



2015

Annual Activity Report

**European Personnel
Selection Office
(EPSO)**

&

**European School
of Administration
(EUSA)**



Table of Contents

INTRODUCTION	1
EPSO IN BRIEF	1
EXECUTIVE SUMMARY	2
A) POLICY HIGHLIGHTS OF THE YEAR (EXECUTIVE SUMMARY OF SECTION 1)	2
B) KEY PERFORMANCE INDICATORS (5 KPIS)	5
C) KEY CONCLUSIONS ON MANAGEMENT AND INTERNAL CONTROL (EXECUTIVE SUMMARY OF SECTION 2)	6
D) INFORMATION TO THE COMMISSIONER	6
1. KEY RESULTS AND PROGRESS TOWARDS THE ACHIEVEMENT OF EPSO'S SPECIFIC OBJECTIVES	7
1.1 SELECTION OF HIGHLY QUALIFIED STAFF: SUFFICIENT NUMBER OF SUITABLY QUALIFIED CANDIDATES DELIVERED WITHIN THE DEADLINES FORESEEN.	7
1.2 EVALUATION OF LINGUISTIC ABILITIES: TIMELY DELIVERY OF TEST AND ASSESSMENTS OF DIPLOMAS AND CERTIFICATES.	12
1.3 CONTRIBUTE TO THE RUNNING OF THE CERTIFICATION PROCEDURE: TIMELY DELIVERY OF CERTIFICATION EXAMS.	14
1.4 SPECIFIC EFFORTS TO IMPROVE 'ECONOMY' AND 'EFFICIENCY' OF EPSO ACTIVITIES	14
2. MANAGEMENT AND INTERNAL CONTROL	16
2.1 CONTROL RESULTS	16
2.2 AUDIT OBSERVATIONS AND RECOMMENDATIONS	22
2.3 ASSESSMENT OF THE EFFECTIVENESS OF THE INTERNAL CONTROL SYSTEMS.....	23
2.4 CONCLUSIONS AS REGARDS ASSURANCE	24
3. DECLARATION OF ASSURANCE	26

Table of Contents

INTRODUCTION	1
EUSA IN BRIEF.	1
EXECUTIVE SUMMARY	2
A) POLICY HIGHLIGHTS OF THE YEAR (EXECUTIVE SUMMARY OF SECTION 1).....	2
B) KEY PERFORMANCE INDICATORS (5 KPIS)	3
C) KEY CONCLUSIONS ON MANAGEMENT AND INTERNAL CONTROL (EXECUTIVE SUMMARY OF SECTION 2)	4
D) INFORMATION TO THE COMMISSIONER	5
1. KEY RESULTS AND PROGRESS TOWARDS THE ACHIEVEMENT OF EUSA'S SPECIFIC OBJECTIVES	6
1.1 MANAGEMENT TRAINING	6
1.2 TRAINING FOR NEW STAFF	8
1.3 "KEY SKILLS"	10
1.4 SEMINARS AND CONFERENCES	11
1.5 CERTIFICATION TRAINING AND EXAMINATIONS	12
1.6 SPECIFIC REQUESTS FOR ASSISTANCE OR TAILOR-MADE TRAINING PROGRAMMES	14
1.7 PROGRAMMES BRINGING TOGETHER STAFF OF THE INSTITUTIONS AND NATIONAL ADMINISTRATIONS	15
2. MANAGEMENT AND INTERNAL CONTROL	16
2.1 CONTROL RESULTS.....	16
2.2 AUDIT OBSERVATIONS AND RECOMMENDATIONS	16
2.3 ASSESSMENT OF THE EFFECTIVENESS OF THE INTERNAL CONTROL SYSTEMS.....	16
2.4 CONCLUSIONS AS REGARDS ASSURANCE	17
3. DECLARATION OF ASSURANCE	18

INTRODUCTION

EPSO in brief

A 21st Century Selection Office for the EU Institutions

The European Personnel Selection Office is an inter-institutional office, which was created on 26th July 2002 and became operational as of 1st of January 2003. Its mission is to serve the EU institutions by providing high quality, efficient and effective selection procedures that enable them to recruit the right person, for the right job, at the right time.

During the period 2016-2020, EPSO will fulfil its mission of serving the EU Institutions by means of continued focus on achieving its ambitious vision. This vision – which has an over-arching aim of making EPSO "the best at selecting the best" – is composed of three pillars:

To help provide a European Civil Service that is of the highest quality and representative of the diversity of the European citizens it serves

- To be the best international public sector selection service through a process of continuous improvement, based on best practice and international standards and developments in selection policy and practice;
- To evolve into the leading centre of expertise and excellence to support the European Institutions' broader HR and talent management strategies;
- To help provide a European Civil Service that is of the highest quality and representative of the diversity of the European citizens it serves.

The EU Institutions - whose greatest asset by far is their human capital - are experiencing the retirement of a generation of experienced and expert staff over the course of this decade and will have to compete successfully in an ever-sharper European and global 'war for talent', in order to attract and select the brightest and best from current and future generations. President Juncker has stated that "*The Commission should be a strong political, transparent, result-oriented and accountable institution, which effectively and efficiently manages and protects its assets and resources and attracts and manages the best talent*". He highlighted the importance of meeting this challenge, in particular by maintaining high standards in recruitment, developing a corporate talent management policy and further rationalising working methods, in order to achieve efficiency and effectiveness gains – all of this in the context of continuing pressure to reduce cost and deliver greater value for money.

In 2015, EPSO handled a budget of around €27.6M (entirely under Heading V – Administrative Expenditure), which also included the budget of the European School of Administration (EUSA) of approximately €6.5M. EPSO has several important framework contracts in place, the most significant of which relate to Computer-Based Testing and test development.

The rules regarding the organisation and operation of EPSO state that the Management Board is its highest decision-making body. The Director of EPSO is responsible for the overall internal control system and the design, implementation and monitoring of the internal control measures applied in EPSO. EPSO forms part of the portfolio of responsibilities of the Commission Vice-President, responsible for Budget and Human Resources.

EXECUTIVE SUMMARY

The Annual Activity Report is a management report of the European Personnel Selection Office 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.

a) Policy highlights of the year (Executive Summary of section 1)

In 2015, EPSO delivered 48 reserve lists in the context of Open Competitions, producing 1,636 laureates and reaching 98% of its cumulative published target figures. The Office also completed 3 Contract Agent selections for specialist' profiles and launched the permanent selection process for two generalist profiles (producing respectively 597 and 557 successful candidates). In

1636 laureates
1154 successful CAST candidates
402 third language tests

addition, EPSO organised the first AST-SC competition which is the largest ever single competition organised to date in terms of laureates. The year 2015 was marked by a significant increase in workload compared to 2014 in terms of the number of competitions and candidates tested, despite reduced resources. In parallel, EPSO evaluated 719 diplomas and organised 402 language tests in the framework of the assessment of third language skills, as well as contributing to the successful completion of the Certification exercise in which 133 AST Officials were tested on their suitability for appointment to the AD function group. In addition to successfully coping with heavy workloads and meeting ambitious targets, EPSO continued to work towards its five strategic goals, which reflect the significant process made so far and the challenges set at political level:

- Engaging with candidates

Engaging with candidates
Adapting and improving selection methods
Improving the recruitment process
Improving organisational and cost-effectiveness
Contributing to the development of the EU Institutions' HR policy & practice

In 2015, EPSO pursued its employer-branding strategy, promoting the image of the EU civil service as an attractive career choice for Europe's brightest and best and consolidating this success to focus on better segmenting the employment market, implementing innovative strategies to attract the right people. The external reputation of the EU Careers brand established in 2010 has continued to grow. In 2015 the EU Careers brand was ranked 15th in the largest graduate employer survey in Europe (Trendence) and the EU Careers brand won the prestigious Randstad award for the best employee in Belgium, taking 3 of the top 4 places.

Along with the Member States concerned, EPSO continued to target applicants from those countries which have been under-represented in the candidate pool to date. This was done through activities such as the EU Careers challenge project and the expansion of the EU Careers Student Ambassadors programme across the EU.

EPSO applies an equal opportunities policy and takes all necessary measures to ensure equal treatment of all candidates. Throughout 2015 EPSO worked hard on its diversity policy, in particular with regard to making its selection processes even more accessible to those candidates requiring special conditions during the testing process (tests in braille, extra time, separate testing areas etc.). 90% of the candidates who benefitted from such special conditions in the context of the 2015 AD5-competition declared being satisfied, or very satisfied, with the arrangements made by EPSO.

Another focal point in 2015 was the comprehensive restructuring and simplifying of EPSO's candidate communication.

EPSO continues to attach great importance to the level of satisfaction expressed by candidates about their Assessment Centre experience. The electronic survey, which is sent to candidates having participated in an EPSO Assessment Centre, focuses on various aspects and there is a continuously high satisfaction rate of around 80%.

- Adapting and improving selection methods

In 2015, EPSO concentrated on implementing further measures to ensure high standards of performance management, fairness and consistency in the delivery of its tests. The Office also continued to introduce innovations in testing, such as the introduction of new practical tests for AST/SC competitions, a new E-tray test in the AD cycle which enables a higher number of candidates to go forward after pre-selection, and a new video-remote interview phase for specialists. Importantly, EPSO is now compliant with the international standard ISO 10667-1 (Assessment Service Delivery).

**E-trays
Video-remote
interviews
MS Office skills
Permanent CAST**

In addition to this, EPSO – in close cooperation with DG HR and the Executive Agencies - also successfully delivered a pilot of the new CAST Permanent system for the EU's executive agencies, which allows for continuous applications and shortlisting of candidates for testing and interview in parallel, resulting in huge efficiency gains and cost savings. This new system - developed with DG DIGIT - is part of EPSO's wider Talent Pool project and is designed to share the technological platform and common terminology of the other HR management (HRM) systems (e.g. Sysper).

Another successful innovation in 2015 was the launch of a pilot for the EPSO Academy, a training, development and accreditation scheme which is comprised of 20 AD officials and aims to create a pool of future Selection Board members, highly-trained in competency-based selection and evaluation.

- Improving the recruitment process

Throughout 2015, EPSO continued to actively engage with the Institutions in order to simplify and accelerate the time required to get laureates into employment. One of EPSO's major accomplishments in 2015 - with DIGIT - was the delivery of the new Recruiter Portal, which allows the Institutions to identify suitable laureates for vacant posts quickly and easily, also facilitating the exchange of data with the downstream systems for recruitment. This has led to major time and efficiency gains for hiring services across the Institutions.

- Improving organisational effectiveness

In line with its Business Process Reengineering strategy, EPSO has continued to document and streamline its processes - with the help of its newly created Quality Management Office - focusing upon improving key aspects of its procedures and management of selection through quality control measures and aligning business services and IT.

In addition, work has been ongoing to prepare and develop the remaining parts of the project to overhaul IT systems, notably the Candidate Portal and its back-office operating systems, in order to automate and simplify business processes and increase efficiency and effectiveness.

Internally, EPSO continued to increase its use of collaborative tools to include document processing, inter-institutional competition data-sharing and internal document revision. Use of such tools has increased EPSO's efficiency through collaborative working and knowledge management.

- Contributing to the development of the EU Institutions' HR policy and practice

EPSO's considerable achievements continue to gain recognition throughout the public sector at both national and international level. The Office continues to develop its Network of Experts in the field of Personnel Selection and Recruitment across the Member States and was encouraged once again by the ever-increasing level of participation at the twice-yearly Network meetings (held in 2015 in Copenhagen and Tallinn).

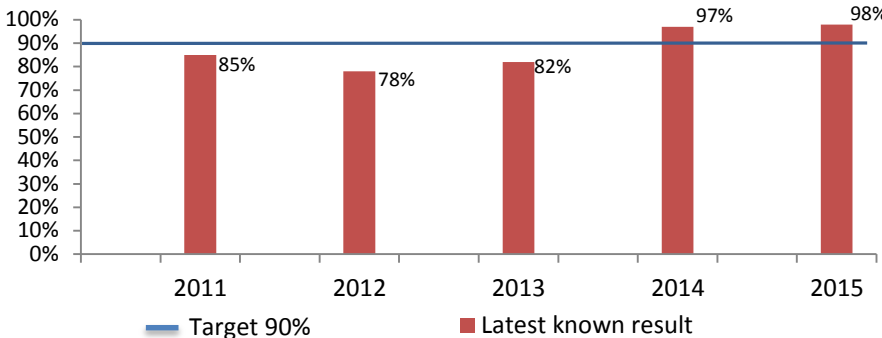
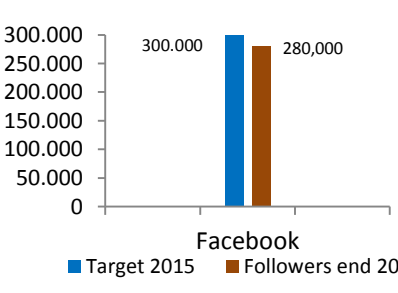
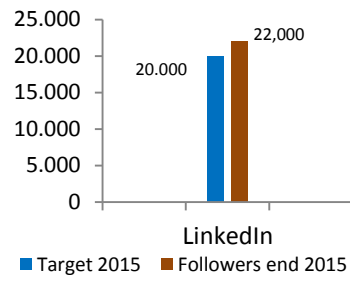
In its bid to offer a comprehensive selection of flexible and adaptive services, including expertise in the fields of assessment, selection, occupational psychology, psychometrics and employer branding, as well as support the implementation of talent management strategies in the EU Institutions, EPSO continued to develop its range of services and tests in 2015 and support the development of the corporate talent management policy as stipulated in the Vice President's mandate.

The main highlight of 2015 has been EPSO's ability to deal with a significant increase in the volume of work while continuing to deliver innovations and improvements in the service we provide. The Office has built on its achievements over the past year, fulfilling its mission to enable the EU Institutions to meet their challenges by being able to recruit high quality staff, helping to further improve the applicant experience and ensuring that the EU Institutions are capable of attracting the very best in a highly competitive market for top talent.

In September 2015, EPSO's operations encountered a major challenge with the outcome of the Judgements brought before the Court of Justice against the Commission by Italy and Spain concerning the use of languages in EPSO's selection procedures and other communications by the Commission. The immediate consequence was the decision to temporarily suspend publication of its selection procedures, in order to concentrate its efforts on delivering a revised linguistic regime to reflect the consequences of the judgements.

In response to these judgements, EPSO's Management Board held several meetings towards the end of 2015 and in early 2016, in order to consider the use of languages in EPSO selection procedures. In February 2016, the Board decided to establish a special Working Group to examine this and related issues. The Group is expected to report back by the end of June 2016. In the interim specialist competitions will go ahead in order to allow the Institutions meet urgent recruitment needs.

b) Key Performance Indicators (5 KPIs)

<p>1. Laureate delivery rate (proportion of laureates delivered as % of the total number of laureates requested by the Institutions).</p>	<p style="text-align: center;">Latest known result</p>  <table border="1"> <thead> <tr> <th>Year</th> <th>Latest known result</th> </tr> </thead> <tbody> <tr> <td>2011</td> <td>85%</td> </tr> <tr> <td>2012</td> <td>78%</td> </tr> <tr> <td>2013</td> <td>82%</td> </tr> <tr> <td>2014</td> <td>97%</td> </tr> <tr> <td>2015</td> <td>98%</td> </tr> </tbody> </table>	Year	Latest known result	2011	85%	2012	78%	2013	82%	2014	97%	2015	98%																				
Year	Latest known result																																
2011	85%																																
2012	78%																																
2013	82%																																
2014	97%																																
2015	98%																																
<p>2. Improved online presence of the EU Career brand, as measured by the number of views/visitors of the EU Careers brand and the number of followers on Facebook and LinkedIn.</p>	<div style="display: flex; justify-content: space-around;"> <div data-bbox="478 672 877 963">  <table border="1"> <thead> <tr> <th>Category</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>Target 2015</td> <td>300,000</td> </tr> <tr> <td>Followers end 2015</td> <td>280,000</td> </tr> </tbody> </table> </div> <div data-bbox="1005 672 1356 963">  <table border="1"> <thead> <tr> <th>Category</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>Target 2015</td> <td>20,000</td> </tr> <tr> <td>Followers end 2015</td> <td>22,000</td> </tr> </tbody> </table> </div> </div> <table border="1" data-bbox="491 1008 1423 1198"> <thead> <tr> <th>PAGE VIEWS</th> <th>2013</th> <th>2014</th> <th>2015</th> </tr> </thead> <tbody> <tr> <td>EU CAREERS BRAND</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Documentum</td> <td>15,493,026</td> <td>27,948,569</td> <td>33,689,769</td> </tr> <tr> <td>Wordpress</td> <td>4,011,770</td> <td>5,051,694</td> <td>5,164,496</td> </tr> <tr> <td>Total</td> <td>19,506,809</td> <td>33,002,277</td> <td>38,854,265</td> </tr> </tbody> </table>	Category	Value	Target 2015	300,000	Followers end 2015	280,000	Category	Value	Target 2015	20,000	Followers end 2015	22,000	PAGE VIEWS	2013	2014	2015	EU CAREERS BRAND				Documentum	15,493,026	27,948,569	33,689,769	Wordpress	4,011,770	5,051,694	5,164,496	Total	19,506,809	33,002,277	38,854,265
Category	Value																																
Target 2015	300,000																																
Followers end 2015	280,000																																
Category	Value																																
Target 2015	20,000																																
Followers end 2015	22,000																																
PAGE VIEWS	2013	2014	2015																														
EU CAREERS BRAND																																	
Documentum	15,493,026	27,948,569	33,689,769																														
Wordpress	4,011,770	5,051,694	5,164,496																														
Total	19,506,809	33,002,277	38,854,265																														
<p>3. Number of promotional activities organised by, or including the participation of EU Careers student Ambassadors in the Member States.</p>	<table border="1" data-bbox="550 1310 1404 1512"> <thead> <tr> <th>Year</th> <th>Nr of promotional activities</th> </tr> </thead> <tbody> <tr> <td>2013</td> <td>316 EU Careers student Ambassador events</td> </tr> <tr> <td>2014</td> <td>319 EU Careers student Ambassador events</td> </tr> <tr> <td>2015</td> <td>833 EU Careers student Ambassador events¹</td> </tr> </tbody> </table>	Year	Nr of promotional activities	2013	316 EU Careers student Ambassador events	2014	319 EU Careers student Ambassador events	2015	833 EU Careers student Ambassador events ¹																								
Year	Nr of promotional activities																																
2013	316 EU Careers student Ambassador events																																
2014	319 EU Careers student Ambassador events																																
2015	833 EU Careers student Ambassador events ¹																																

¹ Including 387 one-to-one sessions by EU Careers student Ambassadors, which were taken into account for the first time in 2015.

<p>4. Candidate satisfaction rate with EPSO's Assessment Centre.</p>	<table border="1"> <thead> <tr> <th>Year</th> <th>Satisfied/Very Satisfied (%)</th> <th>Very satisfied (%)</th> </tr> </thead> <tbody> <tr> <td>2012</td> <td>91%</td> <td>46%</td> </tr> <tr> <td>2013</td> <td>90%</td> <td>45%</td> </tr> <tr> <td>2014</td> <td>81%</td> <td>35%</td> </tr> <tr> <td>2015</td> <td>78%</td> <td>30%</td> </tr> </tbody> </table>	Year	Satisfied/Very Satisfied (%)	Very satisfied (%)	2012	91%	46%	2013	90%	45%	2014	81%	35%	2015	78%	30%
Year	Satisfied/Very Satisfied (%)	Very satisfied (%)														
2012	91%	46%														
2013	90%	45%														
2014	81%	35%														
2015	78%	30%														
<p>5. Number of critical/very important audit recommendations overdue for more than 6 months</p>	<p>2012 : 0 2013 : 0 2014 : 0 2015 : 0</p>															

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

In accordance with the governance statement of the European Commission, (the staff of) EPSO 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 principles, based on international good practice, aimed to ensure the achievement of policy and operational objectives. The financial regulation requires that the organisational structure and the internal control systems used for the implementation of the budget are set up in accordance with these standards. EPSO has assessed the internal control systems during the reporting year and has concluded that the internal control principles are implemented and function as intended. It has taken and will continue to take measures to further improve its compliance with internal control standard 3 'Staff allocation and mobility'. Please refer to AAR section 2.3 for further details.

In addition, EPSO 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 Section 2 for further details

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

d) Information to the Commissioner

The main elements of this report and assurance declaration have been brought to the attention of Vice-President Kristalina Georgieva, responsible for Budget and Human Resources.

1. KEY RESULTS AND PROGRESS TOWARDS THE ACHIEVEMENT OF EPSO'S SPECIFIC OBJECTIVES

1.1 Selection of highly qualified staff: sufficient number of suitably qualified candidates delivered within the deadlines foreseen.

Specific objective n°1: Highly qualified staff made available to all EU-Institutions by organising Open Competitions and selection procedures in an inter-Institutional context, covering thereby their needs.

The actions under this specific objective cover the full range of steps undertaken to complete the selection processes, from planning and publication of a Notice of Competition, or Call for Expression of Interest, to the publication of the list of successful candidates.

With regard to the Open Competitions organised by EPSO in 2015 aimed at selecting future officials, EPSO identified 1636 laureates, reaching 98% of its cumulative published target figures, the highest result ever. The target of 90% of the published target figures was reached for 40 out of 48 selection procedures concluded in 2015 (i.e. 83% of the total). For some competitions, the target of what was requested by the Institutions was in fact exceeded. Only for 8 open competitions (i.e. 17% of the total) was EPSO unable to deliver at least 90% of the requested number of laureates, despite sustained and targeted efforts to attract and select suitable candidates. The shortfall almost exclusively concerned competitions for linguistic profiles, such as translators and lawyer-linguists, as well as German and Croatian-speaking secretaries. In fact, all eight open competitions with a lower than expected laureate delivery rates were organised either for those profiles, or for highly specialised security agents at AST grade. Precise reasons for each shortfall were regularly investigated in close cooperation with EPSO's stakeholders, amongst them the linguistic departments and central HR units. One of the main reasons is undeniably the limited number of candidates on the labour market having both the right profile and the interest in a career in the EU Institutions. Some candidates are reluctant to move abroad, whether to Brussels, or to Luxembourg.

**1636 laureates
1154 successful
CAST candidates**

As far as Contract Agents were concerned, EPSO organised various in July 2015 selections for specialists in 2015, namely building managers, regional security staff and nursery nurses/childcare. Further to these selections, 597 successful candidates were made available for recruitment, corresponding to 205 % of the cumulative target figures.

Furthermore, EPSO published a permanent Call for Expression of Interest in July 2015 with no deadline for registration for 2 generalist priority profiles (finance and project management), in order to satisfy urgent recruitment needs of Executive Agencies. This Call follows the new permanent selection model already endorsed by EPSO's Management Board in 2014 and anticipated the roll-out of the full model by 6 months (for 8 priority generalist profiles in total). Under this Call, 790 candidates were tested at the request of recruiting services, subsequent to a pre-screening of the database which contained over 16.500 candidates by the end of 2015. Of those tested, 557 candidates (70.5%) were made available for immediate recruitment. This Call for expression of interest continued into 2016.

In this context, the restricted working group with representatives from all Institutions, set up and chaired by EPSO since 2014 to design and implement the new selection model for permanent testing of contract agents, continued its work throughout 2015. The successful delivery of the above-mentioned pilot project for Executive Agencies constituted a first operational step towards the roll-out of the full model, which the Institutions agreed to postpone in light of the need to take into account in particular the Court Ruling on the linguistic regime and the new Implementing Provisions for Contract agents. To this end, the special Working Group on the use of languages in EPSO selection procedures has been asked to consider the modalities for CAST Permanent as a priority.

Finally, EPSO also continued to provide the following support (with responsibilities limited to targeted aspects of the process) in the selection of Contract Agents to specific services/Institutions in 2015: the European Parliament in the field of security agents, OHIM for various administrative profiles (with the reopening of the related call and the publication of two additional profiles in the field of Intellectual Property in November 2015), and JRC with the setting-up of an Internet-based testing tool to allow testing of pre-selected candidates by recruiting services directly in their premises as of 2016.

Specific objective n°2: Appropriate candidate pools are available for each selection procedure

In the five years since the launch of the 'EU Careers' brand, EPSO has continued to build a positive employer image for the EU institutions both online and on campus. As a result, EPSO continued to rank highly in prestigious employer listings in 2015, including being named the number one employer in Belgium in the Randstad awards, coming in the top ten in some of its key markets (including France and Denmark), coming 15th Europe-wide in the Trendence business rankings and achieving its highest-ever entry at number 45 in the Times Top 100 UK graduate employers.

Trendence: n° 15
Times Top 100: n° 45

For the EU Careers student Ambassadors, the emphasis in 2015 was on consolidating their training needs and increasing the number of EU careers events on campuses. To this end, new elements were introduced to the yearly training session held in Brussels, such as guest speakers and follow-up workshops. Four training sessions were delivered directly in the Member States, in order to use available resources most efficiently. With better support for events, 883 EU Careers fairs, presentations and one-to-one sessions were offered to students at top EU universities by student Ambassadors in 2015. EPSO also participated in two promotional awards to find the 'EU Careers Language Undergraduate of the Year' in the UK, and the 'Best Student Challenge' in Germany, attracting interest from highly-qualified students from across the EU in two of our target markets.

In addition to the above, EPSO recruited a brand new group of EU Careers staff Ambassadors of all 28 nationalities, ranging from AST1 to AD13 officials and coming from 7 EU Institutions and agencies. Followers of the dedicated Facebook page more than doubled, growing from 7,903 to 17,120. At the same time, the EU Careers presence continued to grow on other key social media channels, such as LinkedIn. Some of our most popular content in 2015 included a revamped general branding video launched at the beginning of the year, again placing staff at the heart of marketing campaigns, and a promotional video by the Vice-President for Human Resources to launch the AD5 generalists cycle in the spring.

The EU Careers website continued to be the number one source of information for applicants interested in a career in the EU institutions. 2015 saw increases of 20% in traffic on the main website and 18% on the dedicated information blog for candidates.

Specific objective n°3: Our interactions with candidates are positive and proactive, and based on good customer management.

Compared with 2014, EPSO was confronted with a sharp increase in the number of e-mails and requests for review in 2015 (31,000 e-mails, almost 3,000 phone calls, 1,400 comments on the candidate information blog and 1,914 requests for review). Several reasons were behind this increase: a continuous high interest in careers with the EU Institutions, a sharp rise in the number of competitions launched (26 in 2014, as opposed to 53 in 2015), the specialist character of some selection procedures – implying more strict admission criteria, which inevitably raised more questions from the candidates' side – and an increase of 25% in the overall number of candidates registered for EPSO selection procedures.

As mentioned above, the Request for Review caseload continued to increase sharply in 2015 (1,914 Requests received in 2015, compared to 1075 in 2014 and 545 in 2013). A categorisation of the main causes of complaints revealed that most requests for review related to the admission and talent screener stages in the context of specialist competitions. During the first semester of 2015 therefore, the Legal Affairs Sector organised a series of workshops aimed at analysing the causes of the Requests for Review and finding ways to reduce their number. The workshops, which involved the Permanent Selection Board Members and representatives of EPSO's various operational business services, concluded with the establishment of a list of main reasons for Requests for Review, as well as a detailed action plan for tackling them. The action plan was approved by EPSO's management in July 2015 for implementation during the first semester of 2016.

As well as making significant progress towards the launch of a new tool to handle candidate questions more efficiently - through self-service candidate FAQs at the front end, and a better system to process questions in the back office – EPSO also extended its cooperation with the Europe Direct Call Centres, which handled 10% of all queries for the 2015 AD5 generalists competition.

In addition, a pilot project to review communications with candidates for one competition was extended to all selection procedures within EPSO. An internal working group was established and bespoke training delivered on clear writing.

Specific objective n°4: EPSO's selection methods are continuously improved based on experience, best practice and international standards.

A video-remote interview phase was developed and introduced in the context of open competitions EPSO/AD/295-300/15 (Administrators specialising in legal research). This new technology - provided by an external contractor - allowed the Selection Board to assess candidates during a competency-based interview. The content was elaborated by the Selection Board, with support from EPSO. The first evaluation of this project showed a well-balanced assessment and the competitions were successfully finalised.

A new multiple-choice test on MS Office skills (Word and Excel) was delivered as part of the Assessment Centre in the AST-SC cycle, in order to assess specific competencies in the field in a stronger and more reliable manner. This was achieved by means of a pilot-project using professional tests. Further to this, EPSO initiated a procurement process at the end of 2015 to secure a framework contract for the future delivery of similar services.

In 2015, EPSO successfully delivered two distinct computerised E-tray exercises, as an intermediate step between pre-selection tests and the Assessment centre stage in the AD Generalist and Audit cycles, deployed across its network of CBT test centres in Europe. In this context, 1,290 and 779 candidates, respectively, were tested in September 2015.

This new intermediate step not only resulted in limiting the number of candidates to be invited to the Assessment Centre, thereby saving resources without impacting the timeline of the competition, but also enabled EPSO to further improve the gender balance within the AD cycle, whilst giving an increased number of the best candidates (between ten and eleven times the target number of laureates) the opportunity to demonstrate their competencies after the pre-selection tests. Following this success, the Institutions already agreed in 2015 to continue to use the E-Tray as an intermediate step in the 2016 AD cycle.

Specific objective n°5: Recruitment needs are clearly identified in close cooperation with Institutions, aligning thereby supply and demand for laureates.

In 2015, EPSO continued to strive for a closer alignment of supply and demand of laureates, by means of enhancing deployment of existing pools of laureates and better identifying future needs, notably for the functions, domains and profiles identified as priorities.

EPSO's own experts in the field of staff and selection management, as well as the trained Selection Board members, continued to play a key role in providing feedback on the challenges encountered in terms of provision of new reserve lists of successful candidates. This feedback was provided by EPSO to the Institutions on a monthly basis, in order to verify how well real needs were met and how rapidly the new reserve lists were being deployed. This careful assessment of the outcome of the various selections finalised over the course of the year contributed to better anticipation of potential shortcomings and detection of emerging trends in terms of supply and demand for laureates, expressed in the annual planning.

On the basis of the instructions endorsed by all its stakeholders in 2014, EPSO launched and completed the 2016 Strategic Planning exercise two months earlier than in previous years. Hence, the Management Board was able to provisionally endorse the 2016 planning exercise on time, together with the target figures for the coming three years, i.e. 2016 until 2018, taking into account the six competitions postponed from 2015 to 2016 after the Court Ruling on the use of languages for EU staff selection.

**2016 Strategic
Planning exercise**

Specific objective n°6: Recruiting services can identify and recruit appropriate laureates rapidly and effectively.

Recruiter Portal:

**Helping the
Institutions
select and recruit
the best talents**

A new tool called Recruiter Portal was introduced in August 2015, in order to further improve and simplify the management of pools of successful candidates established for officials and other agents. The Recruiter Portal is a first and essential step of the Talent Pool project, designed to enhance the electronic workflows and fully move to a candidate-centric system. The Recruiter Portal, developed by EPSO and DIGIT in close cooperation with DG HR and together with the other Institutions and a selected number of agencies, significantly facilitates the search for successful candidates as it enables recruiters to find the best talent by using a series of filters. Searches can still be conducted list-by-list, as in the past, but also by using multi-criteria and free-text searches, including educational and professional background of successful candidates, as well as their CVs and application forms. Moreover, all information is now visible on one single screen.

Recruitment rates were monitored on a monthly basis in 2015, to follow-up on the absorption of existing pools of available laureates by the recruiting services. The purpose was to raise awareness of availabilities and to anticipate any shortcomings of laureates. In parallel, the rules and procedures for the closure of reserve lists and the management of laureate quotas per Institution were largely simplified and renewed, in agreement with the stakeholders. Hence, the closure of reserve lists can now take place twice a year, in June and December, instead of only in December, and on the basis of measurable criteria (exploitation rate and lifetime of the list). As for quotas, it will now be possible to free or extend them at regular intervals, instead of sporadically. At the same time, the complex flagging system for earmarking laureates has been replaced by a brand new "status" functionality (available vs. non-available), directly visible in the Recruiter portal for all reserve lists, including for contract agents.

In line with the objective mentioned in our 2015 Management Plan concerning the systematic checking of supporting documents of successful candidates across all competitions, a pilot was run on the competition for Data Protection (EPSO/AD/294/14). Useful knowledge was gained from this exercise, mainly in relation to the logistical aspects and resources implications for EPSO, enabling a full roll-out of the project in 2016.

Specific objective n°7: Existing processes are re-engineered, including the use of digital technologies and collaborative tools, to make them more cost-effective, efficient, agile and rapid.

In March 2015 during an Away day, EPSO staff collectively identified areas needing special attention in order to improve organisational effectiveness and efficiency in EPSO. The discussions resulted in various enhancement initiatives, related to issues such as EPSO's organisational model, operational and strategic planning, collaborative tools strategy, social space and improved IT communication, which were grouped under the title of "EPSO seeking excellence". Over the summer period, these initiatives were transformed into concrete recommendations by different Project teams. By the end of the year, EPSO's Management team had converted all of the recommendations into tangible projects linked to specific objectives in EPSO's 2016 Management Plan, in order to allow for their follow-up, resulting in an "EPSO seeking excellence" Roadmap.

**EPSO seeking excellence
Compliance with
ISO 10667-1**

In 2015, EPSO moved forward with the implementation of the recommendations established in 2014 concerning compliance with the international standard ISO 10667-1/2:2011 (assurance of quality and maintaining continuous improvement in occupational assessment processes). This standard is aimed at ensuring quality and continuous improvement in assessment processes dealing with job-related suitability evaluations. After internal revision of EPSO's assessment processes, compliance with the international standard ISO 10667-1 was confirmed.

In line with EPSO's objective to further enhance the use of collaborative tools, Wiki pages were created for all Brussels-based competitions in 2015. Targeted training was organised to also implement Wikis for Luxembourg-based competitions as of early 2016. Wikis have proven to be an efficient way of capturing information, making it available in a timely manner and hence contributing to speeding up internal processes and benefitting all actors in the workflow, from launch to finalisation of selections.

Specific objective n°8: The attraction, appointment and workings of selection boards and assessors are further rationalised and professionalised.

The new user-friendly Guide for Selection boards was completed in December. The purpose was to present all technical, legal and other competition-related information in a structured and concise way. This Guide will be available via Wiki for all newly appointed Selection board members as of January 2016.

Building on the considerable progress made in the past couple of years (including the efforts related to the training of Selection board members and markers), additional efforts were made during the year to increase the attractiveness of becoming an assessor for EPSO competitions, including a number of information sessions which were organised in different Institutions.

To further rationalise the appointment of Selection boards, and improve the skills of Board members, EPSO launched a pilot project for an EPSO Academy which offers comprehensive, structured training and transferable skills to potential board members. This project enables EPSO to propose a pool of trained Selection board members for the competitions in 2016 and beyond, and to offer them a qualification which will be useful in their daily jobs and careers.

**Launch of the
EPSO Academy**

Specific objective n°9: A comprehensive offering of flexible and adaptive services - including expertise in the fields of assessment, selection, occupational psychology, psychometrics and employer branding - as well as support to ensure that the implementation of talent management strategies in the EU Institutions are provided to help meet challenging stakeholder needs.

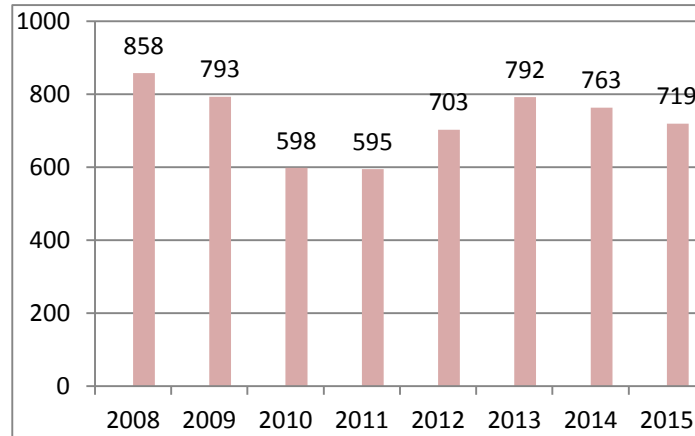
To capitalise on past experience and achievements, EPSO continued to develop its catalogue of quality services to Institutions and Agencies. Feedback was collected from the temporary agents selections organised for the Office for Harmonization in the Internal Market (OHIM) and the Single Resolution Board. An internal consultation was organised per business service in EPSO, encompassing expertise in the fields of assessment, selection, occupational psychology, psychometrics, equal opportunities and employer branding. All of the proposals and ideas were collected and shared on a wiki platform with a view to further discussion and to establishing a first structure for a future catalogue of services in the second half of the year. A first version was launched at the end of 2015 and is under finalisation before receiving a broader distribution. It will also form the basis of the future interactive version to be launched online at a later stage.

1.2 Evaluation of linguistic abilities: timely delivery of test and assessments of diplomas and certificates.

Specific objective n°10: To evaluate the linguistic abilities in a third language of staff eligible for a first promotion (Officials and contract staff in function group IV).

In 2015, 719 diplomas were assessed across various languages within the set deadlines: 85% of the diplomas assessed were accepted by the evaluation committees as valid proof of linguistic abilities in a third language, 11% were refused and 4% of the initial submissions were withdrawn. The number of diplomas assessed in 2015 was slightly below the 2014 figures as per the table hereafter.

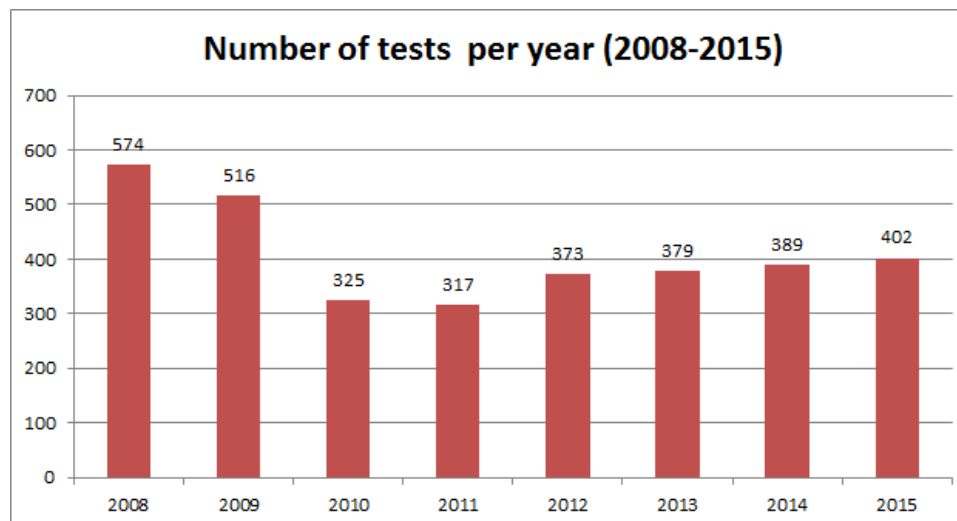
Number of diplomas assessed on a yearly basis for the recognition of third language:



Source: 2015 third language statistics (EPSO)

402 tests were delivered across various languages in 2015 within the set deadlines and with an overall pass rate of 85 % (which was higher than 2014, which saw a pass rate of 79%).

The number of tests delivered also slightly increased compared to 2014, as per the table below:



Source: 2015 third language statistics (EPSO)

The satisfaction survey sent in 2015 to all staff members who made use of the third language assessment facilities over the period of reference shows that the satisfaction of end-users continued to increase up to a total satisfaction rate of 93 % (compared to 87% in 2014).

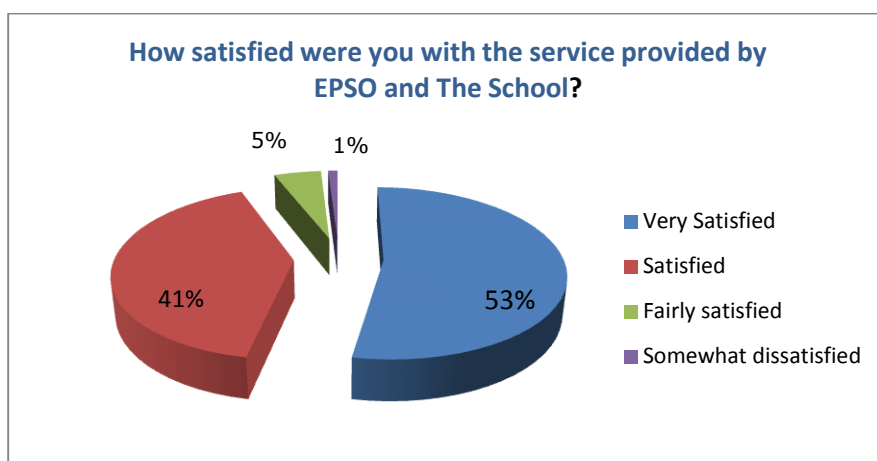
Due to procedural delays, the procurement process initiated in 2015 for a new framework contract for the delivery of linguistic tests in the 24 official EU languages could not be finalised in 2015 and is still on-going. Mitigating measures were therefore taken upon the expiry of the previous framework contract in November 2015, in order to ensure continuity of the service for the delivery of tests of third language under Article 45 (2) of the Staff Regulations. In this context, the first test session in 2016 (out of 4 annual sessions) is covered by order forms issued in advance and in due time before expiry of the previous framework contract at the end of 2015. It is hoped that the new framework contract will be in place in time for the second session of tests to be organised in 2016.

1.3 Contribute to the running of the Certification procedure: timely delivery of certification exams.

Specific objective n°11: To contribute to the running of the Certification procedure.

133 candidates were tested in four different exams (of which 73 were new candidates). The overall pass rate was slightly higher than in 2014 with 46.32 % of all candidates passing the tests (compared to 44.96 % in 2014). Amongst the new candidates for Certification, the pass rate was 49.32%.

The Examining Board expressed its full satisfaction with the quality of the services in 2015 in their final report. EPSO and the EUSA also launched a revised joint satisfaction survey, the results of which confirmed the satisfaction expressed by the Examining Board (see graph below).



1.4 Specific efforts to improve 'economy' and 'efficiency' of EPSO activities

Use of the self-selection and self-assessment tool in selection procedures for AST/SC and AD

In general, EPSO's selection procedures attract a high number of applicants, whereas the number of places available for successful candidates is often limited. As the cost-per-candidate taking a test is considerable, EPSO endeavours to attract only the most suitable candidates whose profiles best fit organisational needs and who have a reasonable chance of passing the different phases of the selection procedures. In so doing, EPSO hopes to increase the cost-efficiency of its procedures.

In 2014, EPSO piloted a new tool to help potential candidates decide whether an EU career is for them through a range of self-assessment tests. The so-called 'EU Career, My Career?' self-selection tool aims at raising awareness amongst potential applicants with regard to their potential fit within the Institutions by focusing on three main areas: organisational citizenship behaviour, the EU working environment and professional skills/attitudes. In light of the positive outcomes observed from the pilot-phase, EPSO successfully deployed tests in all 24 EU official languages as part of the self-assessment phase in the context of the AST-SC cycle, which launched at the beginning of 2015.

The "EU-Career, My Career" tool now forms part of all self-assessment exams. In 2015, over 476.000 exams were delivered under the compulsory, but not eliminatory, self-assessment available on-line to all potential candidates, thereby allowing EPSO to maintain the number of applicants in the three yearly cycles (AST-SC, AD and AD Linguists) at sustainable levels.

The breakdown of test volumes and pass rates reads as follows:

Cycle	Exam Title	Test Volume	Pass Rate
AST SC	Self-Selection-Test for EPSO AST-SC/03/2015	49,311	33.1%
AST SC	Self-assessment test for EPSO AST-SC/03/2015 - part I: Reasoning test	29,492	41.8%
AST SC	Self-Assessment test for EPSO AST-SC/03/2015 - part II: Professional skills test	18,405	34.8%
AD	Self-Selection-Test for EPSO/AD/301-302/15	147,687	52.7%
AD	Self-assessment test for EPSO/AD/301-302/15 - part I: Verbal and Numerical Reasoning Test	113,601	16.3%
AD	Self-assessment test for EPSO/AD/301-302/15 - part II: Abstract Reasoning and SJT	85,633	23.2%
ADL	Self-Selection-Test for EPSO/AD/315-320/15 Translators	14,193	60.8%
ADL	Self-Assessment for EPSO/AD/315-320/15 Translators - Part I: Reasoning Tests	10,716	10.5%
ADL	Self-Assessment for EPSO/AD/315-320/15 Translators - Part II Language Comprehension	7,172	65.3%
		476,210	

Source : Prometric Operational Review 2015 © Prometric

Recruiter portal

EPSO's combined efforts with DIGIT successfully resulted in the launch of the Recruiter Portal in August 2015. This project was designed to improve and speed up the search for the right fit and to further increase the exploitation rates of existing reserve lists, including for contract agents.

The new tool is faster and more user-friendly than its predecessor (eRL) and recruiters across the Institutions now save valuable time when seeking suitable candidates for vacant posts. The tool is also more powerful: with adequate criteria or keywords, recruiters can narrow their results from hundreds of laureates to a dozen in just a few clicks.

Moreover, the concept of accessing information on laureates has completely changed and is now built on search per talent and competencies, rather than by reserve list. Subsequently, all the necessary information is available in one single place and on one single screen and all lists and competitions can be searched simultaneously. This is a significant improvement on the previous system where recruiters had to search list-by-list, in order to find the right fit. In this sense, the tool is also more transparent as information on laureates can now be displayed more easily, even if their name happens to be on an older list.

There is a necessary period of adaptation to the changes, but the Recruiter Portal is already helping EPSO and the recruiting services to find good candidates faster. This is a gain in efficiency that speeds up the time between competition and recruitment.

2. MANAGEMENT AND INTERNAL CONTROL

Assurance is an objective examination of evidence for the purpose of providing an assessment of the effectiveness of risk management, control and governance processes.

This examination is carried out by management, who monitors the functioning of the internal control systems on a continuous basis, as well as by internal and external auditors. The results are explicitly documented and reported to EPSO's Director. The reports produced are:

- the reports by AOSDs;
- the reports from Authorising Officers in other DGs managing budget appropriations in crossed sub-delegations;
- the reports of the ex-post supervision or audit;
- the observations and the recommendations reported by the Internal Audit Service (IAS).

This section reports the control results and other relevant elements that support management's assurance. It is structured into (a) Control results, (b) Audit observations and recommendations, (c) Effectiveness of the internal control system, resulting in (d) Conclusions as regards assurance.

2.1 Control results

This section reports and assesses the elements identified by management that support the assurance on the achievement of the internal control objectives². EPSO's assurance building and materiality criteria are outlined in the AAR Annex 4. Annex 5 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 are grouped around three core processes: 1) Procurement (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 eventually recoveries) and 3) Supervisory measures (including 'ex-post' controls and management checks).

General context

In 2015, EPSO handled a budget of around €27.6M, which also included the budget of the European School of Administration (EUSA, approximately €6.5M). EPSO has responsibility for administrative credits only. These are committed under its sole responsibility, except for transactions made on behalf of EPSO by PMO, OIB, OIL, DG HR and DIGIT according to Internal Rules (and based on Service Level Agreements (SLA) in the case of DIGIT).

² 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).

Of EPSO/EUSA's €27.6M operating budget for 2015, around €16.8M was spent on personnel expenses, infrastructure, utilities and building management. Of the remaining budget, €3.4M were set aside for the operational activities of the European School of Administration, €4.5M for Computer-Based Testing (CBT) and €0.4M for transactions to reimburse travel and subsistence expenses to candidates at the written and oral stages of selection procedures. Further important expenditure related to the Assessment Centres (€1.1M) and the procurement of test material (€0.3M).

The SLA with DG HR – which was renewed in October 2011 - for the provision of routine administrative support services to EPSO in the area of human resources and financial management (especially ex-post verifications, procurement, financial reporting and accounting) remained in force throughout 2015. The SLA is accompanied by a co-delegation between Authorising Officers by Delegation. The co-delegation agreed with the Director General of DG HR covers administrative credits in a limited number of areas.

The Director of EPSO remains responsible for the overall internal control system and the design, implementation and monitoring of the internal control measures applied in EPSO.

EPSO has chosen to operate using a partially decentralised financial circuit for its operational expenditure. According to this model, the finance team of the Resources and Administrative Support unit carries out financial initiation and ex-ante verification; other units are responsible for operational initiation and verification, as well as the function of authorising officer by sub-delegation for operational expenditure. DG HR applies the fully decentralised model for the expenditure managed on behalf of EPSO in the framework of the above-mentioned SLA.

As to the 2015 closure, EPSO has informed DG BUDG of the Commission of its decision to use a light cut-off procedure.

Coverage of the Internal Control Objectives and their related main indicators

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

EPSO has set up internal control processes aimed at ensuring the adequate management of the risks relating to the legality and regularity of the underlying transactions, taking into account the nature of the payments concerned.

The control objective is to ensure that the Office 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 conclusions, EPSO has reviewed the following indicators on legality and regularity and on sound financial management:

- **Ex-post controls**

On the basis of the afore-mentioned SLA between EPSO and DG HR of the Commission, DG HR.R.3 and the Director of EPSO, in his capacity as AOD, proceeded with ex-post controls on commitments

In conformity with FR art 66.2, EPSO's Director decided this year, upon a proposal made by DG HR.R.3, to modify the frequency of EPSO's controls in view of the different risk-profiles among its current and future transactions and of the cost-effectiveness of its existing controls. For the 2015 financial transactions, three series of ex-post controls took place, covering respectively the periods January–June, July–September and October–December.

The ex-post control campaign covered 83 transactions worth 4.1M€, representing 20% of the value of all transactions. The sample was designed in order to give rise to a meaningful result. The sampling method used was random and stratified taking into consideration the fact that a large proportion of payments (>60%) are low value and low risk. They correspond to reimbursements to candidates for competitions.

Control Coverage associated with Transactions:

Type of transaction	Number Ex post controls	€ Value associated with the sample	% of total € covered by the sample
Commitments	18	2.9M€*	32%
Payments	48	1.1M€	10%
Recovery orders	17	0.8M€	16%
Total	83	4.1M€	20%

* When carrying out controls on payments, the associated commitment is also checked. To avoid double accounting, the figures in the table do not include the commitment amounts associated with the payment checks.

Control Results associated with Transactions:

Type of transaction	Number Ex post controls	Transactions with comments	% of total value <u>Not</u> at risk of financial error
Commitments	18	1	100%
Payments	48	4	98.5%
Recovery orders	17	0	100%
Total	83	5	99.9%

94% of the total amount associated with the sample checked was accepted. Five transactions had comments related to minor shortcomings, such as missing justification documents. The remainder, which contained more substantial errors, were generally associated with low-value transactions. Indeed, the total of the amount deemed to be at risk only came to 0.1% of the value of the controlled amount.

The main issues identified concern the respect of procurement procedures for low-value contracts, some a posteriori commitments and the application of the financial circuits.

In view of the above, it can be concluded that the ex-post controls did not bring to light any significant issues which may lead to a potential reservation in this annual activity report.

➤ **AOS reports**

Whereas in the past, AOS reporting was carried out at four-monthly intervals, it was done at six-monthly intervals in 2015. In collaboration with the financial unit of DG HR, the AOS statements were updated in order to provide a more comprehensive overview of financial management by the authorising officers.

EPSO's Director received a copy of each individual AOS report, as well as the interim summary report prepared by DG HR. In general, the AOS reported only minor issues related to the budgetary execution and no significant problems were raised.

➤ **GAMA**

During 2015, EPSO/EUSA finalised 1 tender procedure above the publication threshold (an open procedure with 2 lots), for which two framework contracts were signed in September. In addition, 1 exceptional negotiated procedure without publication of a contract notice on the basis of art. 134.1 (e) RAP was completed and an amendment to the existing framework contract was signed in November. The evaluation committees set up for these procedures included members coming from other Institutions or DGs.

As to the afore-mentioned exceptional negotiated procedure, the contracting authority decided to use this procedure in order to expand the services provided within Lot 4 of framework contract EPSO/01/PR/2012/121 to include the delivery of proctored Computer Based Tests directly in the premises of EU Institutions, Bodies and Agencies, using the Internet-Based Testing tool.

None of the afore-mentioned procedures were examined by GAMA (Groupe d'analyse des marchés administratifs).

➤ **Reporting**

Management reporting focused on different aspects such as human resources (HR dashboard EPSO, which is updated on a monthly basis), finances (monthly financial reporting on payment delays), budget execution (monthly financial reporting on the evolution of appropriations: commitments and payments) and internal control (reporting on open audit recommendations and risks). The main findings were discussed at the level of EPSO management and appropriate measures were taken as necessary.

➤ **Exceptions reporting and non-compliance events**

In 2015, one non-compliance event was registered under the procedure of internal control standard 8.

➤ **Recovery of unduly paid amounts**

Further to the careful verification of the requests for payment, an amount of approximately €17K was deducted from payments via credit notes 2015. No erroneous payments were detected during the year. For this reason, EPSO has not had to recover any unduly paid amount.

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

For EPSO/EUSA, the estimated overall amount at risk³ for the 2015 payments made is €27.5K (0.1% x €27.46M). This is the AOD's best, conservative estimation of the amount of expenditure authorised during the year (€27.46M) not in conformity with the applicable contractual and regulatory provisions at the time the payment is made.

³ In order to calculate the weighted average error rate (AER) for the total annual expenditure in the reporting year, detected, estimated or proxy error rates have been used (not the RER).

Taking into account the nature of EPSO's expenditure as well as the existing control mechanisms, EPSO considers it very unlikely that future corrections for these 2015 payments will be made. The estimated future corrections are therefore estimated at 0 €.

Overall, on the basis of the available control results, no significant weaknesses were unveiled which could have had a material impact as regards the legality and regularity of the financial operations.

In view of the above, EPSO concludes that the control objective as regards legality and regularity has been achieved and that the quantitative materiality criterion is below a threshold of 2% of the budget allocated to the ABB activity concerned.

- **Efficiency and Cost-effectiveness**

Based on an assessment of the most relevant key indicators and control results, EPSO has assessed the cost-effectiveness and the efficiency of the control system and reached a positive conclusion. This positive conclusion is based on the following elements:

Cost-effectiveness of the control system

EPSO has limited spending operations and only manages administrative appropriations. The total number of FTE's involved in the three main control activities in EPSO/EUSA (procurement, financial operations and supervisory measures) is estimated at 9.85 FTE's⁴. The control activities are to a large extent a regulatory requirement which cannot be curtailed. As shown by the risks outlined in Annex 5, a significant proportion of the Office's appropriations would be at risk were they not in place.

As a quantitative estimation of the volume of errors prevented and detected is not available, it is not possible to quantify the related benefits, other than the amounts recovered as a result of these controls (as mentioned before, an amount of €17 K could be deducted from the payments via credit notes). The benefits of control in non-financial terms cover: better value for money, deterrent effects, efficiency gains, system improvements and, as mentioned above, compliance with regulatory provisions.

Taking into account the above, EPSO has decided to use, again, a single global indicator to monitor and to report on the efficiency of its control systems: the overall cost of control, in percentage, at DG level. This indicator is calculated by dividing the total costs of control by all expenditure made during the year (payments made).

The estimated total costs of control include direct, indirect and overhead costs. The fact that some financial tasks (in the context of procurement procedures and ex-post controls) are performed by staff in the financial unit of DG HR on the basis of an existing SLA has been taken into account. In order to ensure that the cost estimation is as reliable and accurate as possible, Heads of Unit and team leaders in the Office and the School were consulted.

Based on this internal consultation/screening, it is estimated that a total of 9.85 FTEs (8.35 permanent staff members and 1.5 contractual staff) carry out financial and control activities⁵ for EPSO: 6.1 FTEs in EPSO, 2.5 FTEs in EUSA and 1.25 FTE in the financial unit of DG HR.

⁴ Including 1.25 FTE in the financial unit of DG HR, executing financial and control activities on the basis of an existing Service Level Agreement.

⁵ As to EPSO, most of the staff concerned works in the Resources unit, but also in 2 operational units dealing with the management of important framework contracts. EPSO's Director is involved in the preparation and monitoring of EPSO's budget and in the ex-post controls.

Subsequently, the number of full-time equivalents (FTEs) obtained has been multiplied with the average "all-in" cost of an FTE in the Commission⁶. For EPSO, this gives an amount of €1.2224M.

In 2015, EPSO executed 2,929 payments amounting to a total of €10.896M⁷.

Based on the above, the overall cost of control indicator (%) for EPSO in 2015 is $\frac{€1,223,900}{€10,895,940} \times 100\% = 11.2\%$ ⁸.

As this percentage might be relatively high in comparison with other services, the following must be taken into consideration:

Firstly, given the nature of its activities, EPSO is handling a very high number of low-value transactions (average amount paid is €3,681). Examples of such transactions are the amounts paid for on line publicity and promotion material, or the contributions paid to candidates' travel expenses. As a result, the administrative costs of handling these transactions are relatively high. Secondly, given the staff composition of EPSO's financial sector - which is entirely composed of AST-officials and contractual agents of Function Group II - the estimated overall costs of our control activities would have been lower if the calculations had been based on the real (salary) costs of our staff, and not on the average cost of a Commission official.

Efficiency of the control system

➤ **Average payment time**

With regard to payment deadlines, the statistics for 2015 reveal a positive evolution for EPSO. In 2015, the average payment time was 14.9 days and only 9 of a total of 2,929 payments were made outside the legal time limits.

• **Fraud prevention and detection**

EPSO has developed and implemented its own anti-fraud strategy, elaborated on the basis of the methodology provided by OLAF. As mentioned in our Strategic Plan for 2016-2020, it is foreseen that EPSO's anti-fraud is updated by the end of 2016.

Given the specific nature of EPSO's activities and the fact that the Office is not in charge of implementing operational appropriations, our anti-fraud strategy - which is accompanied by an Action Plan covering the period 2014/2017 - primarily focuses on training and awareness-raising.

EPSO ensures that that all newly recruited staff members participate in a targeted training course on Ethics and Integrity, in order to ensure that the fairness, equality and safe-handling of its selection processes are not compromised through unethical behaviour on the part of its staff. So far, 88 colleagues in EPSO and EUSA have followed the training course on Ethics (including 22 colleagues who followed the course in 2015). All Heads of Unit in the Office - except for one, who was nominated in November 2015 - have followed specific fraud-awareness training.

6 This "all-in" cost includes not only the salaries, but also all other administrative costs linked to the employment of the person/agent, such as buildings, electricity and IT.

7 All other payments were made on behalf of EPSO by PMO, OIB, OIL, DG HR and DIGIT according to Internal rules (and based on Service Level Agreements (SLA) in the case of OIB and DIGIT).

8 $\frac{€1,223,900}{€10,895,940} \times 100\% = 11.2\%$

As EPSO plays a critical role in the selection process for EU officials, it holds both sensitive information and valuable assessment assets. EPSO is in the fortunate position – due to its long experience in working in this sensitive area – of having both an awareness of the importance of these matters and a structure in place to address them. After the successful implementation of all the changes linked to the EPSO Development Programme, EPSO established an internal Security and Ethics Protocol in 2011, which was revised at the end of 2014/beginning of 2015. The Protocol contains information on IT security and security-related aspects of our Assessment Centre procedures.

Finally, this year's iCAT exercise (see paragraph 2.3 of this report) contained an "Antifraud awareness assessment". The self-assessment questionnaires were completed by 14 staff members (senior and middle management, AD and AST officials). Based on the replies given, it can be concluded that EPSO is fully committed to fraud prevention and that there are sufficient and adequate internal control mechanisms in place.

2.2 Audit observations and recommendations

In 2014 and the years before, EPSO was audited by both internal and external independent auditors: the Internal Audit Capability (IAC) of DG HR of the Commission, the Commission Internal Audit Service (IAS) and the European Court of Auditors.

At the end of 2014, the Commission decided to centralise the Internal Audit Capability (IAC) in the Internal Audit Service (IAS). Ongoing audit engagements had to be completed by the IAC by the end of February 2015.

In line with the above-mentioned Commission decision, the IAC submitted its final Audit Report on *'The appointment of Selection Board members in EPSO'* to EPSO on 6th February 2015. On the same day, the IAC also completed its second follow-up of the Audit on *'Human Resources Selection Processes in EPSO'* and submitted its final report. The IAC concluded that all recommendations had been implemented by EPSO.

In April 2013, the Commission Internal Audit Service (IAS) started a performance audit on the selection process, in accordance with its 2013 IAS Audit Plan. On the basis of the results of the preliminary analysis, IAS decided to focus this audit on the *"Efficiency and effectiveness of the planning stage of the selection process – EPSO and Commission"* and to cover the definition of needs by Commission DGs/Services, the coordination and monitoring role played by DG HR of the Commission and the planning process implemented by EPSO. In line with the defined scope, this "multi-DG audit" did not only cover EPSO – as originally planned – but also DG HR and a selection of operational DGs/Services. The final audit report was transmitted to EPSO in April 2014. In May 2014, EPSO established an Action Plan for the implementation of the accepted recommendations, which the IAS considered to be sufficient to mitigate the risks identified. The effective implementation of the Action Plan was assessed during a follow-up audit, which the IAS announced in July 2015 and which was carried out later that year, in line with the IAS 2015 Audit plan.

As regards recommendation n^o 1 related to the 'EPSO planning exercise', the IAS acknowledged the progress made by EPSO, but concluded that it had not been fully implemented yet. As a consequence, the recommendation was downgraded from 'Very important' to 'Important', but remains open in IssueTrack. The IAS also considered that recommendation n^o3 on the 'reliability of reserve lists' (Important) had been adequately effectively implemented and could therefore be closed in the IssueTrack.

In February 2016, the IAS presented its conclusion on the state of internal control in EPSO, mentioning that the internal control systems audited in EPSO are working satisfactorily.

2.3 Assessment of the effectiveness of the internal control systems

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

EPSO has put in place the organisational structure and 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.

EPSO's annual review of the effectiveness of its entire internal control system (ICS-15) is based on several elements:

- The voluntary report on compliance through the "ICM-tool" for the iCat 2015 exercise of EPSO;
- The risk assessment exercise of all EPSO's activities at the preparation stage of the 2016 Management Plan;
- Reported instances of exceptions and non-compliance events;
- Relevant audit findings;
- The report on internal control measures in the area of finance and procurement issued under the terms of the SLA with DG HR.

EPSO opted to carry out a voluntary report on compliance through the "ICMTool" for the iCAT 2015 exercise of EPSO. Self-assessment questionnaires were completed by 14 staff members: EPSO's Director, 5 Heads of Units, 6 AD-officials with team-leading responsibilities, the team leader of EPSO's financial sector (AST) and 1 AD-official in the European School of Administration. Overall answers and statistics from this exercise show a general effectiveness weighted percentage of 89.66%.

A full-scale risk assessment of all EPSO's activities took place at the preparation stage of the 2015 Management Plan. Risks, including those related to fraud, were identified at Unit level and discussed in a management meeting. Measures taken in the context of the internal strand of the EPSO Development Programme which resulted in the strengthening of EPSO's organisational effectiveness had a direct effect on the level of risk. The two identified critical risks relate respectively to external environment and legality and regularity. However, it appears that although the identified risks may impact more than one DG, they are directly linked to our own objectives and, for this reason, there is no need to flag these risks as cross-cutting following the dedicated process. In the meantime, we are already taking the necessary steps to address these risks (if applicable, with appropriate partners).

For an overview of audit results and the follow-up on audit recommendations, please see paragraph 2.2 of this report.

The SLA concluded with DG HR includes assistance in a number of areas of financial control and procurement designed to strengthen the financial management in EPSO. Of particular importance in this respect are the function of ex-post controls and financial reporting, and the outsourcing of EPSO's accounting function. The report on internal control measures in the area of finance and procurement issued under the terms of the SLA did not bring to light any significant issues which may lead to a potential reservation in this annual activity report.

Regular and systematic ex-post controls on a sampling basis at the level of the Director were also carried out in 2015 and no anomalies were noted.

Prioritised internal control standards 2015

In EPSO's Management Plan for 2015, internal control standard n° 3 (Staff Allocation and Mobility) was prioritised further to a wish of EPSO management to align staff allocations with priorities and workload, whenever necessary. This did not mean - from a Management point of view - that the internal control system was not effective in this respect, but rather reflected EPSO's desire to further improve the effective implementation of this ICS.

In March 2015 during an Away day, EPSO staff collectively identified areas needing special attention in order to improve organisational effectiveness and efficiency in EPSO. The discussions resulted in various enhancement initiatives, related to issues such as EPSO's organisational model and collaborative tools strategy, which were grouped under the title of "EPSO seeking excellence". Over the summer period, these initiatives were transformed into concrete recommendations by different Project teams. By the end of the year, EPSO's Management team had converted all of the recommendations into tangible projects linked to specific objectives in EPSO's 2016 Management Plan, in order to allow for their follow-up, resulting in an "EPSO seeking excellence" Roadmap. As a result of this, the first internal staff moves are now planned and will take place during the first quarter of 2016.

Conclusion

Concerning the overall state of the internal control system, EPSO complies with the three assessment criteria for effectiveness, i.e. (a) staff having the required knowledge and skills, (b) systems and procedures designed and implemented to manage the key risks effectively, and (c) no instances of ineffective controls that have exposed EPSO to its key risks. Further enhancing the effectiveness of EPSO's control arrangements in place, by inter alia taking into account any control weaknesses reported and exceptions recorded, is an on-going effort in line with the principle of continuous improvement of management procedures.

Despite the control architecture in place and the steps taken to mitigate risks to the extent possible, the following residual risks may still affect selection procedures:

- Legal challenges: there is a risk that the underlying fundamental principles of selection policy, or practice, are challenged successfully in the context of new Court cases;
- Geographical and gender balance: EPSO can only control to a limited extent how many and which candidates apply for a competition. The number of candidates applying varies significantly in the different Member States. Some profiles clearly attract more men than women (and vice versa). This might result in under- and over-representation issues (geographical and gender balance).

2.4 Conclusions as regards assurance

This section reviews the assessment of the elements above (in Sections 2.1, 2.2 and 2.3) and draws conclusions supporting the Declaration of Assurance and whether it should be qualified with reservations.

Review of the elements supporting assurance

The information reported in sections 2.1, 2.2 and 2.3 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 reported and results in a complete coverage of the budget delegated to me, in my capacity as Director of EPSO.

In 2015, EPSO ensured the follow-up of the ex-post and ex-ante evaluations that took place in 2014 with the aim of improving EPSO's organisational effectiveness, its capacity to deliver and provide a better service to its key partners.

In 2015, EPSO's Director received reports from the sub-delegated authorising officers and other officials under his responsibility. Overall, only very few issues were reported to him, most of which related to the budgetary execution. There was no instance in which EPSO's Director was obliged to issue a written reasoned instruction, as foreseen in Article 73(3) of the Financial Regulation.

EPSO put suitable control measures in place to limit the risk of errors and guarantee that assets and information were safeguarded, as well as to prevent, detect and correct fraud and irregularities. Where necessary, improvements to the overall control strategy and processes were made in the course of the year.

In light of the above-mentioned and taking into account the main findings and conclusions in Part 2, it can be concluded that there is 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. EPSO has sufficient assurance that a reservation on the declaration is not seen as necessary.

Overall conclusion

In conclusion, management has reasonable assurance that, overall, suitable controls are in place and working as intended; risks are being appropriately monitored and mitigated; and necessary improvements and reinforcements are being implemented. Furthermore, it is also possible to conclude that the internal control systems provide sufficient assurance with regard to the achievement of the other internal control objectives. On this basis, the Director, in his capacity as Authorising Officer by Delegation has signed the Declaration of Assurance.

3. DECLARATION OF ASSURANCE

I, the undersigned, Nicolas David BEARFIELD

Director of EPSO,

In my capacity as authorising officer by

Declare that the information contained in this report gives a true and fair view⁹.

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

This reasonable assurance is based on my own judgement and on the information at my disposal, such as the results of the self-assessment, ex-post controls, the work of the Internal Audit Service and the lessons learnt from the observations of the Internal Audit Service and 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, 4 April 2016

Signed

(signature)

N.D. BEARFIELD

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



2015

Annual Activity Report

**European School
of Administration
(EUSA)**



Foreword

The School celebrated its 10th anniversary in early 2015.

It is worth recalling that when it was set up, the institutions only transferred two of their existing training programmes to it and that in its first full year of operation (2006) it organised just 68 training courses for a total of 2100 participants. The development since then has been striking. The institutions have come to recognise on the one hand that the School has developed a justified reputation as a centre of excellence and that, on the other, significant savings can be made by transferring further activities to it or by asking it to develop new learning and development programmes to meet new challenges.

The result is that just over 7300 people attended one of the School's training programmes in 2015. The number of different programmes on offer rose from 35 to 38, and the total number of courses organised during the year went up from 470 to 497, both new records.

Participant satisfaction rates also rose slightly to just above 97% and, more importantly, 98% of participants found the School's programmes relevant to their work.

However, the School has never rested on its laurels and the second half of 2015 saw intensive efforts devoted to designing a wide range of new learning and development programmes for leaders and managers at all levels, which will be rolled out during the first half of 2016. In this way, the School will ensure that its offer continues to adapt to the changing needs of its customers and stakeholders and that it carries on contributing to the overall performance of the institutions through the on-going development of the talents of their staff.

Table of Contents

INTRODUCTION	1
EUSA IN BRIEF	1
EXECUTIVE SUMMARY	2
A) POLICY HIGHLIGHTS OF THE YEAR (EXECUTIVE SUMMARY OF SECTION 1)	2
B) KEY PERFORMANCE INDICATORS (5 KPIS)	3
C) KEY CONCLUSIONS ON MANAGEMENT AND INTERNAL CONTROL (EXECUTIVE SUMMARY OF SECTION 2)	4
D) INFORMATION TO THE COMMISSIONER	5
1. KEY RESULTS AND PROGRESS TOWARDS THE ACHIEVEMENT OF EUSA'S SPECIFIC OBJECTIVES	6
1.1 MANAGEMENT TRAINING	6
1.2 TRAINING FOR NEW STAFF	8
1.3 "KEY SKILLS"	10
1.4 SEMINARS AND CONFERENCES	11
1.5 CERTIFICATION TRAINING AND EXAMINATIONS	12
1.6 SPECIFIC REQUESTS FOR ASSISTANCE OR TAILOR-MADE TRAINING PROGRAMMES	14
1.7 PROGRAMMES BRINGING TOGETHER STAFF OF THE INSTITUTIONS AND NATIONAL ADMINISTRATIONS	15
2. MANAGEMENT AND INTERNAL CONTROL	16
2.1 CONTROL RESULTS	16
2.2 AUDIT OBSERVATIONS AND RECOMMENDATIONS	16
2.3 ASSESSMENT OF THE EFFECTIVENESS OF THE INTERNAL CONTROL SYSTEMS	16
2.4 CONCLUSIONS AS REGARDS ASSURANCE	17
3. DECLARATION OF ASSURANCE	18

INTRODUCTION

The DG in brief

The mission of the European School of Administration is to provide high quality training and learning opportunities that meet the needs of all EU institutions and their staff in order to:

- *contribute to the efficiency and effectiveness of the work of the institutions through the continuous development of the talents of their staff;*
- *help preserve and diffuse the values that underpin the development of the EU and the work of the European Civil Service;*
- *promote cooperation among staff of the various institutions by providing opportunities for networking and the exchange of ideas and good practice;*
- *share experience and provide opportunities for mutual learning by cooperating with the Schools of public administration in the Member States.*

In fulfilling its mission the School also contributes to the optimal use of available resources in the field of learning and development through the synergies it achieves with the training departments in the institutions and the resulting economies of scale.

The School is accountable to the same management board as EPSO and, like EPSO, forms part of the portfolio of responsibilities of the Commission Vice-President responsible for Budget and Human Resources.

It works in close partnership with the learning and development services of all the institutions in order to ensure that its offer is responsive to their expectations and needs and that the best possible synergies can be achieved with their own activities in this field.

EXECUTIVE SUMMARY

The Annual Activity Report is a management report of the Director of the European School of Administration 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.

a) Policy highlights of the year (executive summary of section 1)

2015 was a year of both **continuity** and **impending change**.

Continuity was provided through the delivery of more training programmes than ever before. There was one addition to the School's general training offer – an important and significant one – which was the organisation of lunchtime workshops on different aspects of well-being.

The impending change relates to the intensive preparatory work that was undertaken for the School's ambitious plan to overhaul its leadership and management development programmes in 2016. This is not to say that the previous offer was inadequate – far from it – but learning needs have evolved as have the ways in which people learn. The new offer is designed to ensure that the School keeps pace with these changes.

Further achievements during the past year that are worth summarising here are:

- delivering the compulsory training programme for the 10th annual certification exercise for assistant-grade staff with the potential to become administrators;
- organising three sessions of the Public Administration Erasmus traineeships for young national civil servants dealing with EU affairs;
- assisting the institutions and Agencies with the organisation of a record number of 65 customised learning and development programmes;
- advising the European Court of Auditors about a learning and development strategy to accompany the major organisational change it introduced on 1 January 2016.

Finally, the School met or surpassed its key performance indicators, more details of which are contained in the rest of this Report.

b) Key Performance Indicators (5 KPIs)

Key Performance Indicator	Baseline	Target 2015	Situation at the end of 2015
1. The inter-institutional character of our training activities which is part of the fundamental raison d'être of the School	2012: 29 % of non-Commission participants	30 % of non-Commission participants	33%
2. The level of satisfaction expressed by participants	2012: 96 % of satisfied participants	≥ 90 % of satisfied participants	97 %
3. The degree to which we introduce more blended learning elements in our training programmes	2013: 17 % of courses containing blended learning elements	≥ 30 % of courses containing blended learning elements	62%
4. The rate of attendance	2012: 90 %	≥ 90 %	90%
5. The evaluation of the impact of our training activities	2013: 2 pilot projects for the measurement of learning transfer and impact of training programmes	10 programmes to be analysed	11

These results indicate that the School met and, with only one exception, surpassed its key performance indicators in 2015.

Furthermore it added three new workshops in the field of well-being to its overall offer and increased the total number of training programmes it delivered by just under 6%. Although there was a very slight overall decrease in the number of participants (1,4%) this was entirely accounted for by the fall in the number of new staff arriving in the institutions. In the fields of management and general skills-based training participant numbers rose by about 10% and 7% respectively. These figures were achieved despite a further fall of 9,5 % in the School's budget. Full details of the School's output in terms of its training programmes are contained in the annex to this Report.

As can be seen from the performance indicators above, the School ensured a fair inter-institutional balance as regards participant numbers whilst at the same time making sure that whenever an individual institution needed a larger than usual number of places its demand was always satisfied. Indeed, the extremely high level of cooperation between the School and the institutions over the years has meant that it has never been necessary to trigger the formal and potentially cumbersome quota system envisaged when the School was founded. The School will continue its efforts in cooperation with the learning and development services of the institutions to eliminate any residual duplication that may exist in their specific offer.

Participants continued to be extremely satisfied with the School's programmes. More importantly, 98,2% of them found the programmes to be relevant to their work and this, coupled with the results of the School's extended impact evaluation activities, is very reassuring. Satisfaction statistics are a useful indicator but it is generally recognised that there can be a degree of subjective appreciation attached to them. When it comes to relevance however, high ratings strongly suggest that the learning will be effectively transferred to the workplace. It is for this reason that the School took the decision towards the end of the year to completely revamp the "satisfaction" questions asked in its online evaluation forms so that they are more directly linked to the participants' perception of how their actual learning has been helped by the training they have received.

The School is particularly pleased with the extent to which it has diversified the format of its delivery with an increasingly blended approach. This reflects developments in the way people obtain knowledge and the shift in their preferred methods of learning. It will be a significant feature in the redesign of its leadership and management training programmes as referred to elsewhere in this Report.

At the same time, there is clear evidence that a large part of the added value of the School's programmes stems from the opportunities they afford participants from different institutions and with different professional experience to meet in person and for this reason the "classroom-based" element of its programmes will not disappear but just reduced in length. Many may think that this method is somewhat outmoded but, for the time being at least, it still presents many advantages in the setting of the institutions.

The School is slightly disappointed that despite its best efforts it has not been able to reduce the percentage of late drop outs and "no-shows", which remained stubbornly at 10%. The consolation is that without the dedication of its course managers in finding replacements on courses at short notice, this figure would have certainly been higher.

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

In accordance with the governance statement of the European Commission, the staff of the European School of Administration 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 principles, based on international good practice, aimed to ensure the achievement of policy and operational objectives. The financial regulation requires that the organisational structure and the internal control systems used for the implementation of the budget are set up in accordance with these standards. The European School of Administration has assessed the internal control systems during the reporting year and has concluded that the internal control principles are implemented and function as intended. Please refer to AAR section 2.3 for further details.

In addition, the European School of Administration 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 Section 2 for further details

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

d) Information to the Commissioner(s)

The main elements of this report and assurance declaration have been brought to the attention of Vice-President Kristalina Georgieva, responsible for Budget & Human Resources.

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

1.1 Management training

<p>Specific objective 1: to provide a range of learning and development opportunities that contribute to an improvement in the performance of staff who exercise or who may exercise management responsibilities thereby helping them and their institution achieve greater effectiveness</p> <p style="text-align: right;"><input checked="" type="checkbox"/> Non programme-based</p>		
<p>Result indicator: Participant satisfaction (source: questionnaire completed by participants)</p>		
Baseline 2012: 96 %	Current Situation: 96 %	Target: 90 %. Rate set as part of the School's mission to provide high quality training and learning opportunities
<p>Result indicator: Perceived relevance (source: questionnaire completed by participants)</p>		
Baseline 2012: 98 %	Current Situation: 99 %	Target: 90 %. Rate set as part of the School's mission to provide high quality training that participants can transfer to the workplace
<p>Result indicator: Non-Commission participation rate (source: internal statistics extracted from the learning management system)</p>		
Baseline 2012: 35 %	Current Situation: 33%	Target: 30 %. Rate set in order to ensure inter-institutional balance amongst participants
<p>Result indicator: Attendance rate (source: internal statistics extracted from the learning management system)</p>		
Baseline 2012: 90 %	Current Situation: 93%	Target: 90 %. Rate set in order to ensure sound financial management
<p>Result indicator: Diversification of delivery (source: internal)</p>		
Baseline 2013: 10 %	Current Situation: 47%	Target: 25 % of our management programme should include non-classroom based activities

Main outputs in 2015:

- 26 3-day courses for non-management staff (AST and AD) who lead teams
- 30 3-day basic management courses for ADs who are not Heads of Unit
- 8 3-day personal development courses for staff about the issues involved in being a Head of Unit (2 for women only and 6 mixed)
- 10 4-day courses for newly-appointed Heads of Unit
- 56 1-day thematic workshops for managers of all levels
- 5 2-day course for Heads of Unit with between 1½ and 4 years' experience
- 7 2-day advanced management courses for experienced Heads of Unit
- 1 2-day course at the Jean Monnet House for Heads of Unit
- 2 editions of the development programme for newly-appointed Directors
- 7 editions of the Leadership Club for senior management

Overall the School organised a total of 152 management development programmes and workshops (up by a little less than 5% on the previous year) which were attended by 1856 participants (up by just over 10% on the previous year). Participant satisfaction rates and the perceived relevance of these programmes remained high.

Specific mention should be made of the ongoing success of the programme for newly-appointed Directors which continues to attract very positive reviews. Many of the participants have formed solid networks among themselves thereby providing further opportunities for mutual support within the group.

Otherwise there is little further of note to report as the School's offer remained unchanged ahead of the significant adaptation planned for 2016 and referred to at various other points in this Report.

1.2 Training for new staff

<p>Specific objective n°2: To help new staff understand the realities, values and specific challenges of working in the multicultural and multilingual environment of the EU institutions, contribute to their speedy integration and help them learn about how the EU has developed and works in practice <input checked="" type="checkbox"/> Non programme-based</p>		
<p>Result indicator: Participant satisfaction (source: questionnaire completed by participants)</p>		
Baseline 2012: 95 %	Current Situation: 97 %	Target: 90 % . Rate set as part of the School's mission to provide high quality training and learning opportunities
<p>Result indicator: Perceived relevance (source: questionnaire completed by participants)</p>		
Baseline 2012: 93 %	Current Situation: 96 %	Target: 90 %. Rate set as part of the School's mission to provide high quality training that participants can transfer to the workplace
<p>Result indicator: Non-Commission participation rate (source: internal statistics extracted from the learning management system)</p>		
Baseline 2012: 31 %	Current Situation: 31%	Target: 30 %. Rate set in order to ensure inter-institutional balance amongst participants
<p>Result indicator: Attendance rate (source: internal statistics extracted from the learning management system)</p>		
Baseline 2012: 88 %	Current Situation: 90%	Target: 90 %. Rate set in order to ensure sound financial management
<p>Result indicator: Diversification of delivery (source: internal)</p>		
Baseline 2013: 20 %	Current Situation: 75%	Target: 20 % of non-classroom based activities
<p>Main outputs in 2015:</p> <ul style="list-style-type: none"> • 16 1.5-days seminars for newly-arrived staff (plus coaching) • 17 1-day seminars on the History and Stories behind European Integration • 31 ½ or 1-day seminars on the institutions' key missions and procedures, and recent policy developments • 7 "Discover Brussels" lunchtime conferences • 10 1-day information sessions on social security rights and the pension scheme 		

As already mentioned in last year's Report, the School substantially reorganised its offer for new staff at the beginning of the year. There were two main reasons for this. Firstly account needed to be taken of the Commission's decision to launch a new induction programme with effect from autumn 2015¹. Secondly, it was felt that the School's previous 3-day programme for all new staff, irrespective of their background and experience, was no longer sufficiently well targeted to meet the needs of the various profiles of new arrivals in the institutions.

Accordingly, an entirely new course was introduced to cater specifically for staff who are not only new in the institutions but who have also had to change countries to take up their posts, with the attendant challenges that can bring.. This is in the form of a short seminar with the possibility of individual coaching for those who feel the need. It is interesting to note that overall, 27 % of participants took up the offer of coaching with a significantly higher number of people doing so in Luxembourg.

¹ Shortened versions of the seminars entitled "The History and stories behind European integration" and "EU4U" are delivered by School staff on the first day of this programme. The School still delivers these seminars on an inter-institutional basis as well.

1.3 "Key Skills"

Specific objective n°3: To help staff acquire or extend the key range of skills they need to be effective in their jobs <input checked="" type="checkbox"/> Non programme-based			
Result indicator: Participant satisfaction (source: questionnaire completed by participants)			
Baseline 2012: 97 %	Current Situation: 97 %	Target: 90 %. Rate set as part of the School's mission to provide high quality training and learning opportunities	
Result indicator: Perceived relevance (source: questionnaire completed by participants)			
Baseline 2012: 99 %	Current Situation: 99 %	Target: 90 %. Rate set as part of the School's mission to provide high quality training that participants can transfer to the workplace	
Result indicator: Non-Commission participation rate (source: internal statistics extracted from the learning management system)			
Baseline 2012: 23 %	Current Situation: 35%	Target: 30 %. Rate set in order to ensure inter-institutional balance amongst participants	
Result indicator: Attendance rate (source: internal statistics extracted from the learning management system)			
Baseline 2012: 92 %	Current Situation: 91%	Target: 90 %. Rate set in order to ensure sound financial management	
Result indicator: Diversification of delivery (source: internal)			
Baseline 2013: 10 %	Current Situation: 86%	Target: 30 % of non-classroom based activities	
Main outputs in 2015:			
2-day seminars unless otherwise indicated			
<ul style="list-style-type: none"> • 26 Analysing and solving problems • 27 Day-to-day negotiation • 32 Oral communication • 25 Writing with impact • 26 Working in teams • 38 Personal effectiveness (1 day plus coaching) • 43 Developing resilience (1 day) • 4 1.5 hours workshop on Emotional wellbeing • 3 1.5 hours workshop on Physical wellbeing • 3 1.5 hours workshop on Mental wellbeing 			

In purely quantitative terms this group of training programmes continued to expand. The number of workshops delivered over the year rose from 218 to 227 whilst the number of participants increased to just over 3100, a rise of nearly 7%.

Last year's Report mentioned the high number of participants attending the School's new "Resilience" workshop and the potentially troubling message this sent to the institutions. This message has been reinforced because in 2015 29% of the total number of participants in the courses listed above attended either one or more of the Resilience workshop and the newly-introduced workshops on different aspects of well-being.

1.4 Seminars and conferences

Specific objective n°4: To help staff acquire or extend their knowledge on their external environment, pension scheme and on the role of the EDPS and the European Ombudsman			
<input checked="" type="checkbox"/> Non programme-based			
Result indicator: Participant satisfaction (source: questionnaire completed by participants)			
Baseline 98 %	2012:	Current Situation: 96 %	Target: 90 % . Rate set as part of the School's mission to provide high quality training and learning opportunities
Result indicator: Perceived relevance (source: questionnaire completed by participants)			
Baseline 95 %	2012:	Current Situation: 97 %	Target: 90 %. Rate set as part of the School's mission to provide high quality training that participants can transfer to the workplace
Result indicator: Non-Commission participation rate (source: internal statistics extracted from the learning management system)			
Baseline 12 %	2012:	Current Situation: 26%	Target: 30 %. Rate set in order to ensure inter-institutional balance amongst participants
Result indicator: Attendance rate (source: internal statistics extracted from the learning management system)			
Baseline 86 %	2012:	Current Situation: 83%	Target: 90 %. Rate set in order to ensure sound financial management
Result indicator: Diversification of delivery (source: internal)			
Baseline 10 %	2013:	Current Situation: 33%	Target: 30 % of non-classroom based activities
Main outputs in 2015:			
<ul style="list-style-type: none"> • 2 Master Classes: Brussels for Europe • 2 "European Anti-Fraud office" lunchtime conferences • 6 "European Ombudsman" lunchtime conferences • 7 "European Data Protection Supervisor" lunchtime conferences • 6 2½ hour workshops: "Clear Speaking: Communicating in the Tower of Babel" • 7 ½ day information sessions on pension rights 			

This series of activities continued to attract significant numbers of participants and the lunchtime conference format continued to prove very popular with staff in general.

Conferences on the work of OLAF were added to the offer during the second half of the year and registered very good attendance rates. For the first time lunchtime conferences were also organised in Luxembourg (on the EDPS).

The 2 "Master Classes" brought the total number since the inception of this initiative to 15. About 450 officials of the institutions have followed this programme since it was first introduced in 2008 and thanks to periodic events for the "alumni" that are run by the organisers, at their own cost, a long-lasting network has emerged. Many participants have also been able to establish contacts in the Brussels administration which are very useful to them professionally.

1.5 Certification training and examinations

Specific objective n°5: a) To enable assistant grade staff selected for the certification procedure to become effective administrators by providing them with the wide range of skills they will need and b) to guarantee the quality of candidates who pass the examinations by ensuring that these are sufficiently demanding <input checked="" type="checkbox"/> Non programme-based		
Result indicator: Candidates' satisfaction of the training programme (source: questionnaire completed by participants)		
Baseline 2012: 98 %	Current Situation: 99 %	Target: 95% ² . Rate set as part of the School's mission to provide high quality training and learning opportunities
Result indicator: Perceived relevance (Learning transfer) (source: questionnaire completed by participants)		
Baseline 2012: 66 %	Current Situation: 69 %	Target: 70%. Rate set as part of the School's mission to provide high quality training that participants can transfer to the workplace
Result indicator: Rate of appointment of successful candidates ³ (source: regular statistics provided by Institutions)		
Baseline 2015: 30 %	Current Situation: 36 %	Target: 30 %
Result indicator: Diversification of delivery (source: internal)		
Baseline 2013: 10 days of individual study and feedback sessions	Current Situation: level maintained	Target: maintain the 2013 level
Main outputs in 2015: <ul style="list-style-type: none"> • 25 days classroom-based training for the 2014/2015 exercise plus individual study • 11 refresher courses for previous year's candidates who have failed one or more examinations 		

Certification represents a powerful demonstration on the part of the institutions of their willingness to invest significantly in their serving staff: it is in fact a highly effective talent management programme and the only structural one in existence in the institutions.

2015 saw the 10th certification procedure and once again the School successfully delivered the compulsory training programme that selected candidates have to follow before being admitted to the examination stage. Satisfaction rates remained extremely high.

² In general the School's satisfaction rate targets are set at 90 %. However, given the importance of the training programme for the candidates the School has for some years set a higher target of 95% for this programme.

³ Only marginally influenced by the School. The baseline relates to the successful candidates in the previous year's certification exercise because results are only available in December, leaving no time for appointments to be made until the following year. The target of 30% relates to the percentage of successful candidates who are appointed to an AD post in the 12 months following the publication of results.

The pass rate in the examinations was 50,68% as opposed to the previous year's unusually low rate of 42,86%. Overall 72 candidates were certified (37 new ones and 35 re-sitters). It is interesting to note that, as in the previous year, the Commission pass rate was markedly above the average for all institutions, quite probably reflecting the more stringent selection procedure it put in place two exercises ago, with input from the School.

By the end of 2015 a total of 816 AST staff had been appointed to the AD function group since the introduction of the certification procedure in 2006. This represents 77 % of the total number of successful candidates in the first 9 exercises (see footnote 4 for an explanation).

1.6 Specific requests for assistance or tailor-made training programmes

Specific objective n°6: To respond positively to any specific requests for assistance or tailor-made training programmes made by any of the institutions or EU agencies and bodies		
<input checked="" type="checkbox"/> Non programme-based		
Result indicator: Percentage of requests satisfied		(source: internal statistics)
Baseline 2012: 100 %	Current situation: 100 %	Target: 100 %. Rate set as part of the School's mission to provide services to European bodies
Main outputs in 2015: 65 requests satisfied		

The School continued to respond to all needs for tailor-made training from a wide variety of customers: individual DGs or Directorates in the institutions, Commission Research Centres, agencies etc. and provided a record number of programmes. Furthermore, the School is increasingly asked to play an active role in local initiatives either by providing its expertise or in co-facilitating events.

Mention was made in last year's Report of the "sub-contracting" arrangement between the European Court of Auditors and the School for a number of its training activities. In 2015 this cooperation was reinforced as the Court sought the School's advice for the conception and implementation of a major learning and development programme to accompany the radical changes to the Court's organisational structure that took effect on 1 January 2016.

1.7 Programmes bringing together staff of the institutions and national administrations

Specific objective n°7: To contribute to efforts to reinforce links between officials of the institutions and national administrations (EPA)		
<input checked="" type="checkbox"/> Non programme-based		
Result indicator: Number of participants (source: internal statistics)		
Baseline 2012: 116 (2 sessions)	Current situation: 132	Target: at least 135
Result indicator: Participant satisfaction (source: questionnaire completed by participants)		
Baseline 2012: 100 %	Current situation: 100 %	Target: 95% ⁴ . Rate set as part of the School's mission to provide high quality training and learning opportunities
Result indicator: Perceived relevance (source: questionnaire completed by participants)		
Baseline 2012: 95 %	Current situation: 100 %	Target: 90 %. Rate set as part of the School's mission to provide high quality training that participants can transfer to the workplace
Main outputs in 2015: 3 2-week Erasmus traineeships		

The School organised the first 3 editions of this programme under the new administrative arrangements that were put in place towards the end of 2014. Although these meant that a greater financial burden fell on national administrations (and that there was a reduced number of places – hence the fall in participant numbers), their enthusiasm for this programme remained in general undimmed.

Extra places continued to be offered to Member States that would be assuming the rotating Presidency in the near future: these were gratefully taken up as they use this traineeship as a small but important part of their preparations.

Although not the subject of any specific indicators, mention should yet again be made of the important role played by the School in the network of Directors of Institutes and Schools of Public Administration (DISPA). As the de facto coordinating body for the work of the network it is able to ensure a degree of continuity by participating in the "Trio" meetings that determine the agenda of the twice-yearly meetings. In 2015 the School provided considerable assistance to the Latvian and Luxembourg members of DISPA in the organisation of their respective meetings and wrote and reproduced the minutes for both of them.

As in the past and in the interest of sharing its expertise, the School admitted a small number of participants from Member States, via the DISPA network, to attend a selection of its management training programmes. In 2015, 14 such participants took part.

Finally a number of outside groups visited the School for briefings on its activities and other learning and development issues. Particular mention should be made of 2 visits from representatives of the African Union who wished to tap into the School's knowledge as part of their plans for creating their own Learning and Development Academy.

⁴ In general the target for the satisfaction rate is set to 90 %. However, in order to take into account the financial investment from the Commission it is set to 95 %

2. MANAGEMENT AND INTERNAL CONTROL

2.1 Control results

This is covered in the EPSO activity report.

2.2 Audit observations and 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.

The School is generally audited by both internal and external independent auditors: the Commission internal audit service (IAS) and the European Court of Auditors (ECA). During the period of reference, no specific audit work has been carried out by the IAS and the European Court of Auditors.

As regards the implementation of recommendations issued in previous years, the relevant actions are implemented as planned. Consequently, the current state-of-play does not lead to assurance-related concerns.

2.3 Assessment of the effectiveness of the internal control systems

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

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

The functioning of the internal control systems has been closely monitored throughout the year by the systematic registration of exceptions (under ICS 8).

The School considers that in general its internal control system functions satisfactorily.

This statement is based on the assessment that was carried out using a self-assessment questionnaire (iCAT questionnaire).

The School continues to take account of the risks involved in its activities and addresses them in its regular team meetings as and when appropriate.

The School buys mainly services/supplies in the area of training and training facilities. The contractors are mainly suppliers of training services in small to medium-sized companies within Europe. Procurement needs are clearly defined and justified from an economic or operational point of view and approved by the AOD. In this area no significant risks have been identified.

In conclusion, the internal control standards are effectively implemented and functioning.

2.4 Conclusions as regards assurance

This is covered in the EPSO activity report.

3. Declaration of Assurance

This is covered in the EPSO activity report.