ukraine started at the end of February 2022. It has enhanced its support to training of conference interpreters and availability of digital resources for Ukrainian.

DG SCIC provided interpretation for the **Conference on the Future of Europe** (CoFoE), a flagship inter-institutional event of great relevance for all EU institutions and citizens.

([3]) DG SCIC invoices its external customers for the interpretation provided. The billing unit in use (i-slot) represents roughly half a day of an interpreter. The cost is calculated by dividing the expected remuneration costs for staff and freelance interpreters and indirect costs by the expected volume of interpretation to be provided. When demand is significantly different from what was expected at the time the i-slot price was set (January n-1), DG SCIC's budget is no longer balanced, as most costs are fixed.

As for **external communication**, DG SCIC continued to **promote multilingualism**, focusing particularly on the contribution of interpretation to the democratic decision-making process in the EU Institutions with regular coverage of the DG's activities and Commission priorities, such as the **European Year of Youth**.

DG SCIC continued with its **digital transformation projects** to modernise and simplify its corporate services, from meeting room management to interpreters' documentation.

DG SCIC developed a '**live transcription portal**' using language models trained by interpreters, and launched a project aiming at using neural voices to create voiceovers of videos. With these projects, DG SCIC contributed to general objective 2: 'A Europe fit for the digital age.'

DG SCIC is an important **promoter and enabler of environmental sustainability**. We offer multilingual videoconferencing and provide infrastructure for online meetings and conferences. We also offer sustainable-by-default services through framework contracts and advice on easy steps that can be taken to make events more sustainable. With these tools, DG SCIC encourages and empowers Commission services to reduce the environmental impact of their operations.

Number of meeting spaces equipped by DG SCIC
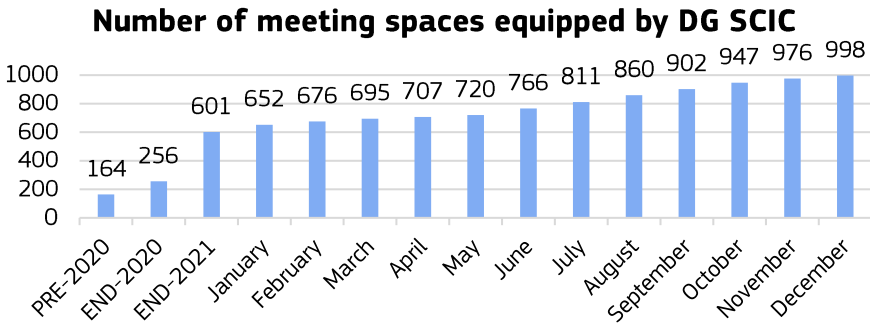
During 2022 DG SCIC further increased the number of **meeting rooms fit for hybrid meetings**. We also successfully concluded the pilot phase of **My Meeting & Conference Support (MACS)**, a customer service project for event organisers who need guidance and support on meetings and conferences with and without interpretation. It offers a single-entry point and helps customers navigate the complex organisation of events. Setting up MACS also helped enhance the cooperation with other service providers, in particular DG DIGIT.

Thanks to conference managers, the helpline and other organisational support tools, DG SCIC was able to manage an increased number of conferences and **supported the conference community** through its network with its wiki, framework contracts and participant's registration tool.

Number of conferences registered in the Events database and number of conferences supported by DG SCIC

■ conferences registered in the Events Database
■ conferences supported by DG SCIC
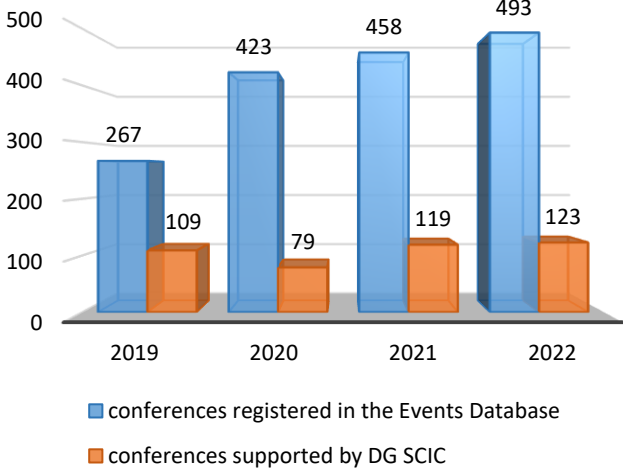
B. Key performance indicators

KPI 1: Standby rate and reserve of staff and freelance interpreters, excluding periods of low interpretation activity (% of available working time) (Source: SCICView)	**Standby rate and reserve**
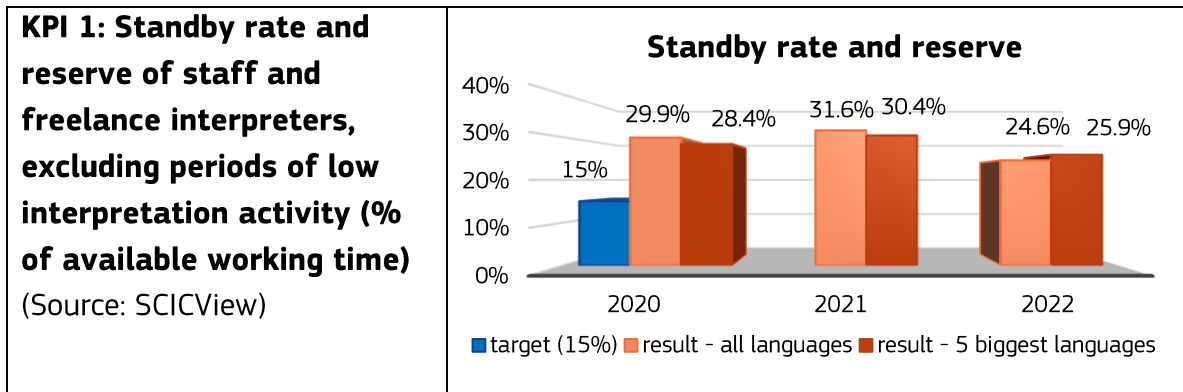
The standby rate decreased by seven percentage points for all languages provided by DG SCIC. However, the target could not be achieved for reasons out of DG SCIC's control: i) the COVID-19 health protection measures still in place for interpreters, ii) an increased number of last-minute sick leave requests which required a larger operational reserve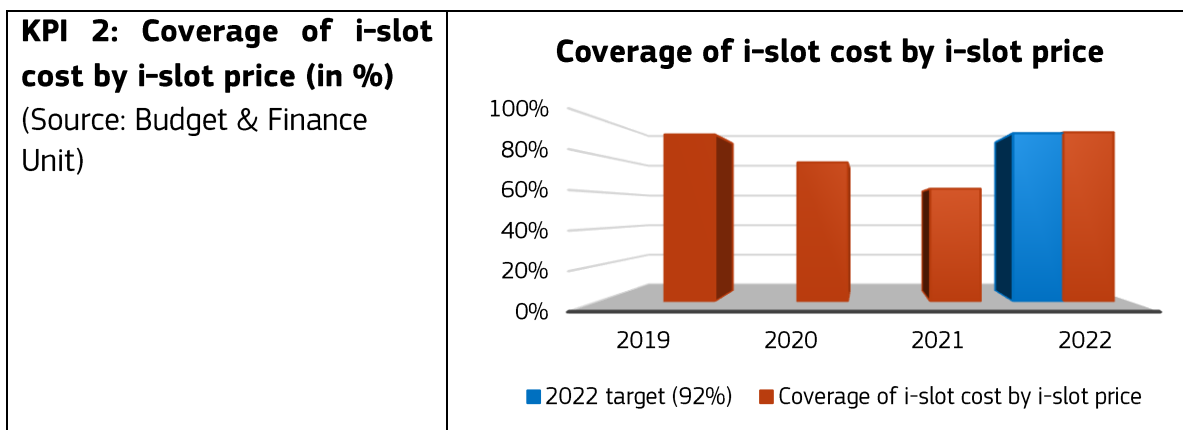 of staff for business continuity and iii) the numerous requests cancelled at short notice. While standby returned to normal levels in the autumn, the annual average is still high.

KPI 2: Coverage of i-slot cost by i-slot price (in %) (Source: Budget & Finance Unit)	**Coverage of i-slot cost by i-slot price**

Thanks to the measures taken to satisfy increasing demand, DG SCIC exceeded the target.

KPI 3: Satisfaction with the quality of interpretation expressed by our users *(Source: Customer Satisfaction Survey 2022*	**Overall satisfaction with interpretation**
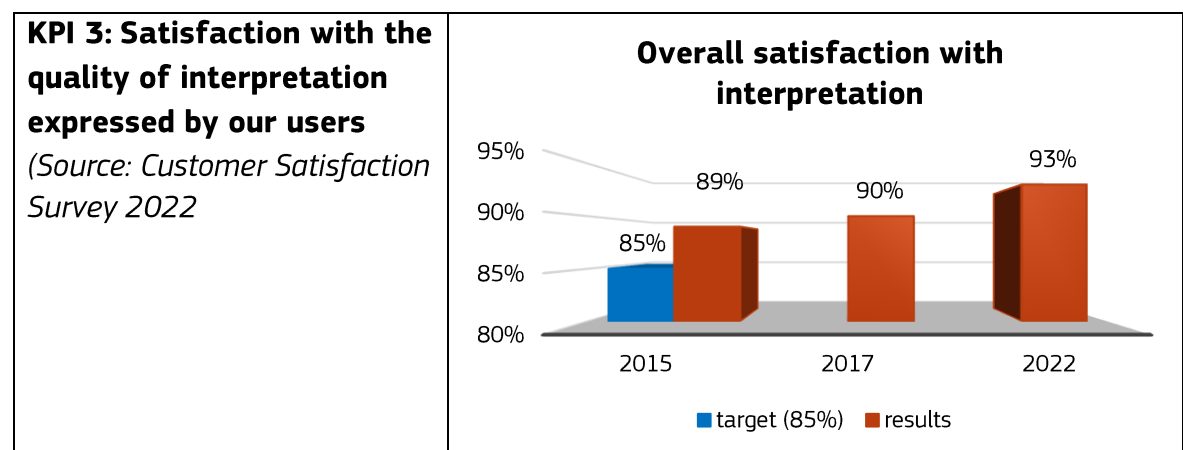
The first online survey of participants at meetings in the Council, the Commission and the European Social and Economic Committee showed a high level of overall satisfaction with the quality of interpretation and a significant increase compared to pre-COVID years. Furthermore, participants at in-person and virtual meetings showed a similar level of satisfaction in both delivery modes.

KPI 4: Number of corporate meeting rooms (rooms with interpretation or with over 50 seats) *(Source: Room management tool)*	**Number of corporate meeting rooms** TARGET FOR 2022: 86 RESULT 2022: 89 TARGET FOR 2024: 90
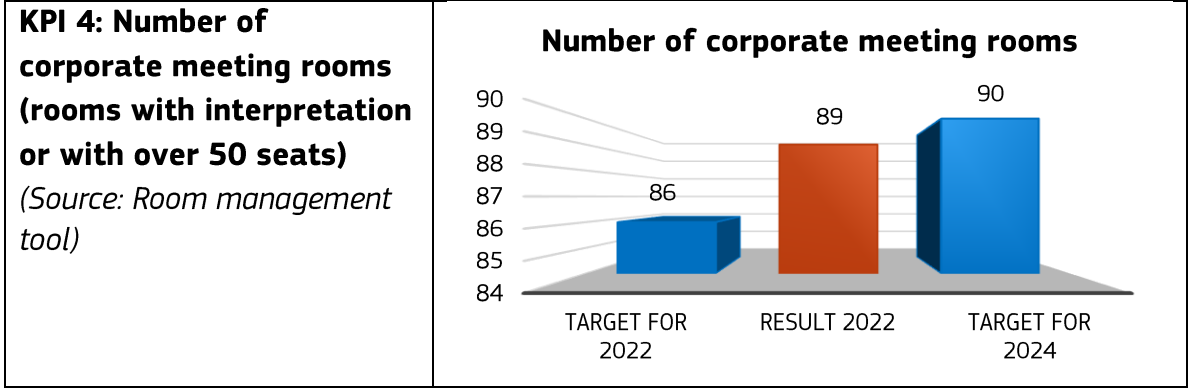
Three additional large rooms were added to the pool in 2022, putting DG SCIC firmly on track to deliver on its commitment to provide 90 corporate rooms by 2024. In addition, DG SCIC managed almost 1 000 meeting rooms by the end of 2022 (see the graph on page 6).

KPI 5: Satisfaction of conference participants *(Source: Ongoing surveys of conference participants)*	**Satisfaction of conference participants** 2019: target (80%) 80%, results 80.7% 2020: 89.6% 2021: 88.6% 2022: 89% ■ target (80%) ■ results
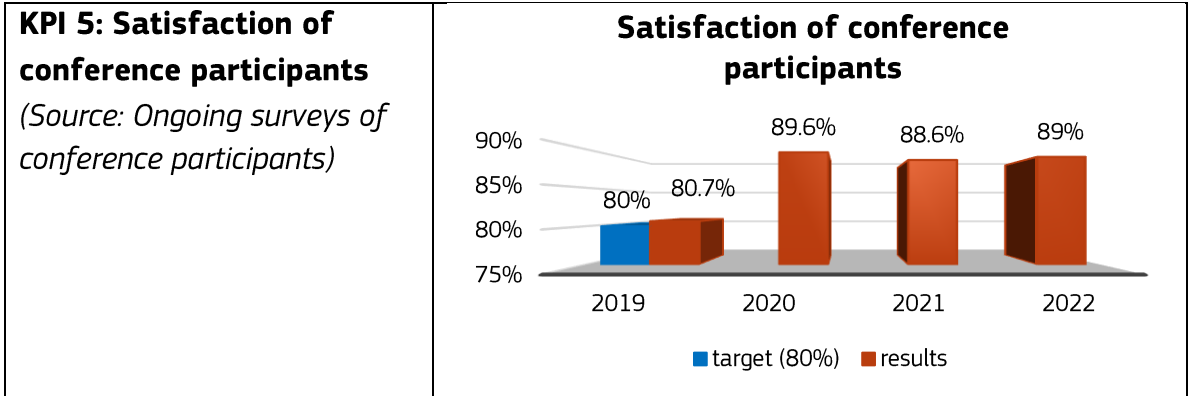
The satisfaction rate remains well above the target of 80%. The digitalisation of conferences allows for more inclusive events with a larger outreach. The outreach of hybrid events (when participants can join both remotely and in-person) is wider than that of purely in-person events.

C. Key conclusions on financial management and internal control

In line with the Commission's Internal Control Framework DG SCIC has assessed its internal control systems during the reporting year and has concluded that the internal control principles are present and functioning well overall, but some improvements are needed. Please refer to annual activity report section 2.1.3 for further details.

In addition, DG SCIC has systematically examined the available control results and indicators, as well as the observations and recommendations issued by the internal auditor and the European Court of Auditors. These elements have been assessed to determine their impact on management's assurance about the achievement of the control objectives. Please refer to Section 2.1 for further details.

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

D. Provision of information to the Commissioner(s)

In the context of the regular meetings during the year between the DG SCIC and the Commissioner on management matters, the main elements of this report and assurance declaration have been brought to the attention of Commissioner Johannes Hahn, responsible for Budget and Administration.

1. KEY RESULTS AND PROGRESS TOWARDS ACHIEVING THE COMMISSION'S GENERAL OBJECTIVES AND SPECIFIC OBJECTIVES OF THE DEPARTMENT

General objective: A modern, high-performing and sustainable European Commission

Specific objective 1: Interpreting services meet our customers' priorities and demand and are effectively managed

During 2022, DG SCIC **gradually returned to previous levels of activity** following the dramatic impact of the pandemic on the provision of interpretation. DG SCIC provided 158 121 interpretation slots, 103% more than in the previous year.

For the first four months of the year, the 'COVID-Certificate zone' in the main building of Council provided safe working conditions for interpreters and allowed levels of interpretation to increase. With the end of social distancing as from May, and the return to normal assignment practices in September, output levels further increased, almost reaching pre-COVID levels by the end of the year.

Overall number of i-slots

+103%

Year	Slots
2019	177924
2020	62813
2021	77990
2022	158121

In the Council, where work resumed almost exclusively in person, activity exceeded the 2019 level throughout 2022.

In the Commission, the sanitary restrictions which limited the capacity to use available booths, the extended recourse to virtual meetings without interpretation and the use of interpretation platforms, limited the i-slots delivered to only half the number provided in 2019.

In the European Economic and Social Committee and the Committee of Regions, the requirement on members to attend statutory meetings in person was reimposed. DG SCIC was able to return to the level of interpretation provided in 2019 thanks to a pilot project on hybrid meetings, in which normal assignment conditions were applied to those meetings in which remote speaking time was very limited.

In terms of freelance recruitment, 2022 saw a **considerable increase in the number of freelance contract days**, up to more than 90% of pre-COVID levels. However, the number of freelances available for recruitment has shrunk since 2019 and this continues to hamper
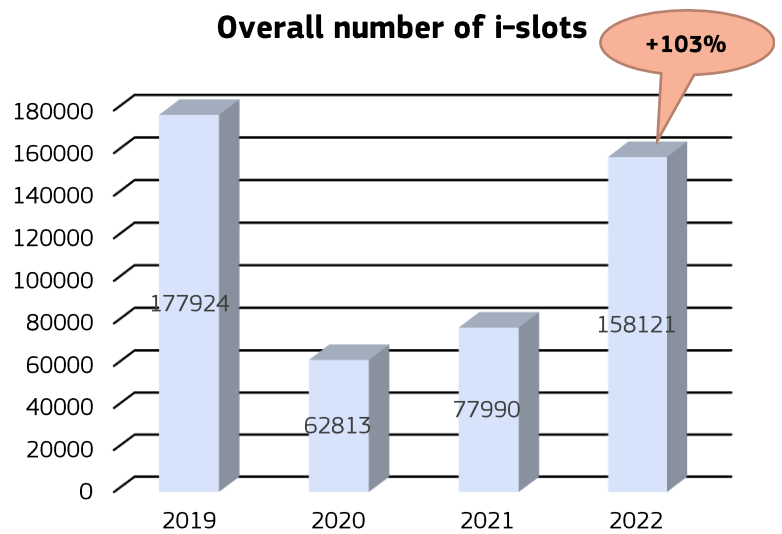
DG SCIC's overall capacity to satisfy demand for interpretation. In Brussels, for example, the number of active freelances fell by 15% between 2020 and 2022.

Interpretation is also a means for the **inclusion of citizens** in the European project. DG SCIC provided extensive interpretation services for the Conference for the Future of Europe. To make high profile meetings more inclusive, **International Sign** (IS) was requested for them. In 2022, DG SCIC continued providing International Sign (IS) in high profile meetings and in the Commission's Press Room.
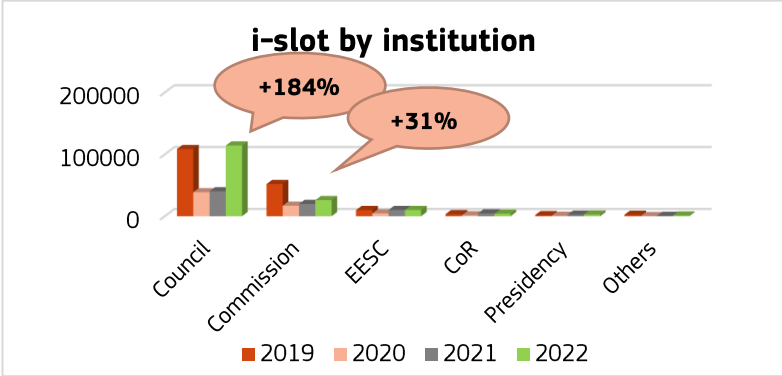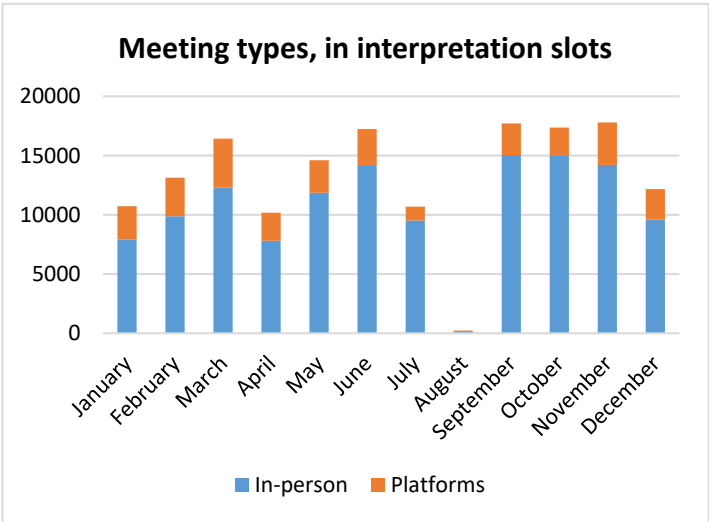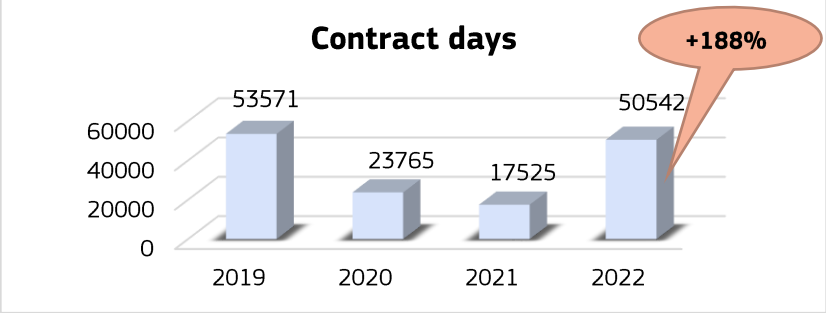

Activity in the Council, which usually represents almost two-thirds of DG SCIC's overall output (72% in 2022), increased by 184%. In the European Commission, activity increased by 31% (overall output in Commission was 16% in 2022).

Overall, there were 188% more contract days for freelance interpreters in 2022 compared with 2021.

2022 saw a general return to many more meetings with interpretation in the Commission attended by participants in person; in the Council and the two Committees this trend had already started in 2021. Thus, the percentage of i-slots generated in the Commission at in-person meetings rose from 16% in 2021 to 33% in 2022. Overall, in all institutions, in-person meetings represented 81% of all i-slots.

As regards meeting documentation for interpreters, DG SCIC continued its digital transformation project, the **Interpreter's Digital Toolbox (IDT)**. Work on the **automatic transfer of Council meeting documents** to DG SCIC was completed, although provision of this service is dependent on the completion of the IDT, expected in the second quarter of 2023. Once completed, the IDT will allow interpreters to work better with electronic documents, reducing the need for

paper documents in the booth. In December, DG SCIC approved a new '**Paper-smart**' approach which will accompany this development.

As part of the IDT, DG SCIC's terminology has become part of the EU inter-institutional terminology database IATE (Interactive Terminology for Europe). Many interpreters contributed to preparing the migration of more than 200 000 terms to IATE. The project was completed in early 2023, allowing DG SCIC interpreters to benefit fully from data from DG SCIC and other EU institutions.

DG SCIC provided interpretation into and from **Ukrainian**: 259 i-slots, compared to just 84 in 2021, representing a 300% increase.

Following the granting of candidate country status to Ukraine in June 2022, DG SCIC has enhanced its range of support for training of conference interpreters with **Ukrainian** mother tongue or who interpret from Ukrainian. A number of initiatives have been taken to reach out to potential partners in the academic world and to offer **digital resources** to students, trainers and professional interpreters. In a broader context, our KCI (Knowledge Centre on Interpretation) platform has been instrumental in promoting initiatives to support Ukrainian refugees, such as the creation of the public community entitled 'Ukrainian language resources in one place', which was done in close cooperation with the Publications Office. The Ukrainian section of the **Speech Repository**, which was prepared during 2022, was launched on 12 January 2023.

Specific objective 2: The quality of interpretation meets our customers' needs

From 7 March to 18 March 2022, DG SCIC carried out its 6th **Customer Satisfaction Survey on the Quality of Interpretation**. The survey was conducted fully online and was therefore paperless, following the European Commission's lead on the Green Deal and the Digital Decade. The survey was open to meeting participants within the Commission, the Council, the European Economic and Social Committee, the Committee of Regions and Europol and was accessible in all 24 official languages. The survey was addressed to participants of both in-person and virtual/hybrid meetings.

In line with the previous customer satisfaction surveys, the 2022 results show a **very high overall satisfaction with interpretation**: 93% of the respondents were either 'Very satisfied' or 'Satisfied' with interpretation – an increase from 90% in the previous survey. The results also demonstrate that DG SCIC has succeeded in adapting to the digitalisation of the delivery of interpretation: respondents who took part in meetings online were almost as satisfied with interpretation as those who took part in meetings in person.

Good quality of sound at multilingual and virtual hybrid meetings is paramount for the quality of interpretation and to preserve interpreters' health. Therefore, DG SCIC intensified its activities to prevent technical issues before meetings commenced and to raise awareness among users of interpretation regarding to issues which can affect sound quality. It upgraded its **guidance to meeting managers, chairs and participants** by

introducing a new **code of conduct** for participants, and recommending a list of **ISO-compliant peripherals** drawn up in coordination with staff and freelance interpreters. DG SCIC also updated its disclaimer to include more specific information about interruption of service due to poor sound. While continuing to raise awareness at the political level, DG SCIC acquired and **distributed 116 Rode microphones**, which are of high-quality and are ISO-compliant, to 61 Commission units in 15 DGs that chair and/or attend virtual and hybrid meetings. It continued targeted training and technical tests with remote participants in advance of selected meetings as a means of providing specific guidance about behaviour and equipment directly from interpreters. DG SCIC also intensified its cooperation with the technical services of the European Economic and Social Committee and the Committee of Regions with the same objective, i.e. to anticipate and prevent problems with sound quality.

Finally, DG SCIC continued actively participating in ISO work on **technical standards for interpretation** and cooperating intensively with manufacturers to influence and enable technical advances in sound quality and other factors that can contribute to the quality of interpretation over platforms.

DG SCIC continued to invest in **capacity development** by supporting universities that train conference interpreters, reflecting the needs of the service. In this context, a special initiative was carried out for Danish (the 'Danish PASS') – with two participants going on to pass the accreditation test. However, a suitable strategy is needed for all EU languages, and this is now a priority for future work in DG SCIC. The DG also continued to contribute to setting standards, best practices and benchmarks, and building a pool for future recruitment, not only for EU languages but also for candidate country languages (in step with enlargement negotiations).

The **annual SCIC-Universities Conference** was organised with the participation of the relevant stakeholders in the interpreting world. The main objective was to raise awareness about EU requirements concerning interpretation, to update participants on the latest developments and to generate debates and exchanges on interpretation-related topics.

The **Pedagogical Assistance initiatives offered to universities** consisted in both on-site and on-line training sessions and study visits. In addition, virtual mock conferences and Training for Trainers seminars were organised. DG SCIC continued to explore possibilities to develop new technical instruments to provide remote training, contributing to greening and the cost-effectiveness of its actions.

The **Knowledge Centre on Interpretation** (KCI) expanded its role as dedicated platform for information all about interpretation and reached out to students and trainers with the organisation of two 'Virtual Café' sessions. Moreover, a dedicated section on academic research was introduced and will allow for the publication of masters theses related to conference interpreting. The **ITSU communities** (Interpreter Training Support to Universities) contributed to the further digitalisation of support activities. The diversification of activities and blended training enabled DG SCIC to focus its approach on profiles and language combinations of interest to the service. Virtual training has not entirely replaced

on-site pedagogical assistance but is part of a broader range of efficient and fit-for-purpose actions and capacity building initiatives.

At times of high levels of interpreting activity, the availability of interpreters for learning activities is necessarily reduced. Nevertheless, DG SCIC continued to support its interpreters through **life-long linguistic and thematic learning** as well as **professional skills development** and **digital upskilling**. Interpreters continued creating new content for courses and presentations.

External communication

In 2022, DG SCIC's **social media** channels remained the main tool to reach external audiences. Social media activity steadily increased, and the DG's combined community size increased by 10%. DG SCIC continued to cooperate closely with DG COMM (Directorate-General for Communication) and participated in the Commission's Social Media Network. DG SCIC also produced two multilingual videos at the request of DG COMM (2023 Wishes in 24 languages and a video for the European Day of Languages). It continued to **promote multilingualism**, focusing particularly on the contribution of interpretation to the democratic decision-making process of the EU Institutions with regular coverage of the DG's day-to-day activities. DG SCIC's external communication also regularly promoted the **European Year of Youth** and its **#YouthPolicyDialogue**.

This came in addition to messages targeted at interpreters, students, as well as other language aficionados who form DG SCIC's traditional target audience. Throughout 2022 they were informed about DG SCIC's activities in new ways such as Instagram Reels, Instagram filters, a Twitter voting button, animated visuals with music as well as live events. DG SCIC also continued to raise awareness about the Czech Presidency of the Council with a weekly series on social media, #CzechWordOfTheWeek.

Regarding awareness-raising and outreach events, in 2022 DG SCIC co-organised and participated in the following hybrid and virtual events: **Mais Português na Europa** (an inter-institutional awareness-raising campaign to promote multilingualism and raise awareness of the interpretating profession in Portugal), **The Language Show (UK)**, **Think Languages Event (Ireland)** and the **26th SCIC Universities Conference (Brussels)**. Our external communication activities also included the production of video material highlighting **new interpreting formats** for speakers and participants at our conferences.

In addition to its social media activities, DG SCIC also published a new **inter-institutional webpage** about interpretation on the central Europa website, in agreement with the interpretation services of the European Parliament and the Court of Justice of the European Union.

Fostering human networks through multilingual communication

DG SCIC continued to assist its **international partners** in developing their capacity to train interpreters (public administrations and universities in third countries and regions such as mainland China and Macao, Africa and the EU Southern neighbourhood) while taking into

account the international situation, availability of resources and EU priorities. All international pedagogical assistance was delivered on-line in 2022 and certain activities had to be scaled down, e.g. training support to African universities.

Following the outbreak of the Russian war of aggression against Ukraine, DG SCIC immediately suspended all pedagogical assistance and cooperation with Russian universities in line with the restrictions imposed by the EU.

After a two-year interruption due to the COVID-19 pandemic, in 2022 it was possible to organise a further **traineeship for Chinese interpreters** with fully on-line classes. DG SCIC, together with the EU Delegation in Beijing, also organised a further training session for interpreters working for EU Member State Missions on the spot. Finally, the **exhibition on Multilingualism in the EU**, inaugurated in September 2021 in the Museum of World Languages at Shanghai International Studies University (SISU), was extended for a further six months at our Chinese partners' request, given its success and the strong interest it generated (several thousand visitors at the museum and tens of thousands of virtual visits).

Specific objective 3: Modern meeting room services are available for the European Commission

As domain leader for meeting room management, DG SCIC successfully delivered corporate services as set out in the latest meeting space strategy of the Commission. This strategy built on the impact of the COVID-19 pandemic, recent changes in our ways of working, including the Commission's new buildings policy, as well as the green and digital transitions.

In 2022, DG SCIC **completed the rollout of meeting room services**, meaning that all Commission services in Brussels now benefit from modern solutions for meeting rooms and corporate guidance and support for meetings and events. In keeping with the trend of previous years, more meeting spaces, including offices of senior managers, were furnished with **new equipment for hybrid meetings**. DG SCIC also offered support, user guides and training for the use of these room solutions. In addition, it employed smart monitoring and control tools to ensure efficient use of the meeting room equipment, thereby contributing to the greening objectives of the Commission.

DG SCIC continued to provide a **corporate solution for hybrid and virtual meetings with interpretation**, thanks to the use of simultaneous interpreting delivery platforms (SIDPs). More meeting rooms with interpretation booths were equipped with SIDPs to allow Commission services to successfully organise hybrid and virtual meetings and conferences with interpretation (e.g. the Conference on the Future of Europe). DG SCIC also focused on the interoperability of SIDPs and traditional interpretation infrastructure to pave the way for setting up of a virtual interpretation hub, while also including new functionalities allowing for a better monitoring of the sound quality.

At international level, thanks to DG SCIC contribution, the **new ISO standard** 24019 (ISO standard on simultaneous interpreting delivery platforms) was approved and published. Moreover, DG SCIC produced a working draft standard ISO 17651 on the interpreter's working environment (including fixed booths, mobile booths and interpreting hubs).

Specific objective 4: Improved customer journey through high-quality digital solutions and workflows in meeting room management

DG SCIC moved forward with a number of practical initiatives to enhance the customer journey by upgrading its service delivery model and optimising its internal processes and workflows.

In 2022, DG SCIC successfully concluded the pilot phase for the new service **My Meeting and Conference Support (MACS)**. The service provides a single-entry point for staff who need **guidance and support** for meetings and conferences. During the pilot, MACS offered first-line support via a helpdesk as well as training and sound quality tests for hybrid and virtual meetings and events, while other teams in DG SCIC also provided **guidance and support**. Feedback from users was positive and the number of enquiries gradually increased throughout the year. Setting up MACS also helped enhance cooperation with other service providers, in particular DG DIGIT (Directorate-General for Informatics).

DG SCIC made progress with the rollout of the **Meeting management and Interpretation Reservation Application (MIRA)**, the new corporate tool for booking and managing meeting rooms, meeting room services and interpretation requests. MIRA provides simple, user-centric processes and offers a user-friendly interface, while aiming at bringing together meeting spaces from all Commission sites in a single tool. In 2022 the focus was on rolling out the tool to new meeting spaces, while preparing the ground for new features and completion of the rollout.

Additionally, DG SCIC continued to:

- provide guidance and training on the use of Simultaneous Interpretation Delivery Platforms;
- provide guidance and training on the use of audio-visual equipment in meeting rooms;
- optimise our web streaming facilities;
- work with the Council on the digitalisation and streamlining of interpretation requests.

Specific objective 5: Modern and sustainable conference organisation services are available for the European Commission

DG SCIC continued to ensure that conference services reflect the **green and digital priorities** of the European Commission, by supporting the conference management community in its shift towards greener, virtual and hybrid conferences.

Looking beyond the pandemic, all **fundamentals of DG SCIC's domain leadership**, such as the conference wiki, the events database, the conference helpline, corporate framework contracts, conference management, participant registration and community development have been further fine-tuned and adapted to the reality of virtual and hybrid events.

In view of the renewal of the **corporate framework contract for event management** in 2023, DG SCIC ran a survey to gather feedback defining users' needs, and a number of focus groups with client DGs to obtain a broad and detailed insight enabling it to draft a new, robust and future-proof framework contract.

DG SCIC's conference managers and participant registration team continued to develop their skills to support the transition to virtual and hybrid conferencing. They supported the organisation of 123 events which took place in 2022. **Conference management support** was provided for 63 of these events and seven also included financial management support. P**articipant registration support** was provided for 103 conferences. Throughout 2022, DG SCIC serviced the organisation of 20 European Year of Youth policy dialogues with members of the College, debating on an area of their portfolio with young people.

Following the market analysis on **virtual conference platforms** undertaken in 2022, two platforms were chosen for evaluation, with the aim of further pushing ahead with the **digitalisation of conferences**. The outcome of this second study aims at looking into possible cost and invoicing models for basic and extended virtual conference packages.

Furthermore, DG SCIC co-organised with DG HR (Directorate-General for Human Resources and Security) the 3rd edition of the annual **competition on sustainable events and conferences.** The winners were announced at an awards ceremony in July 2022, showcasing best practises and raising awareness of the need to align all aspects of conference organisation with the objectives of the Green Deal, aiming at emissions reductions and budget savings.

DG SCIC has been investigating a **Carbon Footprint Calculator for events**, the aim being to support conference organisers in assessing the environmental impact of their events. A contract was launched to evaluate the different alternatives which might meet the Commission's requirements.

Specific objective 6: The conference community is further professionalised and engaged

Throughout 2022, DG SCIC made further efforts to **professionalise the community**, with a focus on providing information in bite-size packages, mail updates and workshops on topics related to conference organisation.

The roll-out of Event-Works as the **corporate participant registration tool** for independent use by DGs continued. With the support of DG HR, two rounds of training sessions for four different levels of users and several specific thematic sessions were organised and twelve DGs and agencies started using the system independently. In addition, preparations started to move Event-Works to the cloud in 2023.

With a view to establishing a **learning package** for the conference community, DG SCIC has been mapping possible LinkedIn Learning and EU Learn courses. This initial selection will need to be discussed with DG HR to determine complementary needs and to create the learning package.

General objective: A Europe fit for the digital age

Specific objective 7: A European speech technology is used by the EU institutions and the public

Transcription and closed captioning are essential tools to ensure that meetings, conferences and audio-visual material are **accessible and inclusive for all audiences**, in particular those with hearing impairments or a lower level of language proficiency, as mandated by Directive (EU) 2016/2102 on the accessibility of public websites. It also enhances the **efficiency of public services**, for instance by helping in the drafting of reports and minutes.

DG SCIC worked on the development of **speech technologies** within three different projects. The first was to set up a live transcription portal with custom models for Commission services using Azure speech services, working in cooperation with DG DIGIT. It also developed an open-source solution for European public services and SMEs within the *eLangTech* strand of the **Digital Europe Programme (DEP)**, in cooperation with DG CNECT (Communications Networks, Content and Technology) and DGT (Translation). Finally, it developed a solution using neural voices to create voiceovers of videos, in cooperation with DG TAXUD (Taxation and Customs Union), for training video material of national customs officers.

Within the DEP, DG SCIC also contributed to the collection and curation of audio-visual data for reuse in developing language technologies in the EU.

With these projects, DG SCIC contributed to the development and use of AI-based language technologies in the Commission. Speech services feature in the forthcoming Commission's **Artificial Intelligence action plan (AI@EC)** as an important example of the use of artificial intelligence by public administrations.

In cooperation with DG DIGIT, DG SCIC developed a **pilot transcription portal** that allows for automatic live transcriptions of conferences and meetings in the Commission's different meeting rooms. With this live portal, meeting organisers and participants can follow discussions on their personal devices and download transcriptions after the event. The portal was successfully tested in 2022. There were also tests to create multilingual captions for the Commission's web streaming service

To **improve the quality** of the speech recognition output, custom models have been trained by interpreters for topics under discussion in the EU institutions, e.g. with the specific terminology and background information.

2. MODERN AND EFFICIENT ADMINISTRATION AND INTERNAL CONTROL

2.1. Financial management and internal control

Assurance is provided on the basis of an objective examination of evidence of the effectiveness of risk management, control and governance processes. This examination is carried out by management, who monitor the functioning of the internal control systems on a continuous basis, and by internal and external auditors. The results are explicitly documented and reported to the Director-General. The following reports/documentation have been considered:

- the contribution of the director in charge of Risk Management and Internal Control (RMIC), including the results of internal control monitoring at DG level;

- the reports by Authorising Officers by Sub delegation (AOSDs);

- the limited conclusion of the Internal Auditor on the state of control and the observations and recommendations reported by the Internal Audit Service (IAS).

Systematic analysis of the available evidence provides sufficient guarantees as to the completeness and reliability of the information reported and results in the full coverage of the budget delegated to the Director-General of DG SCIC.

This section covers the control results and other relevant elements that support management's assurance. It is structured into 2.1.1 Control results, 2.1.2 Audit observations and recommendations, 2.1.3 Effectiveness of internal control systems, and resulting in 2.1.4 Conclusions on the assurance.

2.1.1. Control results

This section reports and assesses the elements identified by management which support the assurance on the achievement of the internal control objectives (ICO) [4]. The DG's assurance building and materiality criteria are outlined in Annual Activity Report Annex 5. The Annual Activity Report Annex 6 outlines the main risks together with the control processes to mitigate them and the indicators used to measure the performance of the relevant control systems.

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[4] 1) Effectiveness, efficiency and economy of operations; 2) reliability of reporting; 3) safeguarding of assets and information; 4) prevention, detection, correction and follow-up of fraud and irregularities; and 5) adequate management of the risks relating to the legality and regularity of the underlying transactions, taking into account the multiannual character of programmes as well as the nature of the payments (FR Art 36.2). The 2nd and/or 3rd Internal Control Objective(s) (ICO) only when applicable, given the DG's activities.

DG SCIC operates under Heading 7 of the EU budget (administrative expenditure) implemented under centralised direct management. In 2022, DG SCIC executed payments of:

- €60.68 million from Chapter 20 of the Budget;
- €1.44 million from co-delegated expenditure on conference and events organisation on behalf of other Commission services; and
- €0.08 million from co-delegated expenditure on cooperation with third countries.

The expenditure managed by DG SCIC in 2022 can be divided into the following Relevant Control Systems (RCS). The effectiveness, efficiency and economy of *ex ante* controls conducted in these areas is presented separately in Annex 6.

Relevant Control System	payments made	%
ACI (freelance interpreters)	44.772.153,95	71,97%
Procurement	16.733.035,75	26,90%
Grants	376.929,67	0,61%
Cooperation 3rd countries	81.055,24	0,13%
Staff expenditure	242.140,01	0,39%
Total	62.205.314,62	100,00%

'**ACI**' covers the recruitment, remuneration and reimbursement of non-permanent interpreters. Freelance interpreters (ACIs) are employed when needed by DG SCIC on a day-by-day contract basis to ensure that DG SCIC can meet demand for interpretation and achieve its mission and strategic objectives. Additionally, the payment of pension contributions and sickness and travel insurance is also included in this RCS. These payments are managed via decentralised financial circuits in Unit SCIC.B.4, Joint Management of Conference Interpreting Agents.

The Inter-institutional ACI Payments Office in Unit SCIC.B.4 processed ACI payments for a total value of €104.2 million in 2022. €44.8 million corresponds to DG SCIC contracts, paid from the DG SCIC budget, plus €4.1 million for ACIs recruited by the Court of Justice and €55.3 million for ACIs recruited by the European Parliament. Such payments are made from 'Hors Budget' accounts financed from advances paid by the same Institutions. All payments to ACIs are processed applying the same internal controls regardless of the recruiting Institution, via a fully decentralised financial circuit complemented by *ex post* controls performed by Unit SCIC.C.2.

In estimating the costs of control however, account is taken only of transactions financed from DG SCIC's budget and resources allocated to their handling. The other Institutions nevertheless contributed to the functioning of the Payments Office in form of compensation for the salary of affected contract agents.

'**Procurement**' covers transactions where budgetary appropriations are consumed by procurement procedures. The most important areas of expenditure for DG SCIC in this system are the management of meeting rooms, informatics expenditure, conference management and professional development. All these transactions are handled through a centralised financial circuit, where operational initiation and verification of commitments,

contracts and payments takes place in the relevant operational unit, while financial initiation and verification is performed centrally in the Finance Unit. It should be noted that, during the first quarter due to some unforeseen circumstances, the financial verification function and authorisation of payments were temporarily moved to the operational unit for the budget lines related to conference management. This only affected a very limited number of transactions.

In the Relevant Control System for '**Grants**', specific transactions are encompassed, i.e., grants to universities and scholarships to students. As with procurement, centralised financial circuits are used for the *ex ante* controls. As the transactions are treated by the same operational Unit and the aim of the programme is also to contribute to the training of interpreters, the very limited funds (0.002 M€) co-delegated from DG NEAR (European Neighbourhood Policy and Enlargement Negotiations) are also included in this RCS.

For '**Cooperation 3rd countries**', the funds are co-delegated by DG INTPA (International Partnerships) and FPI (Service for Foreign Policy Instruments). The purpose of the programmes is to support the training of interpreters in third countries. As with Procurement, centralised financial circuits are used for the *ex ante* controls.

'**Staff expenditure**' includes transactions for the purpose of professional development of staff interpreters (and also ACI) in languages via a system of reimbursement. Similarly to the Procurement area centralized financial circuits are used for the *ex ante* controls.

'**Income**' is a crucial factor in DG SCIC's operations. Consequently, a Relevant Control System is dedicated to this area. Of the over €99.7 million in cashed revenue reported in Annex 3, Table 7, €86.5 million was collected from external customers (under Heading 7, expenditure). €84.7 million came from the provision of interpretation services, €1.2 million was cashed for other services delivered (the renovation of meeting rooms being the most considerable), while €0.6 million was due to refunds. Of the €84.7 million in interpretation-related revenue, almost €47 million (55.5%) were assigned to the PMO and over €0.6 million (0.5%) to the OIB. The €13.2 million balance on cashed revenue corresponds to the taxes on revenue collected on the payment of the salaries of ACIs recruited by the three European interpretation services and paid on their behalf by DG SCIC. The €13.2 million forms a part of the general revenue of the European Union.

Besides the above-mentioned Relevant Control Systems that concentrate on *ex ante* controls in the different areas of expenditure and on income, DG SCIC has two *ex post* Relevant Control Systems:

- Specific *ex post* **controls** on payments to non-local ACIs. As the payments are made as part of a decentralised financial circuit, a sample-based control is performed. The results are summarised each semester in a specific dedicated report. The controls also cover payments made on behalf of the European Parliament and the Court of Justice, and the reports are transmitted to them for information.

- **Accounting controls** are conducted in the areas of expenditure, pre-financing, assets, guarantees, income and commitments. Their main goal is to provide the Director General with reasonable assurance on the quality of DG SCIC's accounts.

DG SCIC's management considers that control mechanisms implemented in the DG successfully mitigate the risks presented in Annex 6 that are assessed according to the materiality criteria defined in Annex 5 and provide a reasonable assurance as to achieving its internal control objectives.

In line with the 2018 Financial Regulation, [5] DG SCIC's assessment for the new reporting requirement is as follows:

- There were no cases of 'confirmation of instructions' (new FR art 92.3)

- There were no cases of financing not linked to costs (new FR art 125.3)

- There were no Financial Framework Partnerships >4 years (new FR art 130.4)

- There were no cases of flat-rates >7% for indirect costs (new FR art 181.6)

- With regards to 'Derogations from the principle of non-retroactivity of grants pursuant to Article 193 FR' (new Financial Regulation Article 193.2) there are 7 grants where due to the special programming the actions started before signature date, however, there are no costs reimbursed that incurred before the submission deadline.

1. *Effectiveness of controls*

a) Legality and regularity of the transactions

DG SCIC uses internal control processes to ensure sound management of risks relating to the legality and regularity of the underlying transactions it is responsible for, taking into account the multiannual character of programmes and the nature of the payments concerned.

The overall objective for all Relevant Control Systems with regard to the effectiveness of controls is to have a maximum error rate of 2% of the relevant expenditure or revenues.

The main purpose of controls in the **ACI process** is to ensure the legality and regularity of the contracting and payment of freelance interpreters. For the contracting phase, it can be concluded that the control target has been achieved as all contracts signed in 2022 were fully covered by the designated budgetary commitment.

ACI payments are, for the most part, a fully automated and repetitive procedure, with all the relevant data managed through a single, integrated information system (Management

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[5] *Financial regulation applicable to the general budget of the Union,* https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32018R1046

of Interpretation and Meetings – MIM), ensuring a high level of data integrity. The payment of some allowances and reimbursement of transport and accommodation costs of ACIs on mission is an area where fraud and/or errors could occur with smaller, one-off payments. However, access to prepaid travel tickets, implementation of the APR system (web-based expense claims for non-permanent interpreters) and various automated checks considerably reduce the risk of error.

Ex ante controls on payments were conducted according to the four-eyes principle. *Ex ante* controls are designed to allow payments to be made in the shortest possible deadlines, so at the time of the payment no statistics are recorded about corrections or additional documents requested from the ACI. Therefore, effectiveness of the *ex ante* controls is demonstrated by the satisfactory results of the *ex post* controls and accounting controls.

Ex ante controls conducted in a centralised financial circuit for the **Procurement process** are intended to ensure legality and regularity in the selection of tenderers, contracting of successful tenderers and the execution/payment of the contract in an effective, efficient and economical way. Prevention, detection, correction and follow-up of fraud and irregularities is also part of these controls, as all transactions are handled according to the four-eyes principle. Control results are regularly monitored, and where necessary, remedial actions are agreed and taken without delay. In 2022 there were no open procedures published, and there was only one procedure above the Directive's threshold. Further most transactions in the selection phase were specific contracts to framework contracts. There were no complaints received from unsuccessful tenderers and none of the issues noted by *ex ante* controls in this segment refer to systemic weaknesses. In the contracting phase, only smaller discrepancies were noted (mostly administrative). However, the presence of such observations is reassuring as they demonstrate that controls are carried out systematically and effectively. Also, in the execution/payment phase few errors were noted and appropriate action was taken before payments were made. Errors that were identified were below the materiality threshold, but the fact that they were detected demonstrates the ability to identify discrepancies.

Following a cost-benefit analysis, no *ex post* controls other than accounting controls are performed on procurement, and consequently there is no detected error rate for procurement transactions.

As in procurement, *ex ante* controls in the **Grants process** are intended to guarantee legality and regularity throughout the awarding, granting and execution/payment phase as well as taking necessary measures against fraud. No claims were received about the procedure for awarding grants and scholarships. FVA controls did not note any significant deficiencies. The exception and non-compliance event recorded in this area were actually not related to grants and scholarships, but to other transactions covered by this RCS. Only the latter one is in connection with the control system with regards a procedure to be followed, but without any necessary remedial action to be taken. As *ex ante* controls are performed on all transactions, and as all grants awarded in 2022 were low value, on-the-spot audit missions are performed only when strictly necessary to maintain a proper balance between the costs and benefits of such controls, and when no specific *ex post* controls are performed.

In **Staff expenditure** *ex ante* controls in the commitment phase specifically aim at ensuring that the applications accepted contribute to reaching the objective of a broader language portfolio among staff interpreters and ACIs. The indicators show that in 2022, 24 staff interpreters and 13 ACIs added a new language after a language stay funded with support from DG SCIC. The smaller discrepancies noted by the *ex ante* controls demonstrate that every relevant aspect of the commitment and payment files are examined. Due to the very low value of transactions and as 100% of transactions are subject to *ex ante* examination, no specific *ex post* controls others than accounting controls are performed.

Financed by budget lines co-delegated by DG INTPA and FPI, **Cooperation 3rd countries** comprises a heterogeneous group of transactions: procurement contracts, reimbursements, and re-allocation of funds to the ACI budget line as compensation for the contributions DG SCIC's staff interpreters make to the programmes. As for procurement, *ex ante* controls are conducted on 100% of the transactions in a centralised financial circuit for both commitments and payments. *Ex ante* controls confirmed the correct registration of all related budgetary commitments and payments.

Ex ante controls of **Income** aim at ensuring that amounts due to DG SCIC are recovered from its customers and can feed into the DG's budget as assigned revenue. Additionally, legality and regularity of each transaction is checked as part of the billing process, and charged amounts are confirmed with customers in the pre-information stage of the invoicing process. For the renovation of meeting rooms, the amounts are agreed before billing and signed with DG SCIC's clients in the form of specific conventions. The best indicator for controlling recoveries is whether customers contest the amounts considered due. In 2022, there were no contestations received with respect to the amounts billed. Until September the effects of the COVID-19 crisis still complicated the planning and billing processes, while demand for interpretation services increased considerably, into the range of pre-pandemic levels.

The ***Ex post* controls** on payments to non-permanent interpreters have been established to measure the effectiveness of *ex ante* controls that are performed in a decentralised financial circuit. As the payment of daily remuneration and allowances is automated, the only potential area of error is the processing of reimbursement requests when supporting documents have to be examined. Hence, the randomly selected transactions for *ex post* examination were taken from this population. The sample amounted to 4.06% of the relevant payments by value. The results of the controls in 2022 indicate an error rate of 0.066% across all transactions. This error rate is well below the 2% materiality threshold indicated in Annex 5. This error rate is in line with the 0.092% noted in 2021, and is an excellent result, especially considering that while some effects of the pandemic still resulted in complex files, transactions volume considerably increased compared to 2021.

Regarding ***ex post* accounting controls**, in 2022 DG SCIC conducted 52 different accounting controls on a monthly, quarterly or annual basis on expenditure, pre-financing, assets, guarantees, income and commitments and contracts. This led to the DG making 541 corrections (compared to 1 114 in 2021 and 4 890 in 2020), of which 518 (as opposed to 1 090 in 2021 and 4 877 in 2020) had no financial impact on financial statements. This

high number is still due to the large-scale closure of legal commitments, which is necessary in view of the future migration to SUMMA (new corporate financial system) but has no effect on DG SCIC's accounts. However, the decrease demonstrates that the backlog was affectively settled in the previous years. The average impact of those corrections which had a financial impact on assets, liabilities, expenditure and revenue was 0.15%, which is well below the 2% materiality threshold. Further details on accounting indicators are presented in Annex 7. In 2022, DG BUDG (Budget) only performed a superficial control of the accounting quality project, therefore there was no similar evaluation to 2021 when the accounting risk for DG SCIC had been assessed as low.

All of DG SCIC's Relevant Control Systems demonstrate a relatively low error rate. This is thanks to the systematic *ex ante* controls, that are carried out based on the four-eyes principle. No significant weaknesses have been identified, hence there is also no need for making any reservations in the declaration of assurance. The analysis which has been performed confirms that the controls can be considered effective in respect of all Relevant Control Systems. The financial circuits are fully dematerialised, which is essential for optimal performance in the hybrid working environment. The only area where processing of paper documents remains obligatory are the VAT forms issued for the Belgian state. DG SCIC has set up systematic follow-up of transactions to ensure that this requirement for blue-ink signature is complied with for all affected contracts.

In addition, DG SCIC has in place an effective mechanism for correcting errors, through *ex ante* and *ex post* controls, resulting in preventive and corrective measures, respectively. Please see table below for details:

	Preventive Measures (m EUR)	Corrective measures (m EUR)
Implemented by the Member States	**0.00**	**0.00**
of which from Member States controls	0.00	0.00
of which from EU controls [6]	0.00	0.00
Implemented by the Commission		
of which from Member States controls	0.00	0.00
of which from EU controls	0.03	0.00
DG Interpretation total	**0.03**	**0.00**

Based on all the above, DG SCIC presents in the following Table X an estimation of the risk at payment and risk at closure for the expenditure managed during the reporting year:

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[6] As a result of Commission controls and audits (including additional corrections to ensure a risk at closure below 2% in case of EMPL, REGIO and MARE), OLAF investigations or ECA audits.

Table X: Estimated risk at payment and at closure (amounts in EUR million)

The full detailed version of the table is provided in annex 9.

DG SCIC	Payments made	Relevant expenditure	Estimated risk (error rate %) *at payment*		Estimated future corrections and deductions		Estimated risk (error rate %) *at closure*	
	m EUR	m EUR	m EUR	%	m EUR	%	m EUR	%
ACI expenditure	44.77	44.77	0.22	0.5	0	0	0.22	0.5
Procurement	16.73	16.73	0.08	0.5	0	0	0.08	0.5
Grants	0.38	0.47	0.0	0.5	0	0	0.0	0.5
Staff expenditure	0.24	0.24	0.0	0.5	0	0	0.0	0.5
Cooperation 3rd countries	0.08	0.08	0.0	0.5	0	0	0.0	0.5
DG SCIC	**62.21m EUR**	**62.3m EUR**	**0.31m EUR**	**0.5%**	**0m EUR**	**0%**	**0.31m EUR**	**0.5%**

The estimated overall risk at payment for 2022 expenditure is the AOD's best conservative estimate of the amount of relevant expenditure during the year, not in conformity with the contractual and regulatory provisions applicable at the time the payment was made. This amount corresponds to the conservatively estimated future corrections for 2022 expenditure. Over the past years, performing *ex post* controls has not resulted in any major financial correction or need for a recovery order after payment. This is because any financial errors were detected and corrected before the relevant payments were made. These results are expected to continue, and as a result a conservative estimate of the value of future financial corrections is 0.0%.

The difference between those two amounts results in the estimated overall risk at closure ([7]). There is no change compared to 2021 (0.5%) mainly due to the fact that the detected error rates remained below 0.5%, therefore, similarly to 2021 this figure was used as a conservative estimate.

For an overview at Commission level, DG SCIC's estimated overall risk at payment, estimated future corrections and risk at closure are consolidated in the AMPR.

Based on all the above, DG SCIC management concludes that the control results are complete and reliable and has reasonable assurance about the achievement of the internal control objective for legality and regularity.

b) Fraud prevention, detection and correction

DG SCIC has developed and implemented its own anti-fraud strategy (AFS) since 2016, based on the methodology provided by OLAF (European Anti-Fraud Office). It was last

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([7]) This is the AOD's best, conservative estimation of the expenditure authorised during the year that would remain not in conformity of applicable regulatory and contractual provisions by the end of implementation of the programme.

updated in 2018; the update and assessment of the DG's anti-fraud strategy was adopted by Management in January 2019. Due to the staff situation in the Budget and Finance Unit preparatory steps to undertake another update could not be completed. However, the update is scheduled for 2023. Implementation of the anti-fraud strategy is monitored annually, with an oral report presented to management. Awareness actions of the AFS, tailored training for Directorate B staff, has been implemented in 2022.

During 2016-2022 there were no financial recommendations issued by OLAF which were of relevance to DG SCIC. The AFS correspondent takes part in the relevant network organised by OLAF (FDPNet) in order to maintain the contacts and be involved in central services' actions.

The results achieved during the year thanks to the anti-fraud measures in place can be summarised as follows: The anti-fraud correspondent was available throughout 2022 to provide individual assistance in response to questions raised by colleagues on matters where greater clarity was required. Further awareness could be raised by providing tailor made training.

As to strictly defined issues of fraud in monetary terms there were no incidents reported to the Head of the Budget and Finance Unit or the AFS correspondent. Moreover, no incidents were detected by the Budget and Finance Unit in its everyday work that required following up. Each time a risk of potential error or fraud is identified as part of regular controls, especially in the area of financial management, remedial steps are taken. On the basis of the available information, DG SCIC has reasonable assurance that the anti-fraud measures in place are effective.

c) Other control objectives: safeguarding of assets and information, reliability of reporting (if applicable)

As concerns control activities in the area of reporting reliability, DG SCIC follows the Strategic Planning and Programming Cycle, and each year prepares an Annual Management Plan and an Annual Activity Report as required by the Commission.

Each year the Draft Budget is prepared, a complex exercise for DG SCIC as the DG relies heavily on assigned revenue to complement the funds received as voted budget. In 2022, 62.98% of available commitment appropriations (outside co-delegated funds) came from assigned revenue. As the billing of interpretation services constitutes the source of this revenue, the determination of the i-slot price is also part of this process.

For the provision of interpretation services, DG SCIC has set up a uniform and automatic compensation mechanism with a unique compensation rate, the 'i-slot'. The i-slot corresponds to the average cost of providing a single interpreter for half day, making the compensation system transparent for our fee-paying customers. Besides its significance for DG SCIC's draft budget, the i-slot price also needs to be communicated to DG SCIC's customers. A provisional maximum figure is calculated at the beginning of the year for year n+1, while calculations are carried out towards the end of the year resulting in a definitive figure in November. To be able to monitor budgetary execution in DG SCIC in the course of the year, quarterly reports are prepared as a basis for decision-making by management.

Additionally, considerable efforts are made by an operational unit to monitor the follow-up of an inter-institutional framework contract.

In the area of accountancy, monthly, quarterly and yearly reports document the results of accounting controls. The reports are also summarised under 'Legality and regularity of the transactions' in the present report. The analysis of the results of the accounting controls feeds into the annual review of DG SCIC's accounting action plan and the assessment of the accounting risk for DG SCIC.

DG SCIC is also the domain leader for audio-visual assets in the Commission. This means that DG SCIC is responsible not only for audio-visual equipment purchased from its own budget, but also for managing items acquired by other DGs. DG SCIC has implemented multiple internal procedures to safeguard these assets. It tracks the location of all items purchased upon delivery to its warehouse, after installation and any subsequent movement of them, for example, when they are sent for repair. DG SCIC performs a regular tracking exercise of inventoried items in meeting rooms it manages to ensure the maximum number of such items are identified. The latest report was issued in 2020 and found that 96.42% of inventoried items had been tracked. Checks on the quantity of items in DG SCIC's warehouse, be they assets (equipment, etc.) or on non-assets (consumables), are performed regularly to ensure disruptions in meeting rooms are kept to a minimum.
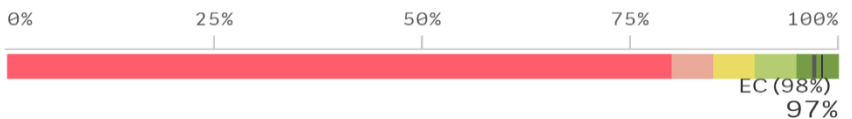
2. *Efficiency of controls*

Payments to ACIs are subject to specific payment deadlines and are processed via DG SCIC's local system (Grif). The payment time statistics, which are generated automatically, are distorted by the fact that the system starts counting from the first day when reimbursement requests are received (or the date of the contract when that is the triggering event) even when additional supporting documents are received at a later date, or when payments are made in the framework of a subsequent salary indexation. To resolve this situation, additional reports are created both to measure precise payment processing times ([8]) and to provide comprehensive monitoring of amounts to be paid. The results for 2022 confirm the efficiency of *ex ante* controls in this area: only 0.34% of the reimbursement requests for costs associated with non-local DG SCIC contracts submitted by ACI were not completed within the stipulated deadline. The average processing time was 7 days. Although in 2021 there were no late payments noted, as the number of requests increased from 1,178 to 5,962, the 2022 result still remains remarkable.

In 2022, 1041 payments were processed in ABAC within an Average Payment Time of 14.39 days excluding suspension periods. This figure does not include payments to freelance interpreters that are described above. The figure also includes an average of 4.54 days needed for processing by the horizontal Commission services. Considering the 14.36 days and 4.75 days recorded respectively in 2021 for a total of 994 invoices, the average

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([8]) Payment processing time is only measured for payments made based on reimbursement requests, as the payments in other cases are highly automated and do not require any supporting documents.

processing time of payments remained stable despite an increase in the number of transactions. 66 (6.34%) payments were made late, which is an increase compared to 49 (4.93%) in 2021. However, the late payments were related to lower amounts (mainly including staff reimbursements, for which also a 30 days' payment deadline was applied) and unlike in 2021 there were no late interest payments made. Therefore, in general terms, it can be concluded that *ex ante* controls on payments are carried out efficiently.

Timely Payments	DG SCIC Score	EC Score
0% 25% 50% 75% 100% EC (98%) 97%	**97%**	**98%**

DG SCIC performed just below the Commission average with regards to the value of payments made within the stipulated deadlines. However, compared to the 88% noted in 2021 a considerable improvement was achieved. This was the result of the continuation of measures introduced in the second half of 2021, in order to make the delivery process of audio-visual goods more efficient. Consequently, the related invoices could receive 'certified correct' qualification more rapidly and could be paid within the stipulated deadlines.

In 2022, the time-to-inform indicator was 74 days for grants awarded to universities. The time-to-grant indicator was an average of 74 days. For the latter indicator there has been a considerable improvement made compared to 2021. This is due to the fact, that the problems experienced with Qualified Electronic Signature could be avoided. This indicator is also somewhat distorted by one case, where circumstances outside DG SCIC's control caused an additional delay.

Based on the above, it can be concluded that controls have been executed efficiently. There is still room for improving the payment times statistics, however, as the four-eyes principle needs to be respected, the frequency and intensity of controls will not be reduced. Nevertheless, reorganisation in the DG effective as of 16 January 2023 offers the possibility to further streamline the payment process.

3. *Economy of controls*

The estimation of the cost of controls was conducted according to the bottom-up principle: each unit performing control activities was consulted to establish the amount of time their staff dedicated to them in 2022 as per the Relevant Control System. The detailed figures are presented in Annex 7.

Looking at the different Relevant Control Systems, the cost of control can appear high for some. For Grants and Staff Expenditure the relatively high cost is explained by the fact that, despite the (very low) value of individual transactions, they are subject to the same control rules (e.g., the four-eyes principle cannot be modulated according to the transaction value) and to the same requirements on encoding data. Furthermore, the specific nature of the transactions concerned means that specialist knowledge is required to carry out the verification process. The share of these two relevant control systems of all the funds managed by DG SCIC's processes is 0.25% for Grants, and 0.16% for Staff Expenditure.

Considering the very low value of the individual transactions and their limited number, automating controls by developing ad-hoc IT systems would not be cost effective. Limiting certain controls to a sample of transactions, combined with additional *ex post* controls, would not significantly reduce the cost of the controls, because to be statistically pertinent, the size of the sample would still represent a considerable share of the population. In the recent years, DG SCIC has therefore opted to rationalise its processes for handling certain subcategories of such transactions, in particular scholarships.

The cost of *ex post* controls is compared to the total value of transactions examined, which also includes ACI contracts concluded by the European Parliament and the Court of Justice. The cost of *ex post* accounting controls and reporting are compared with the totality of payments made and income cashed, as they are applicable to both populations. The cost of all controls carried out at DG SCIC is also compared to this figure. The methodology introduced in 2021 is continued: the controls on inventory are not incorporated into the total figure. The reason behind the change is that inventoried items are used over several years, making a comparison with the current year's budgetary execution impossible. Additionally, DG SCIC as a domain leader for audio-visual equipment, is also responsible for the audio-visual inventory purchased with appropriations of other DGs.

A comparison is presented of the relative and absolute cost of controls of 2022 to the four previous years:

	2018	2019	2020	2021	2022
Relative cost of controls	1.87%	2.02%	3.13%	3.93%	2%
Absolute value	€2.74M	€2.87M	€3M	€2.9M	€2.97M

Even though the increase of the average cost of staff was more than 9% compared to 2021, in 2022, DG SCIC managed to keep the absolute cost of controls at a similar level compared with the past four years. With the returning of interpretation activities to pre-pandemic levels, there was an increase of expenditure related to the recruitment of ACI and at the same time the cashed revenue was more than double of the figure noted in 2021. These two factors explain how the relative cost of control could be reduced to a level that is converging to the percentages noted in 2018 and 2019.

Considering all the above, as an overall conclusion, the level of cost of controls at DG SCIC is considered satisfactory and no corrective measures are required.

4. *Conclusion on the cost-effectiveness of controls*

Based on the most relevant key indicators and control results, DG Interpretation has assessed the effectiveness, efficiency and economy of its control system and reached a positive conclusion on the cost-effectiveness of the controls for which it is responsible.

DG SCIC has established a control strategy that is best suited to achieving the desired control objectives.

- For expenditure-related control areas it can be concluded that low error rates are well combined with fast payments and controls can be considered cost effective.

- For revenue, even with an increase of transactions compared to 2021 and some complicating factors remaining after the pandemic, low error rates can be observed, cashing times for the most important amounts are satisfactory to cover budgetary needs and the cost of controls remains very low.
- For *ex post* controls, the detected error rates also confirm the effectiveness of *ex ante* controls, while the related costs represent a stable and low percentage of the related expenditure.

2.1.2. Audit observations and recommendations

This section sets out the observations, opinions and conclusions reported by auditors – including the limited conclusion of the Internal Auditor on the state of internal control. Summaries of the management measures taken in response to the audit recommendations are also included, together with an assessment of the likely material impact of the findings on the achievement of the internal control objectives, and therefore on management's assurance.

Based on all work undertaken by the Internal Audit Service in the period 2018-2022, namely:

- Audit on synergies and efficiencies review (2018)
- Limited review on the new internal control framework (2019);

and taking into account that:

- Management has accepted all the recommendations issued in 2018–2022;
- Management has adopted action plans to implement all the accepted recommendations. The IAS considers that these action plans are adequate to address the residual risks identified by the auditors;
- The implementation of these action plans is monitored through reports by management and follow-up audits by the IAS.

The Internal Auditor has concluded that the internal control systems in place for the audited processes are effective.

In 2022, neither the IAS nor the ECA (European Court of Auditors), issued a formal audit report for DG SCIC, and consequently there were no recommendations.

2.1.3. Assessment of the effectiveness of internal control systems

The Commission has adopted an Internal Control Framework based on international good practice, to ensure the achievement of its policy and management objectives. Compliance with the internal control framework is a compulsory requirement.

DG SCIC uses the organisational structure and the internal control systems suited to achieving its policy and internal control objectives in accordance with the internal control

principles and has due regard to the risks associated with the environment in which it operates.

DG SCIC has assessed its internal control system during the reporting year and has concluded that it is effective and the components and principles are present and functioning well overall, but some improvements are needed as minor deficiencies were identified related to principles 8, 11, 12, 13, 14 and 15.

The improvements and/or remedial measures implemented or envisaged are listed in Annex 8.

2.1.4. Conclusions on the assurance

This section reviews the assessment of the elements already reported above (in Sections 2.1.1, 2.1.2 and 2.1.3), and the sub-conclusions already reached. It draws an overall conclusion to support the declaration of assurance and whether it should be qualified with reservations.

The information reported in Section 2.1 stems from the results of management and auditor monitoring contained in the reports listed. These reports result from a systematic analysis of the available evidence. This approach provides sufficient guarantees as to the completeness and reliability of the information reported and results in a comprehensive coverage of the budget delegated to the Director-General of DG SCIC.

DG SCIC's assessment on the legality and regularity of the activities it manages returns a very low level of error. DG SCIC manages two different types of transaction:

- ACI payments (mostly remuneration), which are highly automated and subject to *ex post* controls where the error rate is of 0.066%; however, we calculate with the conservative estimate of 0.5%;

- All other types of expenditure, subject to a centralised financial circuit with robust *ex ante* controls, where the error rate is estimated at 0.5%.

DG SCIC has implemented all possible appropriate *ex ante* and *ex post* controls, to the extent that they remain cost-effective and do not affect the other policy/programme objectives nor abandon the financial scheme.

Therefore, under the prevailing risk environment and from a managerial point of view, DG SCIC's AOD can sign the Declaration.

Overall Conclusion

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

2.1.5. Declaration of Assurance [and reservations]

Declaration of Assurance

I, the undersigned,

Director-General of DG SCIC

In my capacity as authorising officer by delegation

Declare that the information contained in this report gives a true and fair view [9].

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

This reasonable assurance is based on my own judgement and on the information at my disposal, such as the results of the self-assessment, ex post controls, the work of the Internal Audit Service and the lessons learnt from the reports of the Court of Auditors for years prior to the year of this declaration.

Confirm that I am not aware of anything not reported here which could harm the interests of the institution.

Brussels, 31 March 2023

Genoveva Ruiz Calavera

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[9]   True and fair in this context means a reliable, complete and correct view on the state of affairs in the DG.

2.2.   Modern and efficient administration – other aspects

2.2.1. Human resource management

DG SCIC implemented its agreed HR priority actions in terms of recruitment, female participation in management of the DG, internal competitions, skills gap analysis, synergies exercise, and response to feedback staff provided in the Staff Opinion Survey. DG SCIC also implemented several actions to support digital upskilling, in line with the corporate HR strategy.

DG SCIC finalised the **internal competition for conference interpreters** for Bulgarian, English, Estonian, German, and Maltese language interpreters with the aim of ensuring the most efficient and balanced use of permanent and contractual resources in meetings. In cooperation with EPSO (European Personnel Selection Office), DG SCIC participated in the test phase of the **open competition for audio-visual engineering** (AST3).

DG SCIC conducted a **participative consultation process** across the DG to find **new synergies and efficient ways to cooperate** and made the service able to confront current and future challenges. It was conducted against the reduction of resources, foreseen in the Establishment Plan and the subsequent need to find economies in them. The ensuing adjustments to the organisation, agreed in 2022, respond to the need to reinforce cooperation across the service and the envisaged internal redeployment in line with the DG SCIC's HR policies. Moreover, the result is also in line with the greening and digitalisation corporate policies of the Commission.

DG SCIC conducted a **skills gap analysis** in a context where external recruitment was limited and DG HR's learning priorities do not always correspond to our needs. The skills gap exercise confirmed that enhanced competencies are necessary to perform in a virtual or hybrid work environment, as well as to support managerial competencies and to instigate cultural changes. The domain leader's professionalisation project continued to be organised for conference managers in cooperation with DG HR.

The results of the 2021 **Staff Opinion Survey** were shared with all staff and a follow-up plan was established for DG SCIC. It puts priority on communication activities that ensure a flow of transparent information and dialogue between management and staff. One highlight of this was the DG SCIC Reflection Day, with break-out discussions and collective sensemaking in a plenary setting, where DG SCIC's future vision was discussed. In addition, concrete actions continued to be taken internally and in cooperation with the medical service and OIB (Office for Infrastructure and Logistics in Brussels), to ensure safety and security at work as well as work engagement.

The 2020 **Equality Strategy** broadens the concept of equality from mere gender balance to creating an inclusive and non-discriminatory approach in all fields of life. The new strategy includes ensuring gender-balanced representation among speakers and panellists

in conferences, in line with the Commission's Conference Charter initiated by DG SCIC. Resources permitting, DG SCIC continued to provide International Sign language interpretation in the weekly College press briefings and other high-profile events. As such DG SCIC contributed to meeting corporate objectives.

The Equality Strategy includes new targets for each DG as regards the appointment of female middle managers from 2020 to 2022. The strategy aims to reach **parity in management positions** at all levels in the Commission by 2024. In DG SCIC, women make up 61% of middle management. DG SCIC's target was increased because of a turnover in middle management positions, particularly due to opt-out decisions by some female managers. In this situation, DG SCIC organised a Career Seminar to encourage, inform and support colleagues to apply for management positions in early 2022. At the end of the year, DG SCIC had appointed one female middle manager to her first management position from its target of two. A second selection procedure was completed in 2022, although the appointment of a first-time female middle manager only took place in early 2023.

The concrete actions in the **Disability Strategy** include the provision of International Sign language and a requirement to ensure accessibility to venues in the framework contract for conference venues outside Commission buildings. A cross-DG **Equality Group** was also formed in 2022.

Regarding **internal communication**, a total of 309 SCICnews articles were published on DG SCIC's intranet and eight virtual and hybrid information sessions were organised to keep staff proactively informed and to allow for an open debate on all challenges the service is facing. In addition, thanks to a solution allowing access to freelance interpreters, DG SCIC's intranet could migrate to the Commission's platform (My IntraComm), offering all advantages of the corporate intranet system to DG SCIC staff.

2.2.2. Digital transformation and information management

In 2022, the DG continued implementing the following IT projects, which comprise its Digital Modernisation Plan:
- expanding the use of **Simultaneous Interpretation Delivery Platforms** (SIDPs) in the Commission and with other institutional customers in an endeavour to deliver high-quality interpretation services in meetings where participants are connected remotely;
- as business domain leader, providing the Commission with a user-centric, state-of-the-art corporate tool for management of rooms, meetings and interpretation services (**MIRA**);
- **modernisation of corporate management tools for the provision of interpretation**, with the aim of improving business processes from meeting and interpretation requests to meeting outcomes. One key aspect will be the digital management of requests from external clients;

- digitalising the meeting preparation workflow (documents, terminology) with the **Interpreters' Digital Toolbox**. Digitalisation of the workflow includes a project that focuses on the automatic transfer of meeting documentation from the General Secretariat of the Council;
- modernising the delivery of public services with the development of **Speech Recognition** services, together with DGs DIGIT, CNECT and DGT.

DG SCIC embraces the challenge of the **digital transformation** and continues to provide services and solutions that are fit for purpose. DG SCIC is involved in several clusters of the Digital Solutions Modernisation Plan (DSMP) to align its new IT developments with other initiatives in the Commission. In addition to the use of SIDPs for remote interpreting, DG SCIC launched projects to allow for on-line training and testing of interpreters.

There are several initiatives in DG SCIC to modernise the IT system for the management of meetings and interpretation services. An important aspect is the **exchange of data between IT systems**. In 2022, DG SCIC developed an application to automatically transfer meeting documents from the General Secretariat of the Council. This automation will lead to **more efficiency** and could eventually be extended to other clients.

DG SCIC is investing in setting up tools based on **artificial intelligence technology**. In line with the strategic aim of the AI@EC initiative, DG SCIC is developing **speech recognition** services as well as **text-to-speech** services (synthetic voices). In the MERASE (Meeting Room Automation Software) project, DG SCIC is using **Internet of Things (IoT)** technology to automate the management of equipment in corporate meeting rooms. MERASE puts in place the necessary infrastructure that will contribute to 'smart building' management, and it allows for continuous monitoring and the automation of processes.

DG SCIC increasingly uses **collaborative working methods**. Wikis are used for work on the main digital transformation projects. In 2022, the content management systems of DG SCIC's collaborative tools were upgraded, and the communication between interpreters was improved by updating the Meeting Blog.

DG SCIC takes on board the corporate IT security rules and recommendations with regard to **IT security risk management** in order to mitigate the potential vulnerabilities related to information security incidents. It makes a continuous effort to develop IT security plans and to implement appropriate security measures. IT security plans are available, documenting the implemented security measures and any residual IT security risks; and have been communicated to DG DIGIT.

DG SCIC also improved the **management of data for external stakeholders**. This includes the sharing of data with other DGs and institutions, for example in the context of the IATE terminology database. DG SCIC also plays an important role in the collection and sharing of speech data in the Commission. It also shares this knowledge with other EU institutions in the context of the ICTI Task Force on Speech Recognition.

In 2022, DG SCIC largely contributed to the long-standing objective set by the Commission on records management and archives – **paperless administration**. In 2022, DG SCIC digitalised around 56 linear metres of freelancer interpreters' paper personnel files, which means that work to create an almost paperless administration is now complete. To manage the change to virtual management of freelancer interpreters' personnel files, guidelines concerning data subject rights and access rights for administration staff are being implemented in consultation with the DG's data protection team.

In 2022, DG SCIC focused on its role as domain leader for conference organisation and meeting room management in the area of **data protection**. This included ensuring that the corporate decentralised record for meetings and conferences is fit for purpose and our record keeping obligations, as the corporate holder, are fulfilled. Continued general awareness-raising activities took place – targeted at both a general audience and specific activities for controllers. The latter concentrated on those processing operations involving external processors, enabling the DG to build a more comprehensive picture of processors, sub-processors and management of personal data. The mapping out of responsibilities, including those within the Commission, ensured that the DG is also able to respond to data subject requests, whether directly or indirectly, depending on our role in the processing operation.

2.2.3. Sound environmental management

DG SCIC is committed to contributing to a more environmentally friendly working Commission and its goal of being climate neutral by 2030.

DG SCIC's main office location is the L107 building. Occupancy of the other building – the CCAB conference centre – will be wound down in the future and occupancy of VM18 ceased in December. The L107 building is highly energy efficient, and its meeting rooms are well equipped for hybrid/virtual meetings. Moreover, DG SCIC already works on a largely paperless basis. Financial circuits are almost completely dematerialised and various collaborative working tools are widely used.

DG SCIC pledged to implement the principles contained in the 'Guidance note on business travel and external experts' travel in the framework of greening the Commission' to reduce greenhouse gas emissions resulting from missions. DG SCIC's pledge was followed up in the note containing the 'Overview of DG SCIC's concrete efforts to implement the pledge'.

Together with DGs HR and DIGIT, DG SCIC continued with the **EMAS Taskforce for the One** (L107 building), in order to achieve a greater impact through collective local environmental initiatives. The second edition of the **'Less waste, more action' info fair** took place in November as part of the corporate campaign on waste reduction. The taskforce also organised upcycling collections in cooperation with local NGOs (two collections of old textiles with CyclUp and one collection of used electronic household appliances with Cyreo. DG SCIC also continued the collection of bottle tops (plastic and cork) and extended it to even more DGs through the EMAS network.

The SCIC EMAS team continued sending the '**Green Digest**' newsletter to keep the green community in DG SCIC updated about ongoing actions in our DG, as well as generally in the Commission. 'Green Digest' editions included short articles and tips for being more environmentally sustainable at home and at work.

On top of this, the EMAS team of DG SCIC launched, evaluated and presented, together with DG HR, the **3ʳᵈ edition of the Sustainable Events Competition**. The competition culminated in an award ceremony, with the two Directors-General present to hand over the prizes. The ceremony was organised solely with in-house resources to comply with the 'less is more' principle. Throughout the year, webinars on the greening of conferences were given to some targeted groups like the JRC network and DGT field offices, as well as a session dedicated to greener events during the Interinstitutional EMAS Days.

One of the EMAS team's key remaining objectives is to highlight how crucial a **sustained transition to virtual and hybrid conferencing** is to achieving climate neutrality by 2030, and to advocate for the creation of a robust and comprehensive calculation method for measuring and monitoring the environmental impacts of events. DG SCIC actively took part in the two annual EMAS campaigns with webinars and presentations. DG SCIC promoted the sustainable approach to its framework contracts for event organisers. In the contract for promotional items all products comply with strict environment-friendly norms in their overall production and distribution cycle, and the proposed items are almost all entirely plastic free.

2.2.4. Examples of initiatives to improve economy and efficiency of financial and non-financial activities

DG SCIC cooperated with the Council on the **digitalisation of the transfer of meeting documents** and the **management of interpretation requests**. The aim is to be even more 'paper smart' whilst streamlining the management of interpretation services for our largest client. In 2022, the development of the service for the automated transfer of documents was completed. DG SCIC and the Council (DG SMART – Digital services) also agreed on a working method to address the digitalising of the management of interpretation requests. The Business Case was validated by the Information Technology and Cybersecurity Board (ITCB) in June 2022, and in the second part of the year a business analysis was conducted in cooperation with DG SMART.

As corporate domain leader for meeting room management, DG SCIC continued the rollout of **meeting rooms management and meeting services**. This has entailed the progressive installation of **standard audio-visual solutions** in meeting rooms across the Commission, coupled with the provision of **professional support services for meeting rooms**. The rollout, together with the new **My Meeting & Conference Service**, improves the whole user experience thanks to a modern, user-friendly environment and dedicated on-site or remote support for users.