



2014

Annual Activity Report

**Office for
Infrastructure and
Logistics in
Brussels**

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INTRODUCTION:

The Office in brief

OIB¹, as an administrative office, is responsible for the implementation of activities related to facilities management in Brussels, the management of social welfare infrastructures in Brussels and in Ispra and the Commission's logistic tasks.

Mission

The mission of OIB is to ensure a functional, safe and comfortable workplace for all those working for the Commission, and to provide good quality support and well-being services, based on a client-oriented approach in an environmentally friendly and cost-effective way.

OIB's activities do not have a direct impact on EU society.

The Office's main objectives are the following:

- to manage the Commission's buildings and infrastructures efficiently and effectively in line with the highest environmental standards,
- to create the best possible working conditions for staff and to provide good social infrastructures,
- to manage activities in a results-oriented and transparent way, in line with ethical requirements.

Governance

OIB, as a horizontal support service within the Commission, is attached to the Directorate General for Human Resources and Security (DG HR).

The supervision of OIB's activities is ensured by the Management Committee which oversees that the activities are properly implemented. DG HR chairs and assists the Management Committee in the implementation of its tasks. The Director of the Office is responsible for the implementation of the mission of the Office. He is instated with the power of nomination (AIPN) and exercises the function of Authorising Officer by Delegation (AOD).

OIB is structured around 4 departments:

- Real Estate (in charge of the implementation of buildings policy, building management and property projects, internal service for occupational health and safety, prevention and protection, EMAS activities),
- Operations and Services (responsible for social infrastructure in Brussels and Ispra, transport, mail and reproduction, logistic services, historical archives),
- Childcare facilities (responsible for nurseries, other child-care facilities and for activities at 'Centre Inter-institutionnel Européen' -CIE),
- Resources (horizontal activities such as human resources, communication, finances, public procurement, informatics resources and internal control).

General risk environment

The main inherent risks for OIB's activities relate to: (1) general safety of buildings, equipment and people during constructions works; (2) to the procurement activities (ethics, enterprises with legal problems, organisation of procurement process); (3) to business continuity (absenteeism, lack of AD posts); (4) to annuality of budget versus multi-annual renovation/construction projects.

¹ The Office for Infrastructure and Logistics in Brussels. OIB was created on the 1 January 2003 by the Commission Decision C(2002)4368 of 6 November 2002.

The year in brief

OIB faced several important issues encountered during the reporting year, challenging the realisation of the objectives and desired outcome of certain group of activities managed by OIB. In particular:

(1) Difficulties with the external contractor for carrying out fitting out works:

- ✓ Due to difficulties encountered during the first semester of 2014 with the contractor for General Enterprise and subsequent termination of the contract, the contract with the second contractor in the cascade was activated, which caused severe delays in fitting out works in Commission buildings between April and September 2014. The contract with the second contractor is now up and running and the delays are being reabsorbed into the works schedule.

(2) Installations / DGs and Services' moves:

- ✓ In collaboration with DG DIGIT, SG and DG HR, within a period of 3 days at the end of October/beginning of November 2014, **OIB coordinated the installation of the new Commission in the BERL** (and the removal of the former Commission). In all, including the SPP (the Spokesperson's Service), 680 moves were coordinated and carried out by OIB. Refurbishment works requested by the Cabinets and the SPP resulted in further internal moves; over the end-of-year holidays another 230 moves were executed within the BERL building (The operation will continue over the first half of 2015).
- ✓ Being requested by DGs or where appropriate, OIB established open plan offices. In 2014 alone, +/- 800 workstations were located in newly created open plan offices.
- ✓ Following the **adoption of the reorganization of certain DGs** due to the distribution of portfolios to new Commissioners, OIB developed the programme of moves to be carried out in 2015, in a cascade, in order to house appropriately the concerned DGs.

(3) New catering concession:

- ✓ **New catering concession** entered into force as of beginning of 2014. The switching from one concession contractor to three different ones has brought changes in the way services are delivered to the clients and how OIB manages these activities. In the course of the year, various difficulties have been experienced by the concessioners and by OIB supervising the contracts – lower frequentation, financial and logistic difficulties, and demanding contracts' clauses.

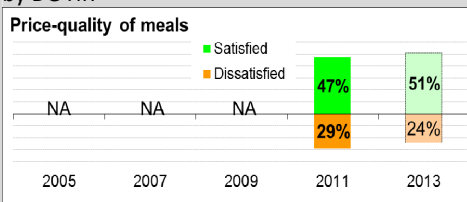
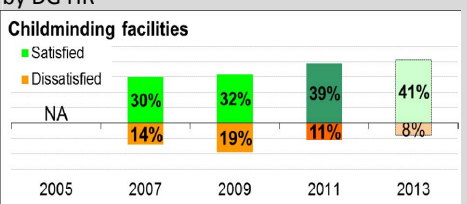
(4) Childcare facilities:

- ✓ OIB encountered difficulties in providing a sufficient number of places at the childcare facilities. The increasing number of requests for places was due to a number of factors including the shortage of places on the local market, an influx of young officials over the past 10 years, and possibly the recent changes to the Staff Regulations introducing longer working hours.

In the course of 2014, facing important challenges OIB has proven its capacity to smoothly respond to ad hoc operational demands by adapting its services to the needs while acting in the professional and accountable manner.

Executive Summary

Key Performance Indicators (5 most relevant)

Result/Impact indicator (description)	Trend	Target (or milestones) for 2014	Latest known results as per Annual Activity Report
(1) Net office surface available per workstation	😊	14 m ²	14 m ² (2013 data) No significant changes due to delays in renovation works influencing the moves
(2) The general quality of offices	😊	Keep the satisfaction rate stable (~58%)	On the basis of the general staff satisfaction survey conducted by DG HR 
(3) The price-quality relationship of meals offered in the Commission restaurants	😊	Keep the satisfaction rate stable (~51%)	On the basis of the general staff satisfaction survey conducted by DG HR 
(4) Composite indicator looking at satisfaction, capacity and cost per child for childcare services	😊	Increase by: 1.5% for Nurseries; 1.5% for After-school activities/GPS (Garderies Post-Scolaires); 2.5% for Outdoor childcare activities/GA (Garderies Aérées).	Current values (final data will be available in March 2015): Nurseries: -2.3% (estimated costs increased) GPS: +3.2% GA: +3.2% Index 100% (2013 data) On the basis of the general staff satisfaction survey conducted by DG HR 
NB: This indicator has been replaced in the 2015 MP by another indicator more relevant, taking into account the number of places offered vs the number of requests received during the year.			
(5) Percentage of serious ² ex-post control errors	😊	<2% for any type of transaction	0% (2014 data) 0% (2013 data) Source: the OIB data

OIB pursued its efforts towards efficiency in the management of OIB's activities.

More specifically, it is worth noting that:

- To reduce office space as a consequence of the staff reduction and to achieve more efficient office space management, OIB applies the minimum value of the Housing Conditions Manual (MCH). Gains in space allocation can only be achieved by moving services and allocating the offices in compliance with mentioned standards set out in the MCH. An alternative solution, currently under consideration, is to define the functioning of dynamic offices, in which staff

² Serious errors that have or could have such financial or reputational impact on the Office activities that they should be considered by the AOD when giving its assurance in the AAR.

is not assigned to any office. This solution enables the reduction of the number of offices/workstations used by staff. A working group was established to define the rules suitable for this type of working arrangements.

2. OIB is gradually renovating the outdated buildings with diagnosed technical problems (light refurbishments) in line with the "good state of buildings" policy (BEBA) and budget availability.
3. OIB ensured a smooth transition to the new catering concession at the beginning of 2014, which - in the long term – is expected to better meet clients' expectations by providing competitive offers and greater variety. As the first year was a year of change some negative impact has been noted in terms of lower frequency and increased number of complaints. There is however a tendency of improvement in the last quarter of the year.
4. The general satisfaction indicator for after-school activities and outdoor childcare activities increased more than the objective set for 2014. As to nurseries, the general satisfaction rate shows a decrease and the objective could not be met, mainly due to an increase of the estimated costs and to difficulties in ensuring sufficient number of places vs the increasing demand (despite a clear improvement during the year, 555 children were still registered on the waiting list for nursery place at the end of 2014).
5. During the year no transactions found to have an error that could have serious financial or reputational impact on the Office's activities and that could lead to unacceptable financial consequences.

Policy highlights of the year (executive summary of part I)

Real Estate management

- ✓ OIB assures that there is sufficient office space available for all staff (in line with the 2012 Road Map, 2014 MAPF and budgetary principles) and that there is sufficient maintenance of both buildings and social facilities aiming at prolonging their life span.
- ✓ In the medium term planning, OIB continued to introduce measures to **economise office space** taking into account the 5% staff reduction and the evolution of needs for office space.
- ✓ In this context, OIB focused on better management of available office space in view of a stricter application of the Housing Conditions Manual and wider introduction of more economic office arrangements i.e. shared and open-plan offices, 'dynamic' offices'. More efficient arrangements with DGs were pursued during their reallocations carried out in 2014.
- ✓ The search for a new building to replace the GUIM building whose lease expired in 2014 was successfully accomplished. In May 2014 a new usufruct contract for a duration of 15 years was signed for the PLB3 building (15,920 m²).
- ✓ To obtain the **office space needed in a long term perspective, two calls for tender for works** undergo preparation: **one for 30,000 m²** to cover the abandon of buildings³ as from 2019 and the other **for +/-100,000 m²** to replace the numerous leases expiring as of 2020/2021⁴. In response to identified **office space needs for the executive agencies**, a prospection notice for a building of approximately 27,000 m² was published on 10 July 2014 and the pre-selected proposals are currently being reviewed.
- ✓ In order to ensure **a long life of the Commission's premises and good quality of offered office space**, each year OIB ensures the operational and administrative management of all contracts linked to the exploitation of its buildings and follows up on the preventive maintenance planning. Based on the schedule, preventive maintenance, replacement or

³ MO34, G--1 and BU24 buildings.

⁴ B-28, J-27, L102, L-56, LX40, N105, BU-1/-5/-9, G—6 and G-12.

modernisation of lifts and upgrade of data network infrastructure to the standard set by DG DIGIT, were globally conducted according to the plan.

- ✓ **Regarding reconstruction of the L130 site**, OIB completed a feasibility study that will be updated in parallel with the finalisation of the town planning tool⁵.
- ✓ **The renovation of the conference centre in the CCAB building** was also elaborated in 2014. Due to the age of the building, a technical audit was carried out to assess the building's life span and budget requirements for its maintenance. The audit concluded that a thorough renovation would be necessary within 5 years. Possible options will be proposed in the course of 2015.
- ✓ Having in the Commission's portfolio a **social infrastructure** (e.g. childcare and social facilities), OIB applies the same principles as regards assurance of the quality and functionality of the facilities. In May 2014 OIB accomplished the renovation and construction of new nursery building (Wagons-Lit), which replaced PALM nursery that has been phased out. In the course of the year, the construction works at the sports centre and renovation works at villa, both located at **CIE/Overijse** continued.
- ✓ OIB ensures adaptations to the **Environmental Management Auditing System (EMAS)** principles across its activities where applicable. To assure the EMAS performance of the buildings, five further Commission's buildings were ready for EMAS certification by the end of 2014, leading to total 59 EMAS registered buildings.
- ✓ Following the recent European Energy Directive (EEC) on energy performance of buildings⁶, OIB elaborated an action plan to reduce the energy consumption of Commission buildings by -1% each year which is a better result than the reduction determined by the Brussels Capital Region (-0.13%).

Logistic services

- ✓ OIB continued in the course of 2014 undertaking improvements towards increasing the general staff's satisfaction with provided services. Following the entry into force of the **new catering concession** at the beginning of the year, a regular monitoring and checks focused on the overall quality of the service were pursued. Measures were undertaken to stabilise and address the weaknesses that were observed during this year.
- ✓ In line with the Commission's social policy to renovate outdated childcare buildings, a **newly constructed 252-capacity nursery** wing (ex-Wagons-Lits building) adjacent to the Clovis nursery was delivered at the beginning of May 2014 and gradually replaced the Palmerston nursery which was at the end of its life cycle. In the course of the year, the renovation of the European Inter-Institutional Centre in Overijse continued in order to be finalised by autumn 2015.
- ✓ In contrast to **the general staff satisfaction** survey results which show a satisfaction level with the provision of childcare services of just 41%, the bi-annual satisfaction survey of childcare services' users received very high satisfaction scores (of between 91-96%). The large gap between these two results is assumed to be related to the shortage of available places.
- ✓ Several improvements were introduced in the area of logistic services. More efficient system for **recording of assets for the inventory purpose** was successfully tested and resulted in on-going adaptations of technical parameters of the system ("Radio Frequency Identification") to OIB's requirements with the aim of introducing it once it is fully tested.

⁵ The study was accomplished based on a new zone development regulation (RRUZ) that was adopted by the Brussels Capital Region in 2013. Nevertheless, a second town planning tool on the particular land use plan (PPAS) is still needed.

⁶ Directive 2012/27/EU of 25/10/2012

- ✓ Efforts were further reinforced by improvements of the **efficiency of the central mail services** i.e. efficient organization of dispatching internal mail by zone delivery and optimization of the use of shuttles capacity (taking into account the proximity of buildings to be served, the amount of mail that to be distributed and potential traffic disruptions).
- ✓ Two **modern printing machines** were installed in the area of Reproduction and Printing services with the aim of increasing the efficiency of production and reduction of the costs. Efforts are underway to replace the existing operational IT system by the new one which is expected to facilitate several operational functions like coordination of orders, job's workflow, cost estimates, invoicing, stocks management etc. The system should become fully operational by mid-2015.
- ✓ **The new 2015-2019 Mobility Plan** was developed together with DG HR and is awaiting for approval. This policy tackles the measures reducing the impact of the Commission's transport (including staff transportation) on the environment.

Horizontal activities

- ✓ In 2014, OIB continued the staff rationalisation exercise ongoing in the Commission and implemented the staff cuts of 2% for Officials (8 posts) and 1% for Contract Agents (7 posts) whilst minimising impact on OIB operational activities i.e. ensuring the alignment of posts with business objectives.
- ✓ As part of ongoing efforts to support and motivate OIB staff, the OIB Equal Opportunities and Well-being Group, chaired by OIB Director, discussed possible future OIB policies linked to motivation and staff engagement. Several initiatives were identified and approved by OIB management.
- ✓ OIB ensured that its activities and achievements were communicated to staff. Several publications highlighting OIB activities in 2014 were finalised. OIB won the 2014 Commission Communication award for internal communication through video as a method for engagement and motivation of staff.
- ✓ OIB further rationalised its financial circuit with the aim of increasing its efficiency. This was accomplished through facilitating the electronic transmission of payment files accompanied by specific instructions on treatment of files and modifications on the IT application supporting the management of the files.
- ✓ OIB also continued to monitor the payment process closely. The aim of these efforts is to process the payments within the contractual deadlines while maintaining a reasonable level of assurance. The average number of delayed payments was significantly reduced during the recent years and was in 2014 just below 2% (as opposed to the Commission average of 20%).
- ✓ Continuous efforts were put in place in OIB in order to ensure the legality and regularity, effectiveness and efficiency of the procurement management. In order to ensure timely awarding of contracts OIB continued the implementation of the 'Procurement Project Framework'.
- ✓ Internal control coordination was ensured across OIB services. The ICS survey conducted in autumn 2014 showed a high participation and good understating of applicable rules and their follow up. Ex-post control did not detect any serious error, which highlights good practices in place and the application of the sound financial management principles.
- ✓ OIB further developed its local IT applications serving the purpose of supporting its operational activities (e.g. ARCHIS, PACEGIS⁷). These IT systems are hosted at the DIGIT Data

⁷ IT application aimed at reviewing building plans via web browsers, reporting any inaccuracies, automating zone allocation (allocation of posts to physical locations) and partitioning work.

Centre and are developed in line with the Commission Governance and methodological rules and guidelines.

Key conclusions on resource management and internal control effectiveness (executive summary on parts 2 and 3)

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

The Commission has adopted a set of internal control standards, based on international good practice, aimed to ensure the achievement of policy and operational objectives. As required by the Financial Regulation, OIB Director has put in place the organisational structure and the internal control systems suited to the achievement of the policy and control objectives, in accordance with the standards and having due regard to the risks associated with the environment in which it operates.

OIB has assessed the effectiveness of its key internal control systems during the reporting year and has concluded that the internal control standards are effectively implemented. Given the context of the staff reduction (2012/2017) and the subsequent risks and its potential impact on the performance of the Office, OIB management decided to keep ICS 3 "Staff allocation and mobility" prioritised in the 2015 Management Plan (already prioritised in the 2014 MP), although already effectively implemented in OIB and compliant with the requirements. No other ICS was prioritized for 2015. Please refer to part 3 of this report for further details.

In addition, OIB has systematically examined the available control results and indicators, including those aimed to supervise entities to which it has entrusted budget implementation tasks, as well as the observations and recommendations issued by internal auditors and the European Court of Auditors. These elements have been assessed to determine their impact on the management's assurance as regards the achievement of control objectives. Please refer to Part 2 for further details.

In conclusion, OIB 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 Head of Service of OIB, in his capacity as Authorising Officer by Delegation has signed the Declaration of Assurance.

Information to the Commissioner

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

This report and the assurance declaration have been submitted to OIB Management Committee on 18 March 2015 and its main elements have been brought to the attention of Vice-President Georgieva, responsible for Budget and Human Resources, during the meeting of 25 March 2015.

1. POLICY ACHIEVEMENTS⁸

1.1 Achievement of specific objectives within Real Estate activities

The aim in this domain of activities is to meet the requirements of office accommodation for the Commission and related services and staff, in an efficient, effective and timely manner, whilst being in line with the highest possible cost-efficient environmental and energy consumption standards.

1.1.1 Real Estate activity: Buildings, infrastructure and space planning

Specific objective 1: The Commission's buildings and infrastructures are managed in line with the MAPF ⁹ objectives. An external factor, representing a considerable challenge towards the achievements of this objective, is the limit of Brussels' real estate market: sufficiently large complex buildings are not available to cover the office space needs resulting from lease expiries. The Commission has to develop alternative solutions.		
☒ Non-spending		
Baseline (2013)	Latest known results 31/12/2014	Target 2014
Result indicator: Ratio of the Commission's real estate portfolio and the surface needs authorised by the budgetary authority. <small>[Source: MAPF 2014 – 2024]</small>		
812,500 m ² [An update of the methodology of the allocation of surfaces between DG HR, DG BUDGET and OIB is on-going]	813,400 m ² The overall objective is reaching 743.000 m ² by 2024 conditioned by the real staff number reduction and transfer to the executive agencies.	822,000 m ² (ceiling) Target 2024-2025: 768,000 m ² Excluding the effect of the delegation of tasks to the executive agencies.
Result indicator: Projects delivered within deadline and budget. <small>[Source: the OIB source of data]</small>		
95% (Accomplished Visitors Centre (CHAR); ERC (L-86); Loi 15. VM-remains on-going)	90% of overall projects (Delivered: WALI, VM-2, R22, HTWG prefabricated modules, the replacement for GUIM: PLB3, on-going CIE OVER (renovation of clubhouse and construction of sports centre).	90% VM-2 multisport centre (carry over); the replacement for GUIM, renovation of the CIE Overijse Club house and construction of a new sports centre.

Main outputs in 2014			
Description	Indicator	Latest known results 31/12/2014	Target 2014
1. Rationalisation of existing office space			
- Carried out reallocations of DGs /Services: TRADE, BUDG, DIGIT, COMM, SPP, COLLEGE, EPSC, SGUA, OIB (55555, PALM→WALI), RTD, CSC, DGT, EMPL, DEVCO, HR (GUIM→PLB3), PMO, SRB, AE: ➤ release of GUIM building by 12 September 2014; transfer of the training centre to PLB3. ➤ internal moves of RTD within ORBN	1. Split of DGs (ECLAT): Number of DGs housed in more than one complex of buildings (unit) 2. Building efficiency (EBAT): Office surface net / Floor surface net (%) 3. Efficiency of surface allocation (EALL): Office	14/39 Split increase resulting from the political decision of the Commission. 55% 14 m ²	11/39 60% by 2025 Maintained (14 m ²)

⁸ In 2014, the Strategic Planning and Programming objectives and performance indicators were harmonized between OIB & OIL to streamline communication and increasing the clarity of reporting. This explains the minor evolution from the 2014 Management Plan indicators to those presented in this report.

⁹ Multi-Annual Real Estate Policy Framework 2016-2026.

<p>and COV2, accommodation of the CSC in L-15.</p> <ul style="list-style-type: none"> ➤ DG DIGIT was moved to buildings: B-28, MO34, G—1. ➤ OIB - the service '5555' to CSM1 building; transfer of nursery from PALM to WALI. ➤ internal reorganisation of DG TRADE took place in CHAR building. ➤ PMO move to AN88 and SC27 buildings. ➤ reorganizational, internal moves of executive agencies (REA, EASME, ERCEA) in the COV2 building, internal moves INEA in W910; temporary accommodation of the Single Resolution Board in SC27. <p>- <u>Delivered open space offices:</u></p> <ul style="list-style-type: none"> ➤ L-15, BERL, PLB3, L-56 and J-79. Open plan offices of a smaller size were delivered in BRE2, SC27 and CHAR. 	<p>surface net (m²) / Number of workstations</p> <p>4. Office space recuperated (resulting from applying the MCH criteria)</p> <p>5. Cost of Real Estate portfolio (CPARC): Global cost excluding specific projects and including income (€) / Global surface (m²)</p> <p>6. Utilisation of free zones (NEZON): Office surface net in blocs of minimum of 400 m² free for more than 4 months (m²) / total office net area.</p>	<p>At least 450 CUs from the main operations: DGT – 300 CU, TRADE – 45 CU, BUDG – 40 CU, PMO – 50 CU,</p> <p>260 €/m²</p> <p><1% GUIM – 1.000 m² zone free before the end-of-lease N105 – 2.600 m² – zone free awaiting the changes related to the new Commission</p>	<p>250 CU¹⁰</p> <p>Maintained (260 €/ m²) (absorbing extra costs for energy friendly buildings)</p> <p><1%</p>
2. Office space for the executive agencies			
<ul style="list-style-type: none"> ➤ Published prospection notice for estimated agencies' needs of 27,000 m²; the building will be made available to the Commission in April 2015 for foreseen occupation in September 2015. 	<p>Indicators and targets to be defined once the real estate needs for agencies are determined: estimated at 27,000 m²</p>	N/A	N/A
3. Ensuring required office space in a long-term perspective			
<ul style="list-style-type: none"> ➤ Ongoing preparation of the tenders: (1) for 30,000m²; (2) for 100,000 m²; (3) for a new conference centre. ➤ Completed a feasibility study on the renovation of the L130 building. 	<p>Deliver on time</p> <p>Deliver on time</p>	<p>Launch of the tenders rescheduled to 2015 due to the complexity of the files.</p> <p>Accomplished</p>	<p>Launch tenders in 2014/2015</p> <p>Update feasibility study in 2014</p>

In the context of real estate planning, office space allocation and optimisation of the existing space, OIB in the reporting year has delivered the following:

- ✓ **Focus on the efficient use of available office space continued.** The CPPT¹¹ established a working group to create a third part to the MCH (Housing Conditions Manual). Once approved, the document will lay down the standards for the establishment of 'dynamic' offices, in which offices/workstations are not assigned to individual staff members.
- ✓ OIB strives to recover supplementary/excess office space. When those recovered surfaces are adjacent, in usable blocs, they are then reallocated to other services or used as an operational reserve for the renovation works. In the main operations of 2014, around 450 CUs were recovered and some additional smaller gains were achieved in various operations.

¹⁰ Calculation Unit: a CU is a theoretical notion of measuring office space: in general 1CU = office for one person.

¹¹ Committee for Prevention and Protection at Work.

- ✓ A careful, deep screening of the office space was carried out to better manage the re-allocation of services/DGs that move. However, due to difficulties encountered with the contractor responsible for fitting out works, movements initially foreseen for the first semester of 2014 were delayed. A new schedule was established and 9,400 moves were carried out by the end of 2014.

Conclusions: The execution of the real estate policy planning managed by OIB is on course to meet its multiannual objectives and has achieved the annual performance indicators and outputs in the reporting year.

1.1.2 Real Estate activity: Quality of office space

<p>Specific objective 2: OIB's service-oriented culture and client satisfaction is enhanced by offering good quality office space to all Commission sites in Brussels.</p> <p>As OIB delivers the services mainly through external contractors, any delays caused by them may affect the achievement of the objective.</p> <p style="text-align: right;"><input checked="" type="checkbox"/> Non-spending</p>																				
Baseline (2013)	Latest known results 31/12/2014	Target 2014																		
<p>Source of data: the general staff opinion survey conducted by DG HR related to the services of PMO, OIB and OIL. [the survey is addressed to all Commission staff] Criteria: % of staff satisfaction (very satisfied + satisfied) versus (dissatisfied + very dissatisfied)</p>																				
<p>Result indicator: Commission staff satisfaction rate with the general quality of their office (space, light, noise, temperature etc.).</p> <p>Quality of offices</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Satisfied</th> <th>Dissatisfied</th> </tr> </thead> <tbody> <tr> <td>2005</td> <td>55%</td> <td>26%</td> </tr> <tr> <td>2007</td> <td>57%</td> <td>26%</td> </tr> <tr> <td>2009</td> <td>62%</td> <td>20%</td> </tr> <tr> <td>2011</td> <td>58%</td> <td>25%</td> </tr> <tr> <td>2013</td> <td>58%</td> <td>26%</td> </tr> </tbody> </table>		Year	Satisfied	Dissatisfied	2005	55%	26%	2007	57%	26%	2009	62%	20%	2011	58%	25%	2013	58%	26%	<p>Not targeted for 2014 as no survey foreseen. Keep stable (close to the latest known results from 2013).</p>
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<p>Result indicator: Commission staff satisfaction rate with the cleaning of their office & the building they work in.</p> <p>Cleanliness of offices</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Satisfied</th> <th>Dissatisfied</th> </tr> </thead> <tbody> <tr> <td>2005</td> <td>45%</td> <td>31%</td> </tr> <tr> <td>2007</td> <td>52%</td> <td>25%</td> </tr> <tr> <td>2009</td> <td>51%</td> <td>27%</td> </tr> <tr> <td>2011</td> <td>57%</td> <td>23%</td> </tr> <tr> <td>2013</td> <td>59%</td> <td>22%</td> </tr> </tbody> </table>		Year	Satisfied	Dissatisfied	2005	45%	31%	2007	52%	25%	2009	51%	27%	2011	57%	23%	2013	59%	22%	
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<p>Result indicator: Commission staff satisfaction rate with the response to calls to OIB's 24-hour service desk (tel: 55555) regarding technical or maintenance problems.</p> <p>Response to OIB's 24h service desk: 55555</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Satisfied</th> <th>Dissatisfied</th> </tr> </thead> <tbody> <tr> <td>2005</td> <td>NA</td> <td>NA</td> </tr> <tr> <td>2007</td> <td>63%</td> <td>8%</td> </tr> <tr> <td>2009</td> <td>65%</td> <td>6%</td> </tr> <tr> <td>2011</td> <td>69%</td> <td>8%</td> </tr> <tr> <td>2013</td> <td>67%</td> <td>9%</td> </tr> </tbody> </table> <p>[next survey: December 2015]</p>		Year	Satisfied	Dissatisfied	2005	NA	NA	2007	63%	8%	2009	65%	6%	2011	69%	8%	2013	67%	9%	
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2007	63%	8%																		
2009	65%	6%																		
2011	69%	8%																		
2013	67%	9%																		
<p>Result indicator: Buildings accessible to persons with disabilities. Source of data: the OIB data</p>																				
Baseline (2013)	Latest known results 31/12/2014	Target 2014																		
All Commission buildings comply with legal prescriptions.	<p>Improvements pursued to bring accessibility to a higher standard:</p> <ul style="list-style-type: none"> ➢ Upgrading of lift accessibility of 7 buildings (CHAR, BERL, MADO, SC11, VM18, CCAB and MO34); ➢ WALI - CLOV ('Grand Clovis') outfitting of the entrance for the needs of the new crèche WALI: on-going, to be finished mid-February 2015; 	A supplementary and voluntary improvement programme pursued in order to bring accessibility where possible, to a higher standard.																		

Main outputs in 2014			
Description	Indicator	Latest known results 31/12/2014	Target 2014
1. A good state of buildings and office space			
<p>- Execution of renovations on the basis of the "BEBA"¹² ("<u>A Good State of Buildings</u>") schedule:</p> <ul style="list-style-type: none"> ➤ Finalised preventive maintenance in the buildings: B232, F101, CHAR, started in J-27 and BRE2 to be accomplished in the first quarter of 2015. Preventive maintenance also started in the BERL. ➤ Replaced the refrigerant HCFC (greenhouse gas R22) used in cooling machines within deadline in more than 20 buildings (end of 2014). ➤ Delivered technical upgrade of the data network infrastructure: replacement of cabling in L130 started in 2013 and was completed at the beginning of 2014; new cabling installed in J-27 and started in BRE2. ➤ Lifts replacement: replacement of lifts in VM-2 (lifts to the car park) and the modernization of the lifts in the J-27 building were carried out. 	Percentage of realisation of the BEBA programme from its launch = number of buildings refurbished divided by the number planned (except abandoned buildings) between 2008 and 2014	74% (46/62) Target has not been achieved due to major problems with the contractor for general enterprise, resulting in the activation of the cascade of the framework contract.	76% (47/62)
	Percentage of realisation (%)	Greenhouse gas: 100%	100%
	Percentage of realisation (%)	100%	100%
2. Renovations / constructions of the social infrastructure			
<p><u>The CIE in Overijse:</u></p> <ul style="list-style-type: none"> ➤ Construction works at the sports centre postponed until August 2014 and shall to be finalised by September 2015. ➤ Continued the renovation works at the clubhouse (villa), will be accomplished by September 2015. <p><u>The HTWG site¹³:</u></p> <ul style="list-style-type: none"> ➤ Abandoned the fitting out works, due to delays with the delivery of the building permit and to the change of the needs. <p><u>WALI (Wagons-Lit) - the new section of the 'Grand Clovis' nursery complex:</u></p> <ul style="list-style-type: none"> ➤ Delivered the construction and fitting out works in May 2014. ➤ Carry over to 2015 the installation of a new entrance for the CLOV due to technical problems. 	Deliver on time	<u>CIE</u> : start of construction postponed, however should be delivered in line with revised 2014 schedule <u>Villa</u> : Delayed	100% achievement in line with the schedule.
	Deliver on time	HTWG: Abandoned	100% achievement in line with the schedule.
	Deliver on time	<u>WALI</u> : Delivered New entrance located in CLOV: carry over to 2015 (mid-February 2015).	100% achievement in line with the schedule.

¹² "Bon état des bâtiments"

¹³ Houtweg site will replace the CIE Overijse activities for the outdoor day care centre during the renovation of Overijse (HTWG stands for Houtweg).

VM-2 - the sports facility: ➤ Delivered the construction and fitting out works for the new sports facility of 400 m ² : 4 gyms with complementary equipment.		VM-2: 100% (May 2014)	100% achievement in line with the schedule.
3. The new building to replace the Commission training centre (PLB3) ready			
➤ Delivered fitting out works in the building that replaced abandoned GUIM building.	Deliver on time	100%	100% achievement in line with schedule and budget.
4. Installation of the new College of Commissioners			
➤ Delivered adaptations of the CHAR building as a temporary accommodation (July 2014). ➤ Fitting out of the Cabinet floors of the BERL building (November and December 2014).	Deliver on time	100%	100% achievement in line with the schedule and budget.

To improve the quality of available office space and social infrastructure, efforts were pursued towards the following developments:

- ✓ A procurement procedure for 20,000 m² was finalised and a **usufruct contract for a duration of 15 years was signed** at the beginning of May 2014 for a new building (PLB3) of 15,920 m², which replaced the GUIM building as a training centre (has a capacity of over 60 classrooms and meeting rooms).
- ✓ In May 2014, OIB finalised the renovation and construction of the **WALI** (Wagons-Lit), the new **section of the 'Grand Clovis' nursery complex**, which was officially opened in September 2014 and replaced the PALM nursery. Following a technical study carried out in 2014, it was proposed to sell the building due to a high cost of the necessary renovations that the building requires.
- ✓ Following the STIB's interest in acquiring the HTWG site in the context of the construction of the **"metro nord"** (HTWG site), negotiations on potential exchange of land with STIB are on-going. In parallel, in a view of a construction of a warehouse for the use of both the Commission and Council, OIB prepared the request for a building permit for this project in collaboration with the Council technical services.
- ✓ Smooth adaptation and fitting out works were delivered to install the new Commission at its temporary accommodation (as Commissioners designate) in CHAR building in July 2014 and at the permanent location in BERL building last autumn.

During the course of the 2014, the following delays occurred:

- ✓ Renovation works of the clubhouse (villa) at the CIE Overijse continued in 2014 but were severely delayed by the problems encountered with the contractor for general enterprise. Works recommenced in autumn 2014 and it is now foreseen that the clubhouse be finished by June 2015.
- ✓ The second project situated at CIE Overijse is the construction of a new sports centre (summer and Easter camps). Excavation works foreseen to start in August 2014 took longer than expected due to technical difficulties, thus delaying construction works of the new sports centre. It is now foreseen that the site will be ready by September 2015.
- ✓ Due to the delays encountered for the delivery of the building permits for the HTWG¹⁴ site (requested in May 2013) and due to the change of the estimation of future needs, the decision was taken in summer 2014 to abandon this project.

¹⁴ Houtweg site will replace the CIE Overijse activities for the outdoor day care centre during the renovation of Overijse (HTWG stands for Houtweg).

Conclusions: OIB has implemented the necessary corrective actions to mitigate identified problems and, although the annual outputs in the reporting year were not fully accomplished for the reasons stated above, multiannual objectives for the renovations and construction planning shall be met, provided that the budget allocations are secured.

1.1.3 Real Estate activities: Health and Safety rules applicable to the Commission sites

<p>Specific objective 3: OIB's service-oriented culture and client satisfaction is enhanced by offering good quality office space, in respect of the Health and Safety Rules applicable to the Commission sites of Brussels.</p> <p>This objective is within the managerial scope of the Commission.</p> <p style="text-align: right;"><input checked="" type="checkbox"/> Non-spending</p>		
Baseline (2013)	Latest known results 31/12/2014	Target 2014
<p>Result indicator: Number of evacuation exercises performed without significant problems (possible threats or issues in case of real emergency) out of total number of evacuations. Source: on the basis of the OIB and DG HR data</p>		
90%	90% of carried out exercises, were notified without any significant problems.	90%
<p>Result indicator: Commission staff trained in First Aid. Source: on the basis of the OIB and DG HR data</p>		
3.5%	3.5%	3.5%

Main outputs in 2014			
Description	Indicator	Latest known results 31/12/2014	Target 2014
1. Data on accidents available			
<ul style="list-style-type: none"> ➤ Encoded data received from PMO, into a registration system for accidents (location, gravity, type of accident and duration of absence). Deliver periodical reports. 	Average time to produce the report. All reports are due within two weeks	96% (422/438) At present 422 out of a total of 438 reports received have been encoded. (last received reports dated 18/12/2014)	100% All reports to be delivered in due time.
2. Safety at the working environment			
<ul style="list-style-type: none"> ➤ Updated the evacuation plans for the buildings: BREY, BRE2, WILS, CLOV, WALI, L-41 and L102. Two other buildings (MO34 and SC11) are on-going. ➤ Prepared follow up documents and synthesis tables for the asbestos inventory for all Commission buildings in Brussels. ➤ Established 3 action plans following the audit on fire prevention, asbestos and nurseries (OHSAS audits). ➤ "Well-being" at work: participated in the CPPT (Committee for Prevention and Protection at work – monthly meetings) and in the working groups: mainly (1) on psychosocial risk assessment of stress, harassment and psychological problems at work; (2) on asbestos in the buildings; and (3) on the "PMR" (<i>'Personnes à mobilité réduite'</i>) workstation adaptations. 	N/A	N/A	N/A

In the area of the Health and safety at work, the following developments took place:

- ✓ In the context of safety prevention in the Commission's buildings, progress was obtained by the preparation of a comprehensive action plan over 5 years following the OHSAS audits, showing the actions to be taken by OIB and DG HR unit responsible for prevention and protection at work. In 2015, this plan will be presented to the CPPT for opinion and sent to DG HR.
- ✓ As a result of the CPPT working groups on safety and 'well-being' at work, a better coordination of the concerned services and contacts with experts in the field were achieved, following which procedural proposals and opinions were drafted and submitted to DG HR via the CPPT. As concerns asbestos, OIB sent personalized answers to 215 inquiries about the presence or absence of asbestos in Commission buildings.

Conclusions: the execution of the annual programme of work in the area of 'Health and Safety at work' managed by OIB has met its objective and has achieved the annual performance indicators and outputs in the reporting year.

1.1.4 Real Estate activity: Services provided to other EU institutions

<p>Specific objective 4: On the basis of clearly defined Service Level Agreements (SLAs), other EU institutions and bodies benefit from an exchange of best practices, cooperation and service provision.</p> <p>This objective is within the managerial scope of OIB.</p> <p style="text-align: right;"><input checked="" type="checkbox"/> Non-spending</p>		
Baseline (2013)	Latest known results 31/12/2014	Target 2014
<p>Result indicator: Timely recovery of the revenues resulting from SLAs. Source: OIB data</p>		
87% of forecasted revenues have been invoiced of which almost all have been cashed in (17.9M€ forecasted revenues for 2013).	90% invoiced revenues (15.5 M € out of total forecasted revenues for 2014: 17.2M €) NB: This data does not include the OIB revenues in the form of sub-delegated credits or the revenues for the childcare services which are managed by the CPE department.	80% of the estimated revenues resulting from SLAs.

Main outputs in 2014			
Description	Indicator	Latest known results 31/12/2014	Target 2014
1. Coordinate the agencies demand for technical services on the basis of SLAs Total number of SLAs (including amendments) - 30			
<ul style="list-style-type: none"> ➤ Delivered the amendment to the SLA in force with: EACEA (inclusion of additional services), EASME for the allocation of additional office space in COV4; REA (in connection with the transfer of the activities of DG RTD/FP7 to REA); ➤ All the SLAs for housing have been updated for the next 5 years as concerns rents and charges. ➤ 2 new SLA have been signed with the newly created SRB¹⁵ for housing and for technical assistance. 	<p>Reduce the target deadlines for the issuing of the debit notes: number of debit notes issued within 30 days, from initiation of the files.</p> <p>Cashing in of the issued debit notes on time: number of expired and not cashed in debit notes</p>	<p>No progress in the reduction of deadlines for the treatment of the RO has been made in 2014.</p> <p>100% debit notes cashed in</p>	<p>100%</p> <p>100%: < 1%</p>

¹⁵ 'Single Resolution Board', EU Institution.

2. Cooperation within the EU-Belgium Task-Force on the Building Policy, Mobility and the Privileges and Immunities of the European Union

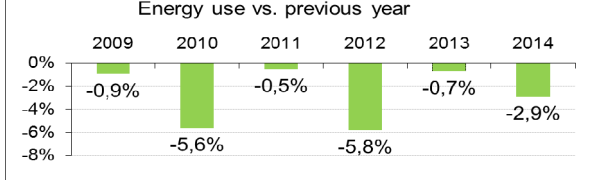
<p>➤ No progress as regards the signature of the convention between the Commission and the Belgium Federal Administration on the transfer of ownership of parking area in the Berlaymont to the Belgian authorities (the Belgium federal/Beliris project related to the construction at Schuman railway/subway station)¹⁶.</p>	<p>Number of meetings foreseen</p>	<p>No meetings were held in 2014. A meeting at political level was scheduled for early April 2014 but was cancelled by the Belgian authorities.</p>	<p>4</p>
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In the context of providing the technical services to the executive agencies, and further cooperation with them and with other local authorities, the main achievements were as follows:

- ✓ The new inter-institutional contract "Signs and Visuals" was signed in August 2014. OIB is the coordinator for more than 40 users (Institutions, Agencies and DGs).
- ✓ Contacts at political level with the Belgian authorities on the finalization of the convention between the Commission and the Belgium Federal Administration on the transfer of ownership of 54 parking spaces in the BERL have to be re-established following general elections in Belgium and the appointment of the new Commission.

Conclusions: The execution of the annual programme of work in the area of services provided on the basis of SLA managed by OIB has met its objective and has achieved the annual performance indicators and outputs in the reporting year with the exception of the signature of the convention with local partners.

1.1.5 Real Estate activities: Implementation of EMAS principles

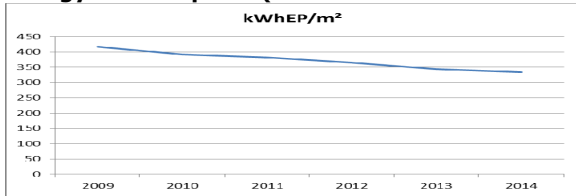
<p>Specific objective 5: The environmental standards are met through the implementation of the Environmental Management Audit Scheme (EMAS).</p>		
<p>This objective is within the managerial scope of the Commission.</p>		
		<input checked="" type="checkbox"/> Non-spending
<p>Baseline (2013)</p>	<p>Latest known results 31/12/2014</p>	<p>Target 2014</p>
<p>Result indicator: EMAS registered buildings. Source: OIB data</p>		
<p>54 EMAS registered buildings</p>	<p>5 more buildings were inspected, audited and EMAS registered (COVE, MADO, ORBN, L130, J-99). In total, 59 EMAS registered buildings out of 64.</p>	<p>5 new buildings¹⁷ will be audited and registered by the end of 2014. (in total 59 buildings)</p>
<p>Result indicator: Energy consumption optimised (in comparison with previous years). Source: OIB data</p>		
<p>Energy use vs. previous year</p>  <p>Last data: 31/12/2014 Energy used (EMAS and NON EMAS buildings) = (Gas+Fuel) NORM + non primary electricity</p>		<p>-1%</p>

¹⁶ The convention should be signed in line with the agreement of 2009 called "Protocol concerning the temporary use of zones of the 'Berlaymont' building necessary for the realisation of the multimodal 'Schuman' station ". It concerns the transfer of rights and payment for the 54 parking spaces and possible security works to be carried out in the BERL car park due to the new Schuman station.

¹⁷ COVE, MADO, ORBN, L130, J-99.

¹⁸ Directive 2012/27/EU of 25.10.2012

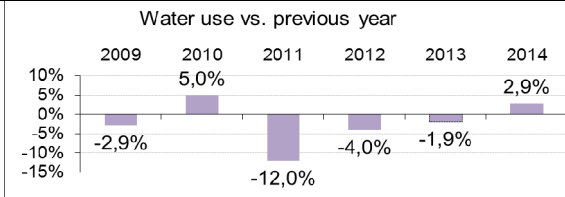
Energy Consumption (EMAS and NON EMAS buildings)



Last data: 31/12/2014

Following the adoption of the recent European Energy Directive (EED) on energy performance of buildings¹⁸, OIB prepared an action plan laying out the introduction of the necessary requirements to achieve the energy consumption's reduction target defined in the EC action in order to comply with the new rules.

Result indicator: Water consumption optimised (in comparison with previous years).
Source: OIB data

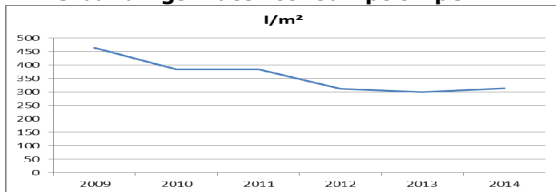


Last data: 31/12/2014

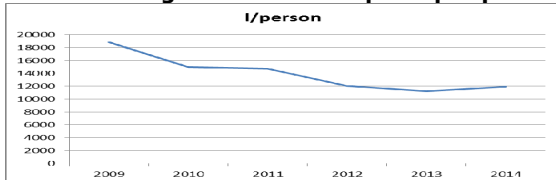
A technical problem, which has now been resolved, increased the water consumption in BERL. Water consumption for all buildings is at present being analysed.

This figure shows the gross water consumption of all EC buildings and does not take into account the changes of building occupancy since 2009, the typologies of buildings, defectuous counters, and annual water bills update.

EMAS buildings water consumption per m²



EMAS buildings water consumption per person



CCAB (big consumer) was not part of the EMAS perimeter in 2012.
Defectuous counters were not recording water consumption in 2013 (no valid data).
COVE/COV2 (big consumer) is part of the EMAS perimeter since 2014.
The EMAS perimeter has gone from 508,688 m² in 2009 to 982,810 m² in 2014

Result indicator: Green Public Procurement criteria included into contracts.
Source: OIB data

94%
(16 out of 17 contracts signed with GPP criteria included);

80%
(12 out of 15 contracts signed with GPP criteria included)
3 remaining procedures were from 2011, at that moment relevant GPP criteria were not applicable. These procedures have to be re-launched again without introducing modifications.

100%

Main outputs in 2014

Description

Indicator

Latest known results
31/12/2014

Target 2014

1. Strengthen the environmental awareness of the Commission's staff

<ul style="list-style-type: none"> ➤ Launched specific EMAS communication campaign 'Resource efficiency' in June 2014, a waste reduction campaign and contributed to the preparation of the EMAS mobility campaign. 	Total number of EMAS communication campaigns and related actions implemented	100% (all actions projected were carried out)	100% Achievement in line with the schedule.
2. Upgrade the environmental performance of Commission's buildings			
<ul style="list-style-type: none"> ➤ 5 buildings inspected as spot-checks at the end of 2014. ➤ Continued the pilot project "Energy Audit", which identified measures to further improve energy performance of specific Commission buildings. 	<p>Audits completed</p> <p>Audits completed</p>	<p>100% All buildings audited with no major non conformities.</p> <p>100% (8 audits have been completed in the past 3 years)</p>	100% Achievement in line with the schedule.

In the area of environmental management, the following projects were pursued in the course of 2014:

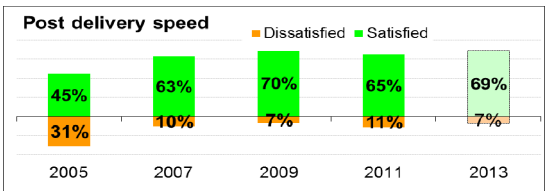
- External audits carried out on buildings and underlined the particular strengths of the Commission's environmental management:
 - good practices in environmental permits management and inclusion of economic indicators based on environmental criteria;
 - general conditions of technical installations (e.g. better monitoring of High Voltage installations) and rooms maintenance;
 - solid preparation and effective follow-up of the audits;

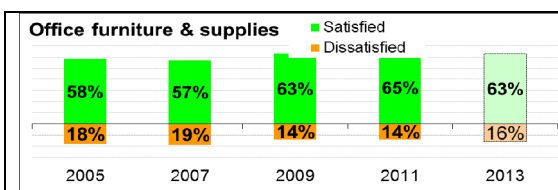
Conclusions: The execution of the annual programme of work in the EMAS area managed by OIB has met its objectives and has achieved the annual performance indicators and outputs in the reporting year.

1.2 Achievement of specific objectives within Logistic Services⁹

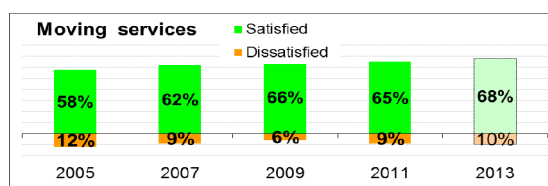
The aim in this domain of activities is to ensure the provision of client-oriented logistic services and social infrastructures, which are in line with staff needs and meet the highest environmental standards. In the context of the Commission's social policy and well-being benefit package, the Commission provides catering and childcare facilities as well as sports facilities.

1.2.1 Logistic Services activity: Quality services creating the best working conditions

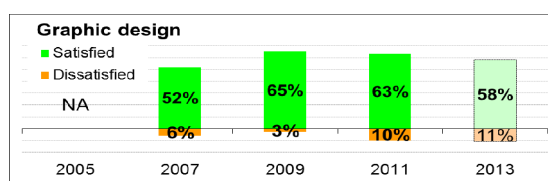
Specific objective 1: The sound financial management of the logistic services is ensured.																			
This objective is within the managerial scope of OIB.																			
		<input checked="" type="checkbox"/> Non-spending																	
Baseline (2013)	Latest known results 31/12/2014	Target 2014																	
Source of data: the general staff opinion survey conducted by DG HR related to the services of PMO, OIB and OIL. [the survey is addressed to all Commission staff]																			
Criteria: % of staff satisfaction (very satisfied + satisfied) versus (dissatisfied + very dissatisfied)																			
Result indicator: Commission staff satisfaction rate with the delivery speed of the central postal service of the Commission.		Not targeted for 2014 as no survey foreseen. Keep stable (close to the latest known results from 2013).																	
 <table border="1"> <caption>Post delivery speed - Staff Satisfaction Data</caption> <thead> <tr> <th>Year</th> <th>Dissatisfied (%)</th> <th>Satisfied (%)</th> </tr> </thead> <tbody> <tr> <td>2005</td> <td>31%</td> <td>45%</td> </tr> <tr> <td>2007</td> <td>10%</td> <td>63%</td> </tr> <tr> <td>2009</td> <td>7%</td> <td>70%</td> </tr> <tr> <td>2011</td> <td>11%</td> <td>65%</td> </tr> <tr> <td>2013</td> <td>7%</td> <td>69%</td> </tr> </tbody> </table>			Year	Dissatisfied (%)	Satisfied (%)	2005	31%	45%	2007	10%	63%	2009	7%	70%	2011	11%	65%	2013	7%
Year	Dissatisfied (%)	Satisfied (%)																	
2005	31%	45%																	
2007	10%	63%																	
2009	7%	70%																	
2011	11%	65%																	
2013	7%	69%																	
Result indicator: Commission staff satisfaction rate with the quality of office furniture and supplies.																			



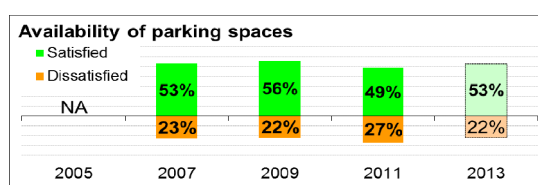
Result indicator: Commission staff satisfaction rate with moving of furniture, boxes and belongings to new offices.



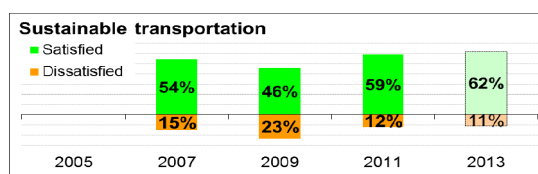
Result indicator: Commission staff satisfaction rate with graphic design, copying / reproduction services.



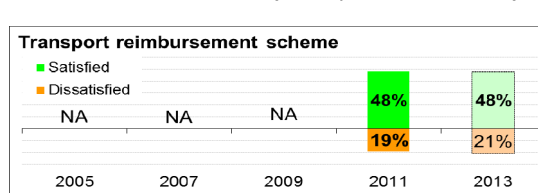
Result indicator: Commission staff satisfaction rate with the availability of parking places in the office building.



Result indicator: Commission staff satisfaction rate with transport/sustainable mobility facilities (Eurobus, service cars, service bicycles, one-way public transport tickets, etc.).



Result indicator: Commission staff satisfaction rate with the public transport reimbursement scheme (new question in 2011).



[next survey: December 2015]

Main outputs in 2014			
Description	Indicator	Latest known results 31/12/2014	Target 2014
1. The logistic activities adapted to needs			
➤ Finalized feasibility study on inventory needs in order to potentially build a new warehouse.	Percentage of realisation (%)	100%	100%
➤ Accomplished first year of inventory exercise for 2014-2016 (3 rd period).	Tracking rate by the end of 2014	50.4%	30%

2. Graphic concept of printing services			
<ul style="list-style-type: none"> ➤ Installed new machines "Computer to Plate" (in April 2014) and "Post Press" (in July 2014). 	Increase the production's efficiency (speed)	Statistics on production unit/h will be available in second semester of 2015.	From 8 units/h to 18 units/h ("Computer to Plate") and from 1.500 units/h to 2.700 units/h ("Post Press")
	Reduce the cost of annual maintenance	On-going call for tenders for the maintenance service	Reduce by 55% for "Post Press" and by 45% for "Computer to Plate"
	Operational on time	Delayed (Informatics structure and first module was delivered in 2014)	October 2014
<ul style="list-style-type: none"> ➤ Delayed installation of the new software 'MIS' (Management Information System) called "MyOIBprint", which will replace former application 'Impressive'. It's in the phase of parametrisation and will be in production by mid-2015. 			
3. The mail deliveries adapted to needs			
<ul style="list-style-type: none"> ➤ Continued gradual re-allocation of the 'mail drop points' from the basement of each building to the new assigned locations (technical rooms), to respond to the regional fire brigade's request. Inter-services coordination within OIB assured. 	Number of the 'mail drop points' complies with the request.	83% (34 buildings achieved out of 41 scheduled for 2014)	60% by 31/12/2014
	Reduce the mail delays / parcels delivered upon signature	100% for mail handled within 24h; 90% for parcels	100% of mail handle within 24 h/ 80% for parcels
<ul style="list-style-type: none"> ➤ Increased efficiency of mail and parcels deliveries. 			
4. Completion of the 2010-2014 Mobility Plan			
<ul style="list-style-type: none"> ➤ Continued the public transport contribution scheme. 	Increase number of users versus last known results (8.700 staff members affiliated to the system)	13.7% 1.198 new users subscribed to the system; 12.584 total reimbursed; 1.693 third party subscription.	by 20%
	Increase number of users versus last known results	23% increase of 'Bike to work' users;	by 30% (for 'Bike to work' and 'Carpoolplaza' users)
<ul style="list-style-type: none"> ➤ Continued programme "Bike to Work". "Carpoolplaza" (to facilitate carpooling among the staff) was withdrawn as no interest shown. 			
5. Management of Historical Archives			
<ul style="list-style-type: none"> ➤ Delivered digitalisation of documents from the years 1983 – 1986. 	Number of pages digitised	846,000 pages have been digitised. This reduction is due to the lower productivity of the new contractor (contract of the Publication Office)	900,000 pages
	Percentage of organisational data treated (%)	100% (encoded based on organisation of charts);	80%
	Volume of files eliminated	1.7 linear km (The elimination of files is framed by increasing number of procedures, so	3 linear km
<ul style="list-style-type: none"> ➤ Attributed received transfers to the holdings to which they belong (data encoded: ECSC 1952–1965; Euratom 1958–1963; EC 1958-2004)¹⁹. 			
<ul style="list-style-type: none"> ➤ Elimination of paper files (in KORT building). 			
<ul style="list-style-type: none"> ➤ Executed in-depth analysis of online publication options for files 			

¹⁹ ECSC (the European Coal and Steel Community); Euratom (The European Atomic Energy Community); EC (the European Commission).

<p>/documents opened to the public: via ARCHISplus, firstly the metadata, followed by scans in later stage.</p> <p>➤ Advanced developments of IT tools: HPS I-II; Archis-scanning.</p>		<p>the input on verification increases and the output in linear m decreases);</p> <p>(11 procedures of elimination in Brussels and Luxemburg have been executed).</p>	
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The following developments within the area of the logistic services took place:

Inventory management:

- ✓ OIB further tackled the adaptations of its **inventory management** to the operational needs. A new labelling system “Radio Frequency Identification” (RFID), allowing by means of incorporated chip to capture more qualitative and quantitative information than the current “code-barres”, was tested during 1st semester of 2014. The results were satisfactory and met the approval of OIB Management before the end of the year. The next phase linked to adaptations of technical parameters of RFID to OIB's requirements will follow in the first trimester 2015. Should the tests be successful, this technology would be gradually introduced.

Reproduction & Printing services:

- ✓ OIB implemented several optimization initiatives for these services. A new IT system ('MyOIBPrint'/MIS20) is being implemented to better coordinate orders and production workflow. The newly installed machines “Computer to Plate” and “Post Press” should further increase efficiency.
- ✓ OIB launched in February 2014, the marketing campaign "10 or more copies" promoting the printing services across DGs/Services by placing informative posters in all EC buildings. Additional message was published on DG AGRI intranet in November 2014. This campaign will continue in 2015.

Distribution of mail:

- ✓ The central mail service focused on better coordination of the mail shuttles organisation that serves a series of buildings occupied by the same DG, better respond to the needs, the volume, traffic disruptions and other events. In order to comply with the security rules on fire prevention at the Commission premises, the mail drop points (cages couriers) were further grouped in technical rooms.

Finalisation of the 2010-2014 Mobility Plan:

- ✓ The partial reimbursement of public transport season tickets scheme as a substantial part of the Mobility Plan's concept was continued throughout the year and proved a stable increase. Regular interest comes from number of executive agencies located in Brussels and in 2014, three further agencies were affiliated to the system (INEA, EASME, REA).
- ✓ Several initiatives promoting the alternative means of transport e.g. "Villo" bikes, were carried out in the course of the year. Evaluation will provided at the beginning of 2015.

Towards digitisation of Historical Archives, the following projects were delivered:

- ✓ OIB continued its policy towards further digitisation of files of historical value and digitised as of beginning of June 2014 COM files (core documents of the Commission) stemming from the years 1983 – 86. Standard elimination of paper files continued at a sustained level. OIB accomplished the inventory of structures of Commission's organisational entities

²⁰ MIS - Management Information System.

from 1952 until the end of 2005. When available, data retained in the organisational charts for ECSC21, Euratom, EEC22 and EC23 have been encoded in the database ARCHIS-Historga (period 1952– 2006).

Conclusions: The activities carried out by OIB in the course of 2014 ensured the achievement of the objectives in terms of continued improvements towards the efficiency of logistic services and an efficient use of resources. OIB has achieved the annual performance indicators and outputs in the reporting year.

1.2.2 Logistic Services activity: Quality of welfare services at catering facilities

Specific objective 2: Good social infrastructures (Restaurants, Sels and Cafeterias facilities) are provided at Brussels and Ispra sites. As OIB provides the services through the external contractors, any changes introduced by the contractors may impact the service quality and consequently the achievement of the objective. <input checked="" type="checkbox"/> Non-spending																																																								
Baseline (2013)	Latest known results 31/12/2014	Target 2014																																																						
Source of data: the general staff opinion survey conducted by DG HR related to the services of PMO, OIB and OIL. [the survey is addressed to all Commission staff] Criteria: % of staff satisfaction (very satisfied + satisfied) versus (dissatisfied + very dissatisfied)																																																								
Result indicator: Commission staff satisfaction rate with the provision of cafeterias, self-service restaurants and other restaurants (29; VM2) – in general		Not targeted for 2014 as no survey foreseen. Keep stable (close to the latest known results from 2013).																																																						
<p>Cafeterias</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Satisfied</th> <th>Dissatisfied</th> </tr> </thead> <tbody> <tr> <td>2005</td> <td>NA</td> <td>NA</td> </tr> <tr> <td>2007</td> <td>51%</td> <td>26%</td> </tr> <tr> <td>2009</td> <td>48%</td> <td>26%</td> </tr> <tr> <td>2011</td> <td>60%</td> <td>21%</td> </tr> <tr> <td>2013</td> <td>54%</td> <td>24%</td> </tr> </tbody> </table> <p>Self-service restaurants</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Satisfied</th> <th>Dissatisfied</th> </tr> </thead> <tbody> <tr> <td>2005</td> <td>NA</td> <td>NA</td> </tr> <tr> <td>2007</td> <td>51%</td> <td>26%</td> </tr> <tr> <td>2009</td> <td>48%</td> <td>26%</td> </tr> <tr> <td>2011</td> <td>45%</td> <td>32%</td> </tr> <tr> <td>2013</td> <td>46%</td> <td>30%</td> </tr> </tbody> </table> <p>Restaurants</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Satisfied</th> <th>Dissatisfied</th> </tr> </thead> <tbody> <tr> <td>2005</td> <td>NA</td> <td>NA</td> </tr> <tr> <td>2007</td> <td>51%</td> <td>26%</td> </tr> <tr> <td>2009</td> <td>48%</td> <td>26%</td> </tr> <tr> <td>2011</td> <td>54%</td> <td>5%</td> </tr> <tr> <td>2013</td> <td>57%</td> <td>5%</td> </tr> </tbody> </table> <p>[next survey: December 2015]</p>		Year	Satisfied	Dissatisfied	2005	NA	NA	2007	51%	26%	2009	48%	26%	2011	60%	21%	2013	54%	24%	Year	Satisfied	Dissatisfied	2005	NA	NA	2007	51%	26%	2009	48%	26%	2011	45%	32%	2013	46%	30%	Year	Satisfied	Dissatisfied	2005	NA	NA	2007	51%	26%	2009	48%	26%	2011	54%	5%	2013	57%	5%	
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Result indicator: Commission staff satisfaction rate with the price-quality relationship of meals offered in the Commission restaurants (new question in 2011).		Not targeted for 2014 as no survey foreseen. Keep stable (~51%).																																																						
<p>Price-quality of meals</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Satisfied</th> <th>Dissatisfied</th> </tr> </thead> <tbody> <tr> <td>2005</td> <td>NA</td> <td>NA</td> </tr> <tr> <td>2007</td> <td>NA</td> <td>NA</td> </tr> <tr> <td>2009</td> <td>NA</td> <td>NA</td> </tr> <tr> <td>2011</td> <td>47%</td> <td>29%</td> </tr> <tr> <td>2013</td> <td>51%</td> <td>24%</td> </tr> </tbody> </table> <p>[next survey: December 2015]</p>		Year	Satisfied	Dissatisfied	2005	NA	NA	2007	NA	NA	2009	NA	NA	2011	47%	29%	2013	51%	24%																																					
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²¹ European Coal and Steel Community.

²² European Economic Community.

²³ European Commission.

Main outputs in 2014			
Description	Indicator	Latest known results 31/12/2014	Target 2014
1. The general staff satisfaction with catering services			
➤ Introduced the new catering concessions and delivered controls and verifications on quality services of three new catering providers.	Satisfaction	No data available, the survey will be launched at the beginning of 2015	+20%
	Complaints	Increased by 146% (most of complaints were related to the overall quality of services and products, in some cases to the new prices)	-20%
	Penalties	No given penalties (because of the adaptation period for the new contract)	-20%
	Attendance	Lower by 8.5%	same as 2013
2. Modernisations of catering facilities			
➤ Suspended the refurbishment of cafeteria facilities in BU29 and CCAB buildings; (Brussels)	To deliver in: 1 st semester CCAB, 2 nd semester BU29	Suspended, based on revision of budget priorities	Deliver as planned
➤ Closed the existing cafeteria in GUIM as the Commission left the building; (Brussels)	New task	Accomplished as planned	Second half of 2014
➤ Opened a new cafeteria for 120 places and self-service restaurant for 210 places in a new building (PLB3); (Brussels)	New task	Accomplished as planned	Second half of 2014
➤ Delivered a detailed feasibility study and business plan on adjusted type of food facility (Bistro); (Ispra)	Define and finalise the new configuration of the Clubhouse, including its management	Accomplished-approval received in due time. (next phase of the project accomplished before the end of year)	100% by the end of March 2014

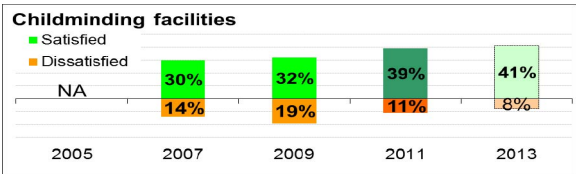
- ✓ Three new catering concession contracts, replacing the old catering contract with EUREST were operational throughout the year. The contracts' implementation showed some **immediate positive development** – bigger variety of products and meals offered, possibility for the client to choose between different catering companies, minimizing the risk of EC dependence on one contractor. **Nevertheless the first eight months were marked by some difficulties** e.g. decrease in the frequency in the canteens and cafeterias, increased number of complaints especially during the first two months (45%), financial deficits reported by concessioners, management and organizational issues experienced by the companies. **Regular and vigorous audits and checks** were carried out in order to guarantee the quality of the services delivered to the clients and to point out the contractors' responsibilities. As the number of clients' complaints considerably fell down during the second half of the year, the first year of running this concession was considered as a transitional one and **no penalties were imposed on the concessioners**.
- ✓ A model of clients' satisfaction survey developed during the last quarter of the year will be launched beginning of 2015.

Conclusions: Even though the first year of concession contracts' implementation has been marked with lower number of visits to the catering sites and bigger number of complaints, OIB managed to avoid a disruption of the services envisaged in the contracts. Close monitoring and regular meeting with the concessioners' management teams are continuously implemented in order to bring the services delivered to a higher level and to ensure their accessibility to the staff.

The execution of the catering concession managed by OIB has been closely followed up to ensure that in long perspective the multiannual objectives are met, although in the first year of

running this concession, OIB has not achieved the annual performance indicators and outputs in the reporting year for the reasons mentioned above.

1.2.3 Logistic Services activity: Quality of childcare infrastructure

<p>Specific objective 3: Good social infrastructures (childcare services) are provided at Brussels and Ispra sites.</p> <p>External factors, beyond the Commission's scope of managerial influence, representing a considerable challenge towards the achievements of this objective, are the increasing number of requests for places resulting from a number of factors including the shortage of places on the local market, an influx of young officials over the past 10 years, and possibly recent changes to the Staff Regulations introducing longer working hours.</p>																				
<input checked="" type="checkbox"/> Non-spending																				
Baseline (2013)	Latest known results 31/12/2014	Target 2014																		
<p>Source of data: the general staff opinion survey conducted by DG HR related to the services of PMO, OIB and OIL. [the survey is addressed to all Commission staff]</p> <p>Criteria: % of staff satisfaction (very satisfied + satisfied) versus (dissatisfied + very dissatisfied)</p>																				
<p>Result indicator: Commission staff satisfaction rate with the provision of nurseries and other child-minding services (after-school and holiday camps).</p>		Not targeted for 2014 as no survey foreseen. Keep stable (-41%).																		
 <p>Childminding facilities</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Satisfied</th> <th>Dissatisfied</th> </tr> </thead> <tbody> <tr> <td>2005</td> <td>NA</td> <td>NA</td> </tr> <tr> <td>2007</td> <td>30%</td> <td>14%</td> </tr> <tr> <td>2009</td> <td>32%</td> <td>19%</td> </tr> <tr> <td>2011</td> <td>39%</td> <td>11%</td> </tr> <tr> <td>2013</td> <td>41%</td> <td>8%</td> </tr> </tbody> </table> <p>[next survey: December 2015]</p>		Year	Satisfied	Dissatisfied	2005	NA	NA	2007	30%	14%	2009	32%	19%	2011	39%	11%	2013	41%	8%	
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<p>Result indicator: Overall satisfaction of parents with childcare facilities in the CPE Survey. [the survey is addressed to the clients of individual facility]: satisfaction rating (very satisfied + satisfied)]</p> <p>Source: OIB/DG HR data</p>																				
<p>GPS, Brussels - 94% (2013 survey)</p> <p>GA, Brussels - 95% (2012 survey)</p> <p>Nurseries, Brussels - 96% (2012 survey)</p> <p>Ispra Childcare facilities - 73% (2011 survey)</p>	<p>The global satisfaction rate for the GPS is 91% (2014 survey). The client satisfaction survey for the GA is 93.2% (2014 survey).</p> <p>The average satisfaction rate for Commission nurseries is 96% and for local partner nurseries 93,2% (2014 survey).</p> <p>77% (2013 data)</p>	<p>Brussels: Maintain same level of results as obtained in 2012/13 (baseline 2013 data)</p> <p>Ispra: 75% (for the results of 2013 survey)</p>																		

Main outputs in 2014			
Description	Indicator	Latest known results 31/12/2014	Target 2014
1. Demand for nursery places		555 children on waiting list	
<ul style="list-style-type: none"> ➤ Transfer of the Palmerston nursery to new facility (ex-Wagons-Lits building) from mid-May until end September 2014. ➤ Increased the nursery capacity through the places contracted on local market. 	Deliver as planned	Accomplished	From May until August 2014
		By 188 new places (80 came on stream in 2014; the remaining 108 are expected in 2015)	Not targeted
2. Demand for afterschool childcare places (GPS)		132 children on waiting list	
<ul style="list-style-type: none"> ➤ Increased capacity at the European Schools and central sites. ➤ Optimisation of places at GPS by implementing a system based on individual arrangements with parents interested in partial occupation (part time enrolment). 		By 148 new places to reach in total: 1640 places	Not targeted
		1640 places versus 1803 children enrolled	Not targeted

3. Overall assessment on improvements in childcare facilities			
➤ Assessment on improvement in child-care facilities in terms of (1) client satisfaction, (2) capacity (including optimisation of existing spare capacity) and (3) price per child.	Composite indicator measuring the annual increase of client satisfaction and capacity as well as the reduction of unitary costs ²⁴	Nurseries: -2.3% GPS: +3.2% GA: +3.2% [final data to be available in March 2015]	Increase by: Nurseries: 1.5% GPS (Garderies Post-Scolaires): 1.5% GA (Garderies Aérées): 2.5%

The main deliveries are as follows:

- ✓ **Opened new 252-capacity nursery wing** (ex-Wagons-Lits building, named 'Wali') and former the 'Clovis' wing are now adjacent and connected forming a single entity (renamed "Grand Clovis") sharing common facilities and spaces, with a total capacity of 627 children.
- ✓ With the opening of the new Cortenbergh private nursery in June 2014, along with the departure of older children to school thus freeing-up new baby places, the waiting list was reduced from 782 children in May to 555 in November 2014. The additional places contracted on the local market (following the 2013 call for tenders) to increase nursery capacity will come on stream in 2015.
- ✓ A significant increase in demand for afterschool childcare (GPS) places was observed during the 2014 enrolment period. In response, OIB organised additional places at the European schools (85 places) and in some central sites (63 places), bringing the total increase in afterschool capacity to 148 places. Implementation of an optimisation policy aimed at maximising daily physical presence up to the limit of 100% of the capacity, allowed to enrolled 1803 children (full or part time) for 1640 places.

Conclusions: Although continued efforts are made to reduce the waiting list, demand still exceeds capacity by approximately 40% for nurseries and by 7% for the GPS. The issue remains under careful monitoring and reflexion. Despite the problem of limited capacity, the internally launched satisfaction surveys have shown a high level of satisfaction with the services provided at all childcare facilities. This policy managed by OIB is on course to meet its objective and has achieved the required values for annual performance indicators and outputs in the reporting year.

1.2.4 Logistic Services activity: Quality of welfare services at social facilities

Specific objective 4: Good social infrastructures (social and sport facilities) are provided at Brussels and Ispra sites.		
This objective is within the managerial scope of the Commission with exception of Ispra project. <input checked="" type="checkbox"/> Non-spending		
Baseline (2013)	Latest known results 31/12/2014	Target 2014
Result indicator: Users attendance of the sports facilities. <small>Source: OIB data</small>		
Number of participants in sporting and cultural activities: 9,000 (CIE/Brussels) 3,400 (Ispra) Number of training participants: 900 CIE/Brussels) No training activities at the centre (Ispra)	CIE under renovation 3,400 members (Ispra)	Brussels not targeted. Ispra: Maintain same levels of results obtained in 2013 except for sports activities in CIE, which is closed for works (~3,400).

²⁴ The formula for the index: $((Q_n/Q_b)*0,4+(Cap_n/Cap_b)*0,2+(Cb/C_n)*0,4)*100$, where Q : Quality (overall satisfaction); Cap : Capacity (number of available places); C : Cost per child (total costs without infrastructure divided by financial presences (a number of children registered including overbooking)); b : base year (2013); n : current year.

Main outputs in 2014			
Description	Indicator	Latest known results 31/12/2014	Target 2014
1. New governing rules to CIE Overijse (Brussels)			
A comprehensive business plan explaining the viability of the CIE project is being established and will be presented to OIB management and to the other institutions in the first half of 2015 together with a proposal for new governing and financing rules.	Deliver as planned	Delayed/on-going	To finalise before the end of the year
2. Improvements in the social infrastructure at Ispra			
➤ Convention between JRC and ALER (Regional Housing Association) on renovation of building blocks.	Planning for renovation works to be completed by the end of the year	Suspended due to changes at the regional, political level /not depending on OIB	100%

Taking into account that fact the CIE centre was entirely under renovation in the course of the year, the achievement of this objective for 2014 is 'frozen' although some administrative arrangements and coverage for holiday's seasons were carried out. Nevertheless, OIB is on course to meet this objective once the renovation will be accomplished and the centre will become operational.

1.3 Achievement of specific objectives within horizontal activities⁹

The aim in this area is to offer administrative support to enable the Office to deliver high quality services, in a transparent, efficient, effective, ethical and accountable manner.

1.3.1 Administrative support: Pro-active management of human resources

Specific objective 1: Pro-active management of human resources. This objective is within the managerial scope of the Commission.		
Baseline (2013)	Latest known results 31/12/2014	Target 2014
Result indicator: Average vacancy rate of all posts. Source: OIB data		
3,1%	2,7% All vacant posts for contract agent staff are advertised on OIB/OIL/PMO intranets.	2,75%
Result indicator: Posts of officials converted to post for contract agents vs overall target ('TEC'). Source: OIB data		
7	8 TEC continued despite implementation of staff cut of 1%-2% per year.	No further milestones as TEC numbers will depend on mobility/retirement of staff on non-core functions.
Result indicator: Female OIB AD staff Source: OIB data		
30%	30% Target not met in spite of efforts to attract female applicants for AD posts.	38%

Main outputs in 2014			
Description	Indicator	Latest known results 31/12/2014	Target 2014
1. Implementation of reductions in FO and CA posts			
➤ Accomplished forecasted 2014 posts reduction: 15 posts have been identified (8 permanent posts and 7 Contract Agents posts).	Identification of reductions foreseen within the time limits	100% accomplished	100% Publication of vacant FO posts within 5 working days from the request of the unit
	Timing of publication of vacant FO posts	Accomplished	
➤ Delivered 11 reserve lists for key profiles such as nurse, driver, building technician and educator (organised 16 selection panels).	Availability of CA reserve lists	Accomplished	Reserve lists available for key CA profiles for OIB

2. The OIB Strategic Training Framework			
➤ Framework implementation	Number of training courses organised	210 training courses modules organized; in total 2729 training days (2.2 days per staff)	Maximum achievement in line with the schedule foreseen
3. Staff motivation and engagement			
➤ Meetings of the OIB Equal Opportunities group and of the Network for female AD staff organised: <ul style="list-style-type: none"> ○ The group organised surveys on well-being and absenteeism. ○ OIB mentoring service for new staff was revamped. 	Number of meetings organised	5 meetings in total (suggestions made for reducing sickness absence and 11 well-being actions were adopted by management)	Organisation of the number of meetings foreseen
4. Staff absences in OIB			
➤ Carried out the information sessions on leave issues for specific groups.	Organisation of the number of information sessions foreseen	100% Delivered 3 sessions for nurseries staff and 3 for all staff.	100% achievement in line with the schedule
➤ Delivered report on findings resulted from benchmark sickness rates within the OIB/OIL sites.	Report submitted to management	By December 2014 (the analysis of data took longer than expected).	by end March 2014

A sufficient level of staff ensured to maintain the mandate of the Office:

- ✓ Vacant posts as a result of mobility, retirement, invalidity etc. were frozen and placed in a reserve from which the staff cuts (1-2% annually until 2017) were applied. Remaining posts were re-allocated in line with the Office's operational priorities. OIB's training programme was gearing to equipped operational staff with the skills needed to do their job effectively.

Staff absenteeism:

- ✓ Close monitoring of sickness absence levels continued as did appropriate follow-up of sickness absences with managers and the Medical Service. OIB's sickness absence rate (7.4%) remains higher than the Commission average. It's important to point out that, the sickness absence rate in OIB is not comparable with other DGs, because nearly 60% of OIB employees perform their activities within professions exposed to certain risks (e.g. childcare nurses are constantly in close contact with infants, which increases the risk of disease; some staff carry out manual activities which stress their physical limits; the presence on construction sites involves an increased risk of accidents).
- ✓ The "benchmarking" exercise of sickness with OIL revealed that although the headline rate was higher (7.4% compared to OIL's 5.2%), the rate excluding nursery staff, who are not present in OIL was broadly similar.

Conclusions: The execution of the annual programme of work in the area of 'Human Resources' managed by OIB has met its objective and has met the annual performance indicators and achieved outputs foreseen for the reporting year.

1.3.2 Administrative support: sound financial principles in the financial and procurement activities

Specific objective 2: Sound financial management principles, legality and regularity are strengthened in the internal control systems and budgetary planning; procurement management is reinforced.		
This objective is within the managerial scope of the Commission.		
Baseline (2013)	Latest known results 31/12/2014	Target 2014
Financial management		
Result indicator: Financial execution (payments) versus budget commitments. Source: OIB data		
78%	82% Some legal commitments were concluded before the end of the year.	90%

Result indicator: Payments handled after the contractual deadline. Source: OIB data		
		Consolidate 2013 reduction (around 4%) and maintain below Commission average (20% for 2014)
Result indicator: Interest paid resulting from overdue payments. Source: OIB data		
0.01% (value of 5.456 €)	0.00% (value of 2.147€)	0.00%
Result indicator: Overdue recovery orders. Source: OIB data		
11% It's the ratio of overdue RO (3.9 M€) and the total RO (36.2 M€). The amount of 2.9 M€ out of total overdue RO: 3.9 M€, was paid in January 2014.	0,46% It's the ratio of overdue RO (0.17 M€) and the total RO (36.9 M€). [46% of that amount corresponds to RO 2014 and 54% to previous years]	0%
Procurement management		
Result indicator: Procedures & contracts handled > € 60.000 including inter-institutional Source: OIB data		
135 procedures, out of which 24 are inter-institutional. 55 contracts (48 finalized and 7 ready for signature), among which 13 are inter-institutional.	99 procedures out of which 19 are inter-institutional; 46 contracts signed of which 12 are inter-institutional; The most valuable contracts signed are for 'Maintenance of lifts', 'Supply of furniture for areas for social interaction and catering' and for 'Supply and installation of visuals, signs and exhibition material'.	Depending on demand
Result indicator: Unsuccessful procurement procedures. Source: OIB data		
14% (5/35 unsuccessful lots)	18% (6/33 unsuccessful lots) In 2 cases no offer was received; In 1 case the prices were considered too expensive; In 1 case the only bid received was not compliant (missing prices); In 2 lots (one tender) the bidder did not meet the capacity requirements.	0
Result indicator: Complaints/cases/proceedings received from unsuccessful economic providers / by the Court or by the Ombudsman related to the procurement procedures. Source: OIB data		
0	1 case in the Court related to lot 1 of the tender for insurance (on the buildings stock and its contents).	0

Baseline (2013)	Latest known results 31/12/2014	Target 2014
Indicators for the legality and regularity of underlying transactions		
Ex-Post Control:		
Result indicator: Coverage of ex-post controls (in €) Source: OIB data		
44% - expenditures (payment orders) 69% - income (recovery orders)	18% of value by transactions	10% (value) by transaction with a representative sampling (numbers and distribution)
Result indicator: Expenditure with unacceptable result during ex-post controls. Source: OIB data		
None	None	<2% for any type of transactions
Audit recommendations:		
Result indicator: Internal or external audit recommendations considered as implemented within deadlines. Source: OIB data		
64%	61% (14 closed out of 23) The overdue recommendations undergo realisation, none of them is 'critical' or 'very important'.	100% (recommendations foreseen to be finalized by the end of 2014)

GAMA consultations:		
Result indicator: Negative opinions from GAMA, " <i>Groupe d'Analyse des Marches Administratifs</i> " for all non-building procedures above €134.000 Source: OIB data		
None (all procedures sampled by GAMA received a positive opinion: 5 out of 24 submitted).	None (all procedures sampled by GAMA received a positive opinion: 7 out of 22 submitted).	None
Indicators for the Anti-Fraud & Prevention measures:		
Result indicator: Trainings on ethics. Source: OIB data		
13 workshops delivered	5 workshops targeting personnel dealing with contracts management.	6 (during previous years a significant number of workshops were already delivered).

Main outputs in 2014			
Description	Indicator	Latest known results 31/12/2014	Target 2014
1. Ensured correctness of accounting data			
➤ Delivered periodical accounting controls: control of capital, audit of third party expenses, recovery orders.	Number of control checks carried out	Accomplished	4 controls (100% to accomplish)
2. Efficient procurement management			
➤ Launched calls for tenders versus the target schedules.	Respect of target schedules	52% (efforts still to be pursued by all parties involved)	100%
3. Structured internal control coordination			
➤ Carried out mid-term compliance review as a preparatory phase for an annual review of the compliance and effectiveness of the ICS.	Degree of sampled management/staff participating in the survey (%).	97% management 75% staff	80% management 60% staff
	Good understanding of internal control & risk management among management /staff (%) – based on the ICS survey	85% management out of total responses; 97% staff out of total responses.	Positive assessment by 85% of Management and 65% of staff
4. Information Systems Security Policy			
➤ On-going drafting of operational Procedures related to Informatics Security. ➤ Delivered guidance and template on methodology to a risk assessment on KiddyWeb ²⁵ application. ➤ Ensured validity of the Security Plans for all IT local systems.	Degree of documentation deficiencies resolved	50%	50%
	Deliver: Yes/No	Accomplished	To deliver by the end of the year
5. Ex-post working programme			
➤ Include ex-post control on operational activities of OIB, aside from the financial ex-post controls performed during the year.	2014 Work programme (WP) accepted by the management.	Accomplished	To deliver by end of January 2014
	Degree of realisation (%)	95%	100%

²⁵ IT application allowing to manage the subscriptions to childcare facilities.

6. IT applications adapted to the operational needs			
<ul style="list-style-type: none"> ➤ Delivered adaptations to PACEGIS²⁶: the new web-based interface for redlining has been deployed and the GBIs have been trained. ➤ ARCHIS²⁷: on-going implementation of the scanning project supporting the digitalisation workflow in the historical archives. ➤ REMIS²⁸: The first modules of the product have been acquired. ➤ Updated PRESTO²⁹ to the changes introduced by the catering contract addenda. ➤ Adapted the PARAPHOIB³⁰ system to support the OIB's paperless objectives. 	Users (system owners) overall satisfaction survey on degree of achievement of the set objectives.	73% (2014 survey) The satisfaction rate did not meet the initial objective because 2014 was the first year that the survey was launched and, therefore there was no baseline to be used as a reference. The objective for the next survey (in 2015) will be to increase the satisfaction rate before the next survey scheduled for 2015.	85%

Financial management:

- ✓ OIB continued to target the reduction of payment delays through close monitoring of payments and rationalising the responsibilities of actors in the financial circuits. Further to the performance audit on financial circuits conducted by IAS at the end of 2013, OIB established an action plan to remedy the findings of the audit, which is currently under implementation.

Procurement management developments:

- ✓ In order to ensure timely awarding of contracts and in particular to facilitate the familiarity with tenders procedural aspects and strengthen the coordination within OIB, numerous initiatives were put in place e.g. the Manual of the tender procedures together with documents' templates; the guidelines for tenderers were updated; the 'e-Tendering' tool was systematically used for the publication of open procedures; OIB Procurement procedures helpdesk was consolidated; a new tailor made training was held and the reporting to management was strengthened.

Internal control:

- ✓ Within the framework of internal control coordination, OIB ensured close follow up on revision of measures mitigating the identified risks and recommendations provided by IAC/IAS to various operational activities of OIB. The formalization of OIB's security governance structure was carried out by defining the responsibilities of the individual security stakeholders. The effectiveness review for the priorities standards launched in autumn 2014 showed a good practice of the sound financial management principles. A horizontal review of access rights to financial systems was carried out and a review on CAF procedures across OIB services which resulted in the adoption of a harmonised CAF procedure applicable to all.

²⁶ IT application aimed at reviewing building plans via web browsers, reporting any inaccuracies, automating zone allocation (allocation of posts to physical locations) and partitioning work.

²⁷ IT application enabling the Historical Archives to record the historical organisational structures of the Commission in the system, which will allow the assignment of historical documents with the particular organisation of units within the Commission over its past lifetime.

²⁸ The project resulting from IT rationalisation, aiming at migration the current OIB Real Estate management Information System to the IT solution on real estate management currently used by OIL.

²⁹ IT application supporting the catering purchases for conferences.

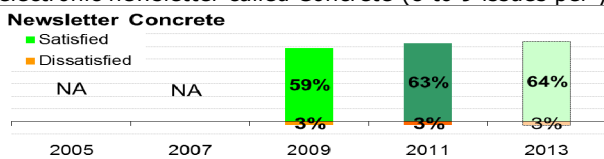
³⁰ IT application facilitating the electronic signatures.

Local IT applications adapted to the operational needs:

- ✓ OIB supported its core business by adapting the existing IT systems to the operational developments e.g. deployed PACEGIS³¹ and ABAC SAM interface, opened MOBILITY.NET³² to new Executive Agencies, PRESTO³³ updated to the changes in catering contracts and ARCHIS to facilitate the digitalisation of historical archives. Straightforward alignment with Commission corporate IT policies was respected in all cases. The coordination between OIB and OIL on IT matters and an alignment to the corporate IT governance were ensured by a working group OIB/OIL/DG HR which was set up during 2014.

Conclusions: The execution of the annual programme of work in the area of Internal Control, Finances, Procurement, Ex-post control managed by OIB has met its objective and has achieved the annual performance indicators and outputs in the reporting year.

1.3.3 Administrative support: OIB's internal communication

Specific objective 3: Improve OIB's communication policy focusing on clear and timely information. This objective is within the managerial scope of OIB.																				
Baseline (2013)	Latest known results 31/12/2014	Target 2014																		
Source of data: the general staff opinion survey conducted by DG HR related to the services of PMO, OIB and OIL. [the survey is addressed to all Commission staff] Criteria: % of staff satisfaction (very satisfied + satisfied) versus (dissatisfied + very dissatisfied)																				
Result indicator: Commission staff satisfaction rate with OIB's electronic newsletter called Concrete (8 to 9 issues per year)		Not targeted for 2014 as no survey foreseen. Keep stable (~64%).																		
 <table border="1"> <caption>Newsletter Concrete - Staff Satisfaction Data</caption> <thead> <tr> <th>Year</th> <th>Satisfied (%)</th> <th>Dissatisfied (%)</th> </tr> </thead> <tbody> <tr> <td>2005</td> <td>NA</td> <td>NA</td> </tr> <tr> <td>2007</td> <td>NA</td> <td>NA</td> </tr> <tr> <td>2009</td> <td>59%</td> <td>3%</td> </tr> <tr> <td>2011</td> <td>63%</td> <td>3%</td> </tr> <tr> <td>2013</td> <td>64%</td> <td>3%</td> </tr> </tbody> </table>		Year	Satisfied (%)	Dissatisfied (%)	2005	NA	NA	2007	NA	NA	2009	59%	3%	2011	63%	3%	2013	64%	3%	
Year	Satisfied (%)	Dissatisfied (%)																		
2005	NA	NA																		
2007	NA	NA																		
2009	59%	3%																		
2011	63%	3%																		
2013	64%	3%																		

Main outputs in 2014			
Description	Indicator	Latest known results 31/12/2014	Target 2014
1. OIB's identity and visibility			
➤ Migration and update OIB-Net and OIB.europa.eu	Update the web pages	Accomplished	100% updated by the end 2014
➤ Delivered an Executive Activity Report of OIB's achievements in 2013.	Report ready for publication	Accomplished	By the end of first semester 2014.
➤ Launched first audio-visual internal communication.	First actions launched by end September 2014	Accomplished	100% in line with the schedule

Strengthen the OIB's identity and visibility:

- ✓ OIB continued strengthening its internal communication channels targeting a clear, concise and transparent communication to staff on OIB's activities. A new page dedicated to the operational issues linked to the new catering concession was developed on 'myintracomm' website.

Conclusions: The implementation of the annual programme of work in the area of internal communication managed by OIB has met its objective and has achieved the annual performance indicators and outputs in the reporting year.

³¹ IT application aimed at reviewing building plans via web browsers, reporting any inaccuracies, automating zone allocation (allocation of posts to physical locations) and partitioning work.

³² Information System supporting the EC contributions to transportation costs.

³³ IT application supporting the catering purchases for conferences.

1.4 Specific efforts to improve 'economy' and 'efficiency' of spending and non-spending activities.

According to the financial regulation (art. 30), the principle of economy requires that the resources used by the institution in the pursuit of its activities shall be made available in due time, in appropriate quantity, quality and at the best price. The principle of efficiency concerns the best relationship between resources employed and results achieved.

OIB is continuously fine-tuning its internal arrangements in order to improve the efficiency and economy of its operations. The following two initiatives show how these principles are implemented in OIB:

1.4.1 Example 1

Electronic treatment of financial transaction files

One of OIB's objectives is to treat electronically financial transactions and in the future, to introduce the electronic invoice (e-invoicing). The solution that has been implemented internally involves electronic transmission of payment files between the operational units and the central financial unit.

In the course of 2014, two 'pilot' units/sectors tested the electronic treatment of all their payment transactions.

The results showed improved efficiency and the smooth transmission and treatment of files. In 2015 OIB will aim at opening the system to the remaining units as well as extending the system to other types of financial transactions (budgetary commitments, recovery orders, legal entities, etc.).

The advantages are expected to be as follows:

- increased efficiency (improved speed of transmission of files, documents/files are saved and archived in a more harmonised way);
- 'paperless office' (saving of paper and archiving space);

1.4.2 Example 2

The REMIS project, IT solution aiming at facilitating the management of the Commission' real estate portfolio by optimising the surface area usage of EC buildings.

As part of conducted IT rationalisation exercise, OIB carried out a comparative business processes study on OIB/OIL IT systems, which resulted in the decision to migrate to the IT solution on real estate management used by OIL.

The project will continue with the deployment of modules supporting other business processes during the coming years and its realisation will last until 2019. The system will allow OIB to consolidate and rationalise its IT management of the Commission's real estate portfolio and completely align it with OIL.

In order to put in place this new IT solution, a feasibility study on the real estate business processes within OIB, assessing the impact of deploying a software suite replacing a number of existing systems, was conducted in the course of 2014. The first modules for contract and portfolio management were acquired in 2014 and will be deployed in 2015.

The next phase of the project is a procurement procedure to acquire additional parts of the product and to select a supplier which will help the OIB with the deployment and integration.

2. MANAGEMENT OF RESOURCES

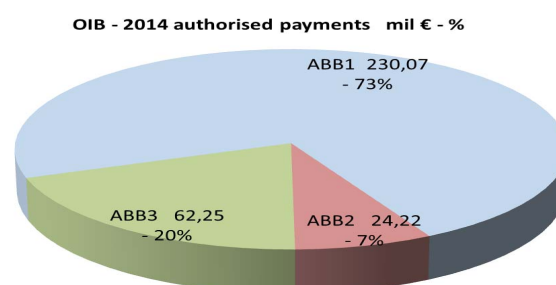
Assurance is an objective examination of evidence for the purpose of providing an assessment of the effectiveness of risk management, control and governance processes. This examination is carried out by management, who monitors the functioning of the internal control systems on a continuous basis, and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

- the regular reporting on procurement, on budget execution, on finances, on accounting controls and on human resources;
- the reports from ex-post control;
- the reports from the authorising officers by sub-delegation and the follow-up thereon;
- the reports monitoring the exceptions and non-compliance cases;
- the risk assessment;
- the yearly review of the compliance and effectiveness of the internal control system;
- the follow-up of anti-fraud indicators;
- the reports from the relevant authorising officers providing assurance in all cases of cross-sub-delegations made by OIB to other DGs/Services;
- the observations and recommendations from the European Court of Auditors (ECA), Internal Audit Service (IAS), Internal Audit Capability (IAC) and DG BUDG as well as the reports on the follow-up of the action plans designed to address these recommendations;

This section reports the control results and other relevant elements that support managements' assurance on the achievement of the internal control objectives³⁴. It is structured in three separate sections: (1) the Office's assessment of its own activities for the management of its resources; (2) the assessment of the activities carried out by other entities to which OIB has entrusted budget implementation tasks; and (3) the assessment of the results of internal and external audits, including the implementation of audit recommendations.

The below table and chart present the total payments (on credits C1, C4, C5 and C8) authorised for the year 2014 and their relative weight in each significant budget activity: 73% of the payments relate to the Building Activity (ABB1) while Services (ABB2) and Administration (ABB3) represent respectively 7% and 20%.

Budget areas	Authorised payments (€ M)
ABB1 - Buildings	230,07
ABB2 - Services	24,22
ABB3 - Administration	62,25
Total OIB	316,54³⁵



³⁴ Effectiveness, efficiency and economy of operations; reliability of reporting; safeguarding of assets and information; prevention, detection, correction and follow-up of fraud and irregularities; and adequate management of the risks relating to the legality and regularity of the underlying transactions, taking into account the multiannual character of programmes as well as the nature of the payments (FR Art 32).

³⁵ The difference with the amount mentioned under annex 3 table 2 is explained in annex 3 page 6.

All the payments are done under a centralized and direct management mode (including also procurement), which has an inherent risk relatively low. The risks are effectively mitigated by means of controls.

In addition, due to the nature of its activities, OIB generates revenue from services and works provided to other EU Institutions and bodies (other DGs, EEAS, EESC & CR, agencies, etc.). In 2014, OIB revenues amounted to nearly 33 Mio €, which represent 9% of the budget (commitments). An important part of this amount is carried forward to the following year (C4: € 40,1 Mio; C5: € 20,5 Mio).

2.1 Management of human and financial resources by OIB

This section reports and assesses the elements identified by management that support the assurance on the achievement of the internal control objectives. Annex 5 (internal control template) outlines the main risks together with the control processes aimed at mitigating them and the indicators used to measure the performance of the control systems.

Financial management and control is grouped around three core processes: 1) Procurement³⁶ (from the assessment of needs to the selection of the suppliers – award decision), 2) Financial operations (from establishing the financial commitment to payment, contract monitoring and recoveries) and 3) Supervisory measures (including ‘ex post’ controls and management checks).

For procurement, preventive controls in OIB are ensured via the GAMA opinions, as well as by the central role of unit 'Finance & Public Procurement' which is involved in all procedures above €60k.

The financial circuit in OIB is based on the “four eyes principle”, which ensures that, before an operation is authorised, all its aspects (operational and financial) are verified by at least one member of staff other than the person who initiated the operation. In addition, the authorising officers by sub-delegation (AOS) give validation and confirm that all actions and controls required were completed by the initiating and verifying agents.

After the operation has been completed, a second level of control is performed by the ex-post control team. In this context the AOS and ex-post control reports represent one of the supervision activities which provide the basis of the management assessment.

Other key controls in place are the register of exceptions and non-compliance events, the risk management procedures, the accounting controls and the regular reporting.

Control effectiveness as regards legality and regularity

OIB has set up internal control processes aimed to ensure the adequate management of the risks relating to the legality and regularity of the underlying transactions, taking into account the nature of the payments concerned. The control objective is to ensure that OIB has reasonable assurance that the total amount of any financial operation authorised during the reporting year which would not be in conformity with the applicable contractual or regulatory provisions, does not exceed 2% of the total expenditure. In order to reach this conclusion, OIB reviewed the results of the following key controls in place. For each item, materiality is assessed in accordance with Annex 4.

Error rate in OIB is estimated mainly on the basis of the results of a comprehensive ex-post control strategy, whose details are explained below.

³⁶ Split in OIB between building and non-building procurement (see annex 5).

Preventive controls in procurement

Procurement is a key activity of OIB and therefore OIB Management pays a lot of attention to ensure the legality and regularity, effectiveness and efficiency of the procurement procedures. Regular follow-ups and consistent supervision are in place (e.g. monthly reports on calls for tender procedures to management, indicators on the gap between 'target procurement schedule' and contractual deadlines). Given the direct centralised management mode for procurement in OIB (the central procurement unit is involved in all procedures above €60k and provides support and advices for lower value procedures), the intrinsic risk is relatively low.

In 2014, OIB continued the simplification and harmonization in the calls for tender. The implementation of the 'Procurement Project Cycle' was pursued ('target schedule' for tenders, kick-off meetings between operational units and central procurement team, SPOC approach to follow up on tendering procedures). Two analyses were drafted; first one on timeliness of the tender procedures and second one on the reasons of the unfruitful calls for tender.

E-tendering tool is now systematically used for the publication of open procedures. The functional mail box «OIB-HELPDESK-MARCHES-PUBLICS@ec.europa.eu» has been consolidated and is now fully operational.

In the context of the IT rationalization in the Commission, OIB continued the contacts with JRC concerning potential migration from MarCo to PPMT tool.

The manual of the tender procedures has been updated and published on OIB intranet together with new or updated documents' templates related to calls for tender. The guidelines for tenderers were updated and translated into English.

Specific training sessions on procurement were held ('How to write a coherent tender specification').

During the reporting year, 99 calls for tender procedures were handled by OIB and 1 procedure was handled by OIL for OIB, resulting in the signing of 46 contracts (out of which 12 are inter-institutional) for a total value of € 160.054.900. Out of 99 procurement procedures (lots), 6 were unsuccessful either because the offer was not compliant (3 cases), no offer was received (2 cases) or the price was considered excessively high (1 case).

Indicators on the assurance of the procurement management are positive: in 2014, 33 files (33 lots corresponding to 22 procedures) above the threshold were sent to GAMA³⁷, corresponding to 27 lot award reports (€148.199.900) and 6 reports for unsuccessful lots. Out of the 22 procedures submitted to GAMA, 7 procedures (representing €100.245.500) were selected for review, all of which received a positive opinion.

Some exceptions / non-compliance situations occurred and have been authorised by the Authorising Officer and registered in the exception register (see corresponding chapter next).

Regarding building procurement, OIB applies the procedures stipulated in the Memorandum from Vice-President Kallas to the Commission, on the definition of the methodology to be followed by the services of the Commission for prospecting and negotiating for buildings (C(2008)2299 adopted 3 June 2008). OIB consults the Real Estate Committee for each building project, in order to ensure that the rules have been followed correctly and that the projects are fully compliant with the principles of transparency and value for money.

Payment delays

In 2014, OIB continued to reduce its payment delays, although the situation at the end of 2013

³⁷ Groupe d'Analyse de Marchés Administratifs: advisory group which manages non-building procurement procedures above € 60,000. Before the award decision, any tender above the threshold established in the Directive 2014/24/UE (€134,000 in 2014) may be selected and examined by GAMA.

was already very positive. At the end of 2014, only 2 % of payments were made outside the contractual deadline, compared with 4,4% at the end of 2013 and 10% at the end of 2012. For comparison, the Commission average for payment delays during the year 2014 was around 20%. Consequently, the average payment cycle time has also been maintained to a low level, i.e. 25 days in 2014. Further details on payment delays are described in annex 3 – table 6.

Since 2013, OIB management has closely monitored this issue: figures are reported on a monthly basis and discussed at the Management meeting, so that all Units are involved. Given these good results, no observation from the Court of Auditors was received in this regard over the last three years.

Recovery orders³⁸

The majority of OIB recovery orders results from the Service Level Agreements (SLA) as a compensation for the services provided by OIB to other Commission services or other institutions. Other sources of revenue for OIB are proceeds from the nurseries and childcare activities (contributions from the parents as well as from the different DGs/Services), proceeds from the sale of movable property (if any) and possible reimbursements of charges connected with the lettings.

In 2014, OIB generated recovery orders for an amount of around €32,6 M (vs €30 M in 2013). This difference is mainly explained by the increase of revenues generated from SLA. The revenue from SLA in 2014 amounts to €25,6 M (vs €21,4 M in 2013). The latter increase comes from the fact that a bigger amount related to services to be rendered on year n+1 have been invoiced beforehand at the end of 2014 (€7,4 M vs €2,9 M at the end of 2013).

OIB closely monitors the issuance of recovery orders so that revenue are generated and cashed on time. In 2014, 91% of the revenues from SLAs (services rendered in 2014) had been invoiced before the end of year, out of which more than 99% had been cashed in at the end of the year.

At the end of 2014, the amount of outstanding recovery orders has been strongly reduced to 169k€ (compared to around 1 M€ at the end of 2013). More than half (54%) of the recovery orders outstanding at the end of 2014 were generated during the previous years (from 2010 to 2013) and relate to contributions from the Council to the inter-institutional centre in Overijse. In principle, this problem should be solved in 2015 before the reopening of the centre (after refurbishment). The problem of the undue contributions from the European Parliament to nurseries, child minding facilities and inter-institutional centre has been solved in 2014 and all past contributions were paid.

Ex post controls

Ex-post controls in OIB are one of the main supervision activities which provide the basis of the management assessment.

The ex-post control methodology is detailed in a specific manual and is based on a stratified sample of five types of transactions which include budgetary commitments, payments, recovery orders, low value procurement procedures and high value procurement procedures. Since 2013, the sample method has been reviewed and is now 100% random and statistically significant (representative) for payments and recovery orders (using the MUS sample methodology), giving the possibility to extrapolate the ex-post results obtained from the sample to the whole population of a same type of transaction. Additionally, in particular given the situation of Unit OIB.OS.3 (Ispra), which has a fully decentralized financial circuit, an additional number of transactions, among which such concerning Ispra, is also sampled.

Two interim reports were issued in June and November 2014 and the final report on ex-post

³⁸ The term 'recovery orders' refers to 'requests for payment' for services rendered and not to recovery of money subsequent to the detection of an error.

control activity for the year 2014 was issued in February 2015. 95% of the 2014 work programme was completed. For payments and budgetary commitments, the work program was accomplished at 100% and for recovery orders at 94%. For low value procurement procedures, the planned number of verifications could not be reached due to the reduction of the ex-post control team by one third during the year, while for high value market procedures the number of procedures reviewed was overpassed but it related to tenders awarded in 2013 whose contracts started in 2014.

Out of the 115 transactions controlled, none of them was classified as non-compliant³⁹. However, 14 transactions were considered with error level two and 27 transactions with error level three and relate mainly to the lack of supporting documents and lack of justification / explanation of calculation done, lack of signature / authorization related to the "Certified correct" (CAF) or no full correspondence with the contractual basis. All ex-post findings were discussed with the units, and an agreement on the findings and on the corrective actions was reached.

In addition, each year ex-post control team continues to follow-up the recommendations issued in previous years and not closed immediately. At the end of 2014, 7 recommendations issued in previous years remained open, although two of them were partially implemented. They will continue to be followed up in 2015.

Overall 2014, ex-post controls obtained assurance that the budget was well used for its intended purpose.

<i>Ex-post control indicators</i>	<i>Latest known results</i>	<i>2014 Target</i>
Coverage of ex-post controls (in % of total amount)	2014 average: 18 % - Payments: 29 % - Recovery orders: 68 % - Budgetary commitments: 3 % <i>2013 data: Average 16%; Payments 44%; RO 69%; Budg. commitments 0,3%</i>	10% (value) with a representative sampling
% of total expenditure with unacceptable result during ex-post controls	0.00 % (no non-compliance cases) <i>2013 data: 0.00%</i>	<2% for any type of transactions

The numbers of checks carried out are:

2014	Population of transactions		Verified transactions				Non-compliant results			
	Nr	Amount - €	Nr		Amount - €		Nr		Amount - €	
Payments	8.177	315.113.028	70	0,9%	92.542.651	29%	0	0%	0	0%
Recovery orders	1.808	32.507.109	32	1,8%	22.246.357	68%	0	0%	0	0%
Budgetary commitments	395	320.845.076	8	2,0%	8.874.708	3%	0	0%	0	0%
Total	10.380	668.465.213	110	1,1%	123.663.716	18%	0	0%	0	0%

The coverage of ex-post controls for **payments** was as follows:

- Ispra payments of around €70k (1,4%)
- Brussels payments of around €92,5 M (29,8%)

³⁹ No error level one (serious error).

Recovery orders checked by ex-post controls were in amount of around €21,8 M (71%) in Brussels and around €472k (24%) in Ispra.

Ex-post controls checked budgetary **commitments** and de-commitments transactions by “code nature” covering all OIB units. Around €8,8 M (2,8%) of Brussels commitments were controlled. For OIB's unit in Ispra the checks of commitments covered about €123k (4%).

The ex-post controls on **high value market procedures** covered three procedures finalized in 2013 for an amount of around € 186 M.

Regarding the **low value market procedures**, the ex-post controls covered two procedures initiated by OIB's units for an amount of around €9.600.

None of the observations made following ex-post controls had a financial impact on OIB's budget. The main observations were the subject to a series of awareness actions addressed to all units and departments. In order to ensure further improvements in this area, the ex-post control team will follow up on these issues in 2015.

Authorising Officers by Sub-Delegation reporting

Together with ex-post controls, Authorizing Officers by Sub-Delegation (AOSD) reports are one of the supervisory measures in place in OIB.

Twice a year the Authorising Officers by Sub-Delegation provide the OIB's Head of Service with a report on their activity. Issues raised in the AOSD reports are centralized and the implementation of actions designed to address them is regularly followed-up in AOSD summary reports which are brought to the attention of Heads of Department and Heads of Unit and serve as a tool for the assessment of internal control and budget/financial management. The provision of reports is also monitored and where needed appropriate reminders issued.

97% of the AOSD reports of the year 2014 were received. No very serious problems were identified in the reports. The main issues mentioned were linked to financial and procurement management across different units (e.g. existence of legal and budgetary bases, respecting contracts' objects, recovery practices, use of budgetary appropriations). Different regularisation, follow-up and awareness-raising actions have been foreseen.

63% of open issues identified in the syntheses relevant to actions resulting from previous reports are now considered as closed. No serious issues are outstanding. The implementation of remaining actions will further contribute to improvements in financial, budgetary and procurement management.

<i>AOSD reports indicators</i>	<i>Latest known results</i>	<i>2014 Target</i>
Percentage of corrective measures implemented by concerned units, for previous years issues under control of OIB	63% (31/03/2015)	100%
Percentage of Authorising Officer by Sub-Delegation reports received	97 % (31/03/2015)	100%

Given that no significant issue was reported, the reports from OIB Authorising Officers by Sub-Delegation in 2014 contribute to reinforce the assurance of OIB management.

High-level exception / non-compliance reporting

Compared to 2013, the number of exceptions and non-compliance events validated throughout 2014 decreased by 25%.

During the reporting year, the majority of exception and non-compliance cases introduced (59%) were linked to the lack of anticipation in establishing legal and budgetary commitments. The main cases corresponded to the regularisations under usufruct contract for Orban building and contracts providing for the intermediate staff in child-minding facilities, the maintenance of louvers in Berlaymont, and the execution of specific technical works.

Because OIB provides a wide range of operational services via external contractors, in some instances in order to assure the continuity of its operations, OIB Authorising Officer has to approve also exceptional measures: changes to the contract thresholds and/or extension of the services rendered by existing contracts, when new contracts are not yet available (e.g. cleaning services, maintenance of lifts, teleprocessing, repair of kitchen equipment, transport of parcels and publications).

In order to register and document such instances of overriding of controls or deviations from established processes and procedures, and to ensure they are justified and duly validated by the Authorising Officer before any action is taken, OIB follows a procedure on exceptions and non-compliance requests which ensures that all cases are duly registered, approved and brought to the attention of concerned actors as required by Internal Control Standard 8 (Processes and Procedures). The recently upgraded IT application (online register of exceptions) facilitates the validation, tracking, the follow-up and reporting of exceptions and non-compliance requests. Reporting thereon is done at least twice a year.

Appropriate corrective measures are put in place on a regular basis to mitigate these risks and regular checks are conducted. None of these exceptions were considered to have a negative impact on the assurance of the Office.

Risk management

Risk management, as part of the SPP⁴⁰ cycle, is a continuous and systematic process in OIB for identifying and managing risks in line with the accepted risk level. Risk management exercises are conducted within OIB at least once a year in the context of the Management Plan. OIB's Risk Register provides a clear and structured list of risks (per category) that can affect its activities. Many of them are inherent risks resulting from the operational nature of the activities (some of them cannot be avoided without discontinuing the related activities).

Further to the in-depth revision of risks conducted at the end of 2013, a review of OIB risk register was performed in autumn 2014 in the context of the preparation of the 2015 Management Plan. The updated risk register contains 19 risks, one of them being classified as critical (the general safety risk of buildings, equipment and operating activities). The majority of defined mitigating measures are already in place or advanced in their implementation.

All the identified risks, with a special focus on the critical risk, being properly mitigated and managed, the OIB risk assessment process is effective and reinforces the assurance of the Office.

Accounting controls

The accounting control program of OIB consists of different types of controls (reconciliation, imputation control,...) on expenses, assets, bank guarantees, recovery orders and other miscellaneous operations. The accounting controls also provide assurance as to the accuracy of the financial transaction processing.

This accounting control program ("accounting quality action plan") is prepared at the beginning of the year and covers the whole year. It is based on the template proposed by DG BUDG but adapted to the specificity of OIB. In the same time, the results of the accounting control program performed during the finalized exercise are summarized in a report. Both documents are validated by OIB Director and transmitted to the Accounting Officer of the Commission.

In 2014, the accounting controls were carried out according to the accounting control program of the year and showed that the quality of OIB's accounts remains at a high level.

The accounting control and the "cut-off" exercise have been positively assessed by DG BUDG. The improved collaboration set up in 2013 between the operational units and the accounting team

⁴⁰ Strategic Planning and Programming

regarding the inventory management was pursued in 2014 and various workshops for the operational units, regarding the cut-off exercise and the fixed assets management, took place.

In conclusion, the analysis of the above mentioned control results, the assessment of the weaknesses identified and their relative impact on the legality and regularity have not unveiled any significant weakness which could have a material impact as regards the legality and regularity of the financial operations in OIB. Consequently, OIB Management can conclude that the control objective as regards legality and regularity has been achieved.

Control efficiency and cost-effectiveness

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

OIB has analysed the costs and benefits of the three main control processes, i.e. procurement procedures, financial transactions (ex-ante) and ex-post controls. However, since a quantitative estimation of all errors prevented and detected is not available (cost of non-quality), it is not possible to quantify the related benefits, other than the amounts recovered as a result of these controls (see annex 3 table 8). In consequence, it is not possible to fully determine the cost-effectiveness of controls.

The subsequent cost estimates are based on the overall cost of an official or contractual agent, estimated by the Commission, and includes a full cost approach (direct costs + indirect costs + overheads).

For **procurement**, an estimated €2,8M was invested in controlling procurement procedures for a total value of €378 M. Thus 0.7% of the total contract value was dedicated to controls. The average time to procure in 2014 was 143 days. The procurement procedures are to a large extent a regulatory requirement which cannot be curtailed. Although the related "quantifiable" benefits are difficult to measure, there are important "unquantifiable" benefits, such as the "best value for money", the compliance with the Financial Regulation (and its Rules of Application) and a certain deterrent effect (otherwise the activity could become erroneous in fraud and/or corruption). In fact, OIB's public procurement controls ensure that the procurement procedures and payment transactions arrive 'correct' for the signing of the Authorising Officer by (Sub)Delegation. OIB considers therefore that the necessity of these controls is undeniable, as a significant proportion of the appropriations would be at risk in case they would not be in place (see risks outlined in annex 5). In addition, the absence of negative opinions from GAMA reviews of procurement procedures contributes to ensure that procurement controls are efficient.

For transactions of the **financial circuits**, an estimated €5.1M was invested in controlling financial transactions worth approximately €422M⁴¹. Thus 1.2% of the total amount of financial transactions carried out during the year was dedicated to controls. Payment delays have been strongly reduced in 2014 to 2 %, corresponding to an amount of interests paid of around €2k, which is a very good result compared to the 20% for the Commission average. The average time to pay in 2014 was 25 days.

For supervisory measures (**ex-post controls**), an estimated €240k were invested in controlling 115 financial transactions worth approximately €310M. Thus 0.1% of the total value of transactions checked ex post was dedicated to controls.

⁴¹ This amount corresponds to the sum of payments (€385,31 M - annex 3 table 2) and recovery orders (€36,66 M – annex 3 table 7).

Overall, in 2014 OIB dedicated an estimated total of €8,2M to controls, corresponding to an overall cost of control of 1.9% of the total expenditure executed during the year.

Other benefits are: the improvement of systems and the fact that public procurement (for procedures above €60 k), payment and ex-post control are centralized in OIB, which helps to increase the know-how, to bring economies of scale and to reduce the risks.

<i>Control efficiency indicators</i>	<i>2013</i>	<i>2014 (*)</i>
- Procurement stage	0.6%	0.7%
- Financial transactions stage	1%	1.2%
- Supervisory measures stage	0.2%	0.1%
- Overall ⁴²	1.7%	1.9%

(*) 2014 figures include an allocation of overhead costs, which was not the case in 2013.

To reach a firm conclusion on the relative efficiency of the controls in OIB, it is necessary to analyse the evolution of these indicators over time and/or to compare them with relevant benchmarks. This is not yet possible as this is only the second year Commission services have calculated and reported these indicators. However, given the above mentioned quantified and non-quantified elements and the fact that these results are in line with the corresponding figures of the previous year, OIB Management considers its controls to be as efficient as reasonably possible.

Fraud prevention and detection

OIB has developed its anti-fraud strategy as foreseen in the Commission's overall anti-fraud strategy⁴³. All except one resulting measures have been fully implemented by the end of 2013. The last pending action (the update of OIB guidelines on Ethics & Integrity) was performed in 2014 and has now been published on a new dedicated ethics page on OIB intranet. A didactic booklet of these new OIB guidelines on Ethics & Integrity has also been distributed among staff at the end of 2014.

Fraud risks are clearly identified in OIB risk register (in a specific dedicated category) and are reviewed as part of the yearly risk assessment exercise. Additional mitigating measures are decided if needed.

During the year 2014, no indications of fraud have been detected in OIB and no case was raised to OLAF or IDOC. Additionally, in the past five years, no new investigation regarding OIB has been opened by OLAF. A larger set of other anti-fraud indicators is available in annex 10.1. Consequently, OIB management concludes that the risk of fraud in OIB is reasonably well mitigated, what reinforces the assurance as to the achievement of the internal control objectives.

Control effectiveness regarding the safeguarding of assets

Due to the nature of its activities, OIB manages a significant inventory of fixed assets and therefore the safeguarding of these assets is an important control objective for the Office.

The subsequent risk of having assets stolen or lost has also been clearly identified for several years in the OIB risk register and appropriate mitigating actions are in place.

⁴² The overall indicator does not correspond to the sum of the three indicators above as the denominator of each indicator is based on the value of the corresponding transactions and is therefore different from one indicator to another. The denominator of the overall indicator is the total value of financial transactions (payments + revenues) during the year.

⁴³ COM(2011) 376 of 24.06.2011.

Different improving measures regarding the inventory management were implemented during the previous years. Since 2013, a closer collaboration between the accounting team and the operational units has allowed a better follow-up and easier reconciliation between the accounting inventory and the physical inventory. A new three-year tracking exercise has been launched in 2014 with a tracking rate objective of 93-95% by the end of 2016 (compared to the result of 85% for the previous three-year tracking exercise finalized at the end of 2013).

In 2014, the improving measures put in place over the previous years allowed to turn up and reactivate different assets, resulting in an accounting profit of € 79k at the end of 2014 (coming from impairments of 0.5% in 2011, 0.3% in 2012 and 0.1% in 2013 of the net book value of the relevant assets over a period of 8 years).

Other controls relate to the control of entry passes (together with DG HR.DS) which has been reinforced since 2013, in particular for contractors and sub-contractors and the security cable locking any IT hardware.

Given the strong improvements observed since 2011 and the measures in place to reach a 100% tracking rate in the future, OIB Management considers that the control objective is achieved as no significant issue with a material impact was encountered during the reporting year.

2.2 Budget implementation tasks entrusted to other DGs and entities.

This section reports and assesses the elements that support the assurance on the achievement of the internal control objectives as regards the results of OIB's supervisory controls on the budget implementation tasks carried out by other Commission services. For OIB, it relates only to credits cross-sub-delegated to other DGs and Offices.

In 2014, OIB has cross-sub-delegated the following credits according to the Internal Rules and cross-sub-delegations in place: € 60,16 M to PMO for salaries of statutory staff, for missions and for the reimbursement of season tickets, € 2,8 M to DG DIGIT for IT support, software and telecommunications, € 1,3 M to DG HR for security, health & safety matters and for the recruitment of external staff for OIB and € 152 k to DG COMM for the Task force Greece.

As no control issues were reported by the Authorising Officers from any of the concerned DG/Services nor audit findings affecting this sub-delegation, OIB Authorizing Officer by Delegation can rely on the internal control systems of the concerned DG/Services taking into account that the budget cross-sub-delegated to another Commission AOD has been managed under the same Commission rules.

As required in the cross-sub-delegation agreements, OIB received assurance reports on the use of these appropriations from the corresponding DGs/Services (DG HR, PMO and DG COMM). In their report, none of the AOD communicated any event, control result or issue which could have a material impact on assurance.

Therefore, OIB AOD can conclude that there are no control weaknesses affecting the assurance building around the 5 internal control objectives (legality & regularity, sound financial management, anti-fraud, true & fair view and safeguarding of assets and information) for these credits cross-sub-delegated.

Annex 10.2 to this report provides the full list of credits cross-sub-delegated by OIB to other Commission Authorising Officers.

2.3 Assessment of audit results and follow up of audit recommendations

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

In 2014, the European Court of Auditors (ECA) performed a review of OIB activities in the context of DAS 2014 and of DAS 2013. On the other hand, 1 IAC audit and 1 DG BUDG evaluation as well as 2 follow-up audits were carried out during the year. All the audit results confirmed the effectiveness of OIB internal control system in the areas of the management of internal mail, the local systems, the property projects and the management of procurement contracts. The two follow-up audits carried out by IAS and IAC also confirmed the good implementation of the audit recommendations.

European Court of Auditors (ECA)

In the context of DAS 2013 (during the first half of 2014), the European Court of Auditors (ECA) reviewed 5 transactions (payments) and 4 procurement procedures of OIB. For all these transactions, OIB provided supplementary information / documents (contracts, invoices, delegations, tender documentation, etc.) requested by the Court. Although the Court did not identify any serious weakness in OIB, the Court made one observation regarding the lack of evidence on the discount rate used in the estimation of financial leases for some buildings managed by OIB. Considering that the building lease contracts discussed in this finding date from the year 2000 and earlier and that different correcting measures have been implemented since then as a result of an audit on the same issue carried out by ECA and IAS in 2007, the management of the Office considers that the observation has no material impact on the level of assurance.

In the context of DAS 2014, the Court reviewed 6 transactions (payments). OIB replied to all questions and additional requests for information from the Court. At the end of March 2015, the final report from the Court had not been received yet but no significant issue was raised.

Regarding the 2012 discharge, no observation regarding OIB's activities was made (no significant remark from ECA has been received since 2006).

IAS / IAC⁴⁴ / DG BUDG audits and follow-up audits

During the year 2014, IAC carried out one new audit on the 'management of central mail' in OIB. The final report was delivered in December 2014 and identified different improvement areas. OIB was addressed 12 recommendations. None of them was very important or critical. An action plan in order to address these recommendations has been established.

IAC also performed during 2014 the follow-up of the 'property projects' audit carried out in 2011: IAC audit conclusions confirmed the improvements made and assessed all recommendations addressed to OIB as being adequately and effectively implemented.

Based on the results of these audits, IAC believes that "the internal control system in place in OIB provides reasonable assurance regarding the achievement of the business objectives set up for the processes audited".

In the meantime, IAS only realized one follow-up audit at OIB in 2014: the (second) follow-up of the audit on the 'management of procurement contracts' realized in 2011. IAS audit conclusions confirmed the improvements already observed in 2013 and closed the last outstanding recommendation.

⁴⁴ OIB does not have a dedicated Internal Audit Capability (IAC) but is supported by the IAC of DG HR.

Based on the results of this follow-up audit, IAS did not identify any major issue in OIB's internal control system.

In the second part of 2014, DG BUDG also launched an evaluation of OIB local systems. The draft report was received in February 2015 and the final report is expected by mid-2015. Three recommendations have been issued to OIB but none of them are critical or very important. These recommendations will be addressed via an appropriately established action plan.

As regards the implementation of the recommendations from previous years, at the end of 2014, 61% of all accepted recommendations managed by OIB were closed and 9 recommendations were still in progress of being implemented, none of them being assessed as critical or very important. The two very important recommendations still delayed at the end of 2013 have been implemented in the course of 2014.

A table featuring the current state of play incorporating new audits / follow-up audits carried out in 2014 by IAS/IAC can be found in Annex 10.3.

As a result of the assessment of the risks underlying the auditors' observations together with the management measures taken in response, OIB management concludes that none of the new or pending recommendations raises an assurance issue. OIB will however continue its efforts to implement the action plans resulting from the audit recommendations and to take measures to mitigate the issues raised, as part of the on-going effort of continuous improvement.

3. ASSESSMENT OF THE EFFECTIVENESS OF THE INTERNAL CONTROL SYSTEMS

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

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

Internal Control Standard 15 requires that a review of the internal control system takes place at least once a year. In this context, the compliance and effectiveness of OIB internal control system were assessed in autumn 2014 (in the preparation of the 2015 Management Plan), through different sources:

- A desk review consisting of exchanges of information and documents and meetings with the different people closely involved in the implementation of the standards;
- Two online questionnaires built around the 16 ICS were addressed to OIB Management and to a representative sample of staff, in order to assess the effectiveness of OIB internal control system. The participation rate was very high (97% for the management and 75% for the staff) and around 150 participants completed the questionnaire;
- The relevant audit results, exceptions and non-compliances cases registered as well as the results of the risk assessment and other concrete indicators and analysis.

Prioritized Internal Control Standards for the reporting year

Based on the results of the review of the compliance and effectiveness of OIB internal control system, realized in the last quarter of 2013, OIB Management decided to prioritise ICS 3 ("Staff allocation and mobility") and ICS 7 ("Operational structure") in the 2014 Management Plan. Although these standards were assessed as effectively implemented and compliant with the requirements, various actions needed to be taken, in particular in the field of communication related to the long-term staff rationalization plan and in the implementation of the new Staff Regulations.

ICS 3 "Staff allocation and mobility"

In the context of the implementation of the new Staff Regulations and ongoing reductions in posts for the period 2012-2017 and the possible impact of these measures, OIB decided to prioritise this standard in 2014, although already considered as effectively implemented. The main actions implemented in the course of 2014 are:

- OIB has set up a system whereby posts becoming vacant as a result of mobility, retirement, invalidity etc. are not filled but are frozen in order to provide a reserve of posts from which to apply the staff cuts. Remaining posts are re-allocated as rapidly as possible to priority activities of the Office;
- OIB has continued to endeavour to fill vacant posts as soon as possible to ensure that staff mobility does not have negative impacts on the smooth running of the Office (vacancy rate at the end of the year 2014 was less than 3%) and particular steps have been taken to facilitate mobility for contract agent staff whose mobility prospects are limited by their contractual situation;
- Presentations on the revision of the Staff Regulations were given for management and for the members of the OIB HR network (to enable them to answer questions from staff) and for all staff on the specific changes to leave and working time.

All these measures better mitigate the risks linked to the long-term staff rationalization plan, but the ICS survey performed in October 2014 showed that some issues related to staff allocation,

recruitment or workload affect the performance of some sectors, units or departments and require particular attention. For this reason, it was decided that ICS 3 would be prioritised again in 2015.

ICS 7 "Operational Structure"

In the context of the IT governance policy of the Commission, and to ensure compliance with the Information Systems Security Policy, OIB decided to prioritise this standard in 2014. The actions performed consisted first in the development of OIB specific IT risk assessment guidance and then in the realisation of an IT risk assessment for all relevant computer supported OIB Information Systems. Information Security responsibilities have also been added to the job descriptions and process established to keep them up to date.

Given the improvement actions carried out in 2014, this standard is assessed as effectively implemented and compliant in OIB and will no longer be prioritized in 2015.

General risk environment

The main inherent risks for OIB relate to business continuity in case of disaster or major incident in Commission buildings, safety risks of buildings, equipments and operating activities, inherent risks related to the organisation of procurement activities (ethics, tender processes, high number of contractualized activities, etc.) and the potential impact that the freeze of contractual staff and staff cuts will have on the continuity of service. These risks have been mitigated and reduced to an acceptable level since several years and are followed up on a continuous basis.

But given the context of the staff reduction (2012/2017) and the subsequent risks and potential impact on the performance of the Office, OIB management decided to keep ICS 3 "Staff allocation and mobility" prioritised in the 2015 Management Plan, although already effectively implemented in OIB and compliant with the requirements. No other ICS was prioritized for 2015. A summary table of the results of OIB management's assessment on the effective implementation of the different internal control standards is presented in annex 10.4.

Conclusion

Concerning the overall state of the internal control system, OIB complies with the three assessment criteria for effectiveness; i.e. (a) staff has the required knowledge and skills, (b) systems and procedures are designed and implemented to manage the key risks effectively, and (c) no instances of ineffective controls exposing the Office to its key risks has been observed. This statement was confirmed by the results of the compliance and effectiveness review of the internal control system carried out at the end of 2014, namely:

- No significant issue was pointed out by the European Court of Auditors nor by IAS or IAC in their audit reports;
- Appropriate measures were taken to mitigate the risks identified in the 2014 risk assessment exercise;
- Issues raised in audits, AOSD reports, ex-post controls, risk-assessment, exceptions and litigations are addressed by an appropriate action plan and followed-up on a regular basis. None of these issues was assessed as significant ;
- There were no major event impacting the functioning of OIB's control system in 2014;
- All ICS have been assessed as being compliant and effectively implemented (including the two standards prioritized for the year 2014, for which various improving actions have been taken);
- The document management reports and surveys produced by Secretariat General showed very positive results for OIB;
 - Sensitive functions (ICS 7 "Operational Structure") continue to be closely monitored in OIB through regular reporting to senior management and monthly follow-up with the units in order to ensure smooth management of these functions. Although the number of sensitive functions in OIB is higher than Commission average (at the end of 2014, 9,1% in

OIB vs. 4,8% in the Commission), it is relatively low considering the nature of activities carried out and the use of outsourcing (which generates sensitive posts in procurement, ordering, reception and payment). In 2014, OIB Head of Service granted derogation to allow a few middle managers to remain in a sensitive function beyond five years (in the field of budget management). However, these derogations were accompanied with the implementation of mitigating measures in order to reduce the residual risk. Regarding other posts subject to mandatory staff mobility due to their sensitivity, measures were taken (removal of sensitive tasks or internal or external mobility) to address them. In 2015, OIB will review its guidelines regarding sensitive functions and will adapt some procedures in order to better identify the functions which are really sensitive.

In conclusion, the internal control standards are effectively implemented in OIB. Further enhancing the effectiveness of control arrangements in place, by inter alia taking into account any control weaknesses reported and exceptions recorded, is an on-going effort in OIB in line with the principle of continuous improvement of management procedures.

4. MANAGEMENT ASSURANCE

This section reviews the assessment of the elements reported in Parts 2 and 3 and draws conclusions supporting the declaration of assurance and namely whether it should be qualified with reservations.

4.1 Review of the elements supporting assurance

The information reported in Parts 2 and 3 stems from the results of management and auditor monitoring contained in the reports listed. These reports result from a systematic analysis of the evidence available. This approach provides sufficient guarantees as to the completeness and reliability of the information reported and results in a complete coverage of the budget delegated to the Head of Service of OIB. It also provides a reasonable assurance as to the achievement of the different control objectives (true and fair view, resources used for the intended purpose, sound financial management, legality and regularity, non-omission of significant information as well as the efficiency of controls, the prevention and detection of fraud, and the safeguarding of assets) for both expenditure and revenue operations. The results of these controls and analyses are the following:

- Management reporting is widely present in OIB and allows ensuring that the objectives are properly followed up and that Management is aware of any potential significant issue;
- All procurement procedures reviewed by GAMA received a positive feedback;
- The intrinsic risk for administrative expenditure managed by OIB including procurement is relatively low because of the centralised and direct mode of budget implementation. The underlying risks are effectively mitigated by means of controls;
- The delays of payment have been reduced to a new lower limit in 2014 (much lower than the EC average) and nearly all recovery orders issued in 2014 have been cashed in;
- Ex-post controls are based on a representative sample and ensure a proper coverage of the different types of transactions performed by OIB; their conclusions did not reveal any issue of significant financial impact;
- The authorising officers by sub-delegation (AOSD) provide regular reports to the Head of Service covering the results of operations, the achievement of the objectives, the associated risks, the use made of assigned resources as well as the problems that can have a financial impact on activities; a systematic follow-up of these issues is ensured with the assistance of the management; no significant issues were reported in 2014;
- All the exceptions are monitored and registered in the exception register and none of them has a significant impact on the assurance of the Office; appropriate corrective measures were put in place to mitigate these risks and regular checks are conducted;
- All the identified risks, with a special focus on the critical risk, are properly mitigated and managed and the risk assessment process is effective;
- The quality of OIB's accounts remained at a high level in 2014;
- On the basis of the available quantified and non-quantified elements, the set of controls in place in OIB can be considered as reasonably efficient;
- The risk of fraud is reasonably well mitigated: the implementation of OIB anti-fraud strategy was finalized in 2014. No indication of fraud was detected and the Head of Service did not have to transmit any case to OLAF or IDOC. No new investigation regarding OIB has been opened by OLAF in the past five years;
- Different controls are in place to ensure the safeguarding of assets and no significant issue was encountered during the year;

- Reasonable assurance was provided by the relevant authorising officers in all cases of cross-sub delegations made by OIB to other DGs/Services;
- The audits performed by the European Court of Auditors, IAC and IAS in 2014 did not raise any significant weakness;
- Regular follow-up and reporting on the action plans resulting from audit recommendations is carried out in OIB to ensure timely implementation; as a result there is no overdue critical nor very important recommendation at the end of 2014;
- OIB internal control system provides reasonable assurance: it has been assessed as being compliant with all requirements of the internal control standards and, in its entirety, effective. And permanent effort is made to ensure its continuous improvement.

In light of the elements mentioned above and according to the materiality criteria presented in annex 4, OIB's Authorised Officer by Delegation can confirm that:

→ None of the identified weaknesses is significant in **qualitative** terms:

Some derogations/exceptions were reported in the procurement and financial management processes, stemming from a need to ensure the continuity of service. However, none of them are assessed as significant and are mainly related to:

- overstepping of the award decision thresholds of contracts providing for building maintenance;
- overstepping of contractual deadline for different supplies and services before the conclusion of a new contract;
- Insufficient anticipation in establishing legal and budgetary commitments.

In order to reduce these weaknesses, mitigating measures have been put in place, especially in terms of planning, reporting and communication.

Additionally:

- No significant occurrence of errors was observed in the underlying transactions;
- No weakness has been identified regarding the non-compliance with internal control standards;
- Besides the ex-post controls and audits, OIB's exception register, AOSD reports and supervision tools ensure an extensive coverage of the Office activities;
- No critical or very important recommendation was issued in 2014 by the Internal Audit Service and the Internal Audit Capacity. And the Court of Auditors did not identify any serious weakness in OIB's activities.

→ None of the identified weaknesses is significant in **quantitative** terms:

No major error with financial impact was raised by the ex-post controls and audit bodies. The quantified value of errors in payment can therefore be estimated to be close to 0% (<2%).

→ No major event likely to negatively impact the Commission's or OIB's reputation occurred in 2014.

In conclusion, the information provided in this annual activity report covers the entire budget of OIB, is complete and reliable and OIB 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 whenever needed. The OIB Head of Service, in his capacity as Authorising Officer by Delegation has signed the Declaration of Assurance.

4.2 Overall conclusion on assurance

Taking into account the conclusions of the review of the elements supporting assurance, it is possible to conclude that the internal control systems implemented by OIB provide sufficient assurance to adequately manage the risks relating to the legality and regularity of the underlying transactions. Furthermore, it is also possible to conclude that the internal control systems provide sufficient assurance with regards to the achievement of the other internal control objectives. Therefore, there is no reservation for 2014 and the OIB Head of Service has signed the declaration of assurance.

In view of the control results and all other relevant information available, the AOD's best estimation of the risks relating to the legality and regularity for the expenditure authorised during the reporting year is around 0% (no serious error detected), which implies an amount at risk estimated to zero for 2014. However, the internal control strategy in place foresees the implementation of further controls during subsequent years, resulting in the detection and correction of some amounts. These corrective efforts since 2009 have shown on average residual financial corrections⁴⁵ of around € 185k per year or 0.05% of the average payments over the same period.

⁴⁵ These corrections relate to recoveries or credit notes further to administrative errors (invoice, payment,...).

DECLARATION OF ASSURANCE

I, the undersigned,

Executive Director of OIB

In my capacity as authorising officer by delegation

Declare that the information contained in this report gives a true and fair view⁴⁶.

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 capability, the observations 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, March 31st, 2015

"Signed"

Marc Mouligneau

⁴⁶ True and fair in this context means a reliable, complete and correct view on the state of affairs in the service.