

Annual Activity Report 2020

Annexes

DG Interpretation

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

I declare that in accordance with the Commission's communication on the internal control framework¹, I have reported my advice and recommendations on the overall state of internal control in the DG SCIC to the Director-General.

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

29 March 2021

Signed

Gianluca Pecchi

¹ C(2017)2373 of 19.04.2017.

ANNEX 2: Performance tables

General objective: A modern, high-performing and sustainable European Commission			
Impact indicator 1: Image of the European Union			
Explanation: This indicator is based on the question ‘In general, does the EU conjure up for you a very positive, fairly positive, neutral, fairly negative or negative image?’ The indicator gives the share of positive and fairly positive views on this question			
Source of the data: Standard Eurobarometer 93			
Baseline (2019)	Latest known value (2020)	Interim milestone (2022)	Target (2024)
43% (EU 27)	40% (EU 27)	Increase	Increase
Impact indicator 2: Staff engagement index in the Commission			
Explanation: Staff engagement measures staff’s emotional, cognitive and physical connection to the job, organisation and the people within it			
Source of the data: European Commission			
Baseline/latest known value (2018)	Interim milestone (2021)		Target (2024)
69%	Increase		Increase
Impact indicator 3: Percentage of female representation in management in the Commission			
Explanation: This indicator gives the percentage of female representation at middle and senior management level in the European Commission			
Source of the data: DG HR			
Baseline (2019)	Latest known value (2020)	Interim milestone (2022)	Target (2024)
40.5%	42.79%	Increase	50%
Impact indicator 4: Environmental performance in the Commission			
Explanation: This indicator looks at percentage reductions compared to 2014 levels. It gives the weighted average for eight Commission sites participating in the Eco-Management and Audit Scheme (EMAS) on specific core parameters. The sites are Commission buildings in Brussels and Luxembourg, as well as JRC sites Geel (Belgium), Petten (the Netherlands), Seville (Spain), Karlsruhe (Germany), and Ispra (Italy), along with DG SANTE at Grange (Ireland)			
Source of data: Environmental Statement 2019 results (pg. 22)			
Baseline (2018)	Latest known value (2019)	Interim milestone (2020)	Target (2024)
Energy consumption of buildings (MWh / person): -8.8%	-8.2% (2020 target met)	-5.2%	Achieve greater reduction
Water use (m³ / person): -9.5%	-25% (2020 target met)	-5.4%	Achieve greater reduction
Office paper consumption (sheets / person / day): -32%	-37% (2020 target met)	-34%	Achieve greater reduction
CO₂ emissions from buildings (tonnes / person): -24%	-22% (2020 target met)	-5.1%	Achieve greater reduction

Waste generation (tonnes / person): -15%	-17% (2020 target met)	-9.7%	Achieve greater reduction
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Specific objective 1: Interpreting services meet our customers' priorities and demand and are effectively managed			Not related to a spending programme
Result indicator 1: Percentage of customers' requests for interpretation that DG SCIC is able to satisfy			
Explanation: For main external customers, DG SCIC measures satisfaction of demand for interpretation, based on the availability of interpreters (staff and freelancers). This indicator measures the share of active languages requested that DG SCIC is able to provide. For the most used languages (EN, FR, DE, IT, ES) this indicator is currently close to 100%, for less widely used languages demand may be more difficult to meet. This target is based on the assumption that available resources remain stable.			
Source of data: SCICView			
Baseline (2019)	Interim milestone (2022)	Target (2024)	Latest known results (2020)
96%	95%	95% ²	96%
Result indicator 2: Standby rate and reserve of staff and freelance interpreters, excluding periods of low interpretation activity (% of available working time)			
Explanation: Monitoring the amount of standby, which goes beyond the reserve necessary to offer flexibility to meet additional needs, enables DG SCIC to check whether it manages resources efficiently. French, German, English, Italian and Spanish, the most widely used languages, are a representative sample for this purpose.			
Source of data: SCICView			
Baseline (2019)	Interim milestone (2022)	Target (2024)	Latest known results (2020)
18,1%	15%	15%	28,4%

This result indicator is KPI 1. Despite the 65% overall decrease in demand levels, combined with the impact of health and safety measures, DG SCIC managed to keep the annual average standby rate below 30%. Although well above the target of 15%, this reflects the mobilisation from all parts of DG SCIC to use the quiet periods for other tasks of interest for the service.

For the first quarter of 2020, the standby rate of staff interpreters stood at 23%, just slightly up on the previous year when the figure was 19%. From Quarter 2 onwards, the rate was seriously affected by the COVID-19 pandemic. For most of Quarter 2 there was such a low level of interpretation activity (less than 150 interpretation days) that the KPI did not apply.

From Quarter 3, activity slowly resumed. Nonetheless, in accordance with Commission business continuity and safety rules, from the onset of the pandemic until the end of August, interpreters worked on a weekly shift system and were assigned to interpreting duties only every second week. This contributed to an increased standby rate as not all other

² This target is considered in line with available resources. A marginal increase of the satisfaction could entail a far bigger increase in costs (i.e. hiring of freelance interpreters from outside of Brussels at an extra cost for the service). This is the reason why the target is set below the baseline.

professional activities interpreters exercised were recorded and thus reflected in the standby rate. As of September, formal use of weekly shifts for interpretation assignments was replaced by a monitoring system, which included lowering the ceiling of interpreters' weekly assignments, and this increased the standby rate once again.

As a consequence of the pandemic, from March onwards, DG SCIC was generally obliged to reduce language coverage in meetings, as insufficient interpretation booths were available to accommodate interpreters in line with physical distancing requirements. This inevitably led to a reduction in output across all languages, in particular those less commonly used in meetings.

Some interpreters who could not be assigned to meetings and had to telework for medical reasons were seconded formally or informally to other parts of the service or other DGs. Where possible, on days when interpreters could not be assigned to interpretation duties, many provided *ad hoc* support to other parts of the service or other DGs. The majority worked from home on interpretation-related activities such as virtual pedagogical assistance, peer-to-peer teaching, post-editing of recording transcriptions, terminology and language acquisition or maintenance. Due to the circumstances, the part of the overall output dedicated to these activities soared in 2020 and will produce long-term gains for the service. Nonetheless, the corporate measures to protect staff health and the shift system led to a higher level of standby than would normally be the case.

Result indicator 3: Coverage of i-slot cost by i-slot price (in %)

Explanation: The i-slot cost is calculated by dividing the expenses related to the provision of interpretation and linked activities (staff, freelance interpreters, parts of training, IT, missions) by the expected amount of interpretation to be provided. Staff remuneration and freelance interpreters' salary adjustments are fixed costs, beyond DG SCIC's control. This indicator shows the effectiveness of DG SCIC's efforts to keep variable cost stable or reduce it.

Source of data: Budget and Finance Unit

Baseline (2019)	Interim milestone (2022)	Target (2024)	Latest known results (2020)
91.3% (i-slot price: 498 €, i-slot cost: 546 €)	92%	93%	82,2%

This result indicator is KPI 2. The sudden and dramatic drop in activity did not allow DG SCIC to free up resources that had already been contracted without incurring costs or to collect sufficient revenue to cover its fixed costs, which are mainly staff costs.

Result indicator 4: Progress of modernisation of the corporate management tools for the provision of interpretation

Explanation: This modernisation project runs over 5 years. It comprises several milestones described in DG SCIC's Digital Modernisation Plan. The first one is the business process analysis to be run in parallel with the automation of information flows with customers.

Source of data: DG SCIC.C3

Baseline (2019)	Interim milestone (2022)	Target (2024)	Latest known results (2020)
Key processes are not automated, in particular	Management of Council documents for	Key interpretation management processes,	Business case for 'Management of Council

the information flows with main external customers, are managed through email exchanges	interpreters is digitised.	including information flows with main external customers, are automated.	documents for interpreters' validated by the ITCB on 17 December 2020
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Main outputs in 2020:

Main outputs			
Output	Indicator	Target	Latest known results (situation on 31/12/2020)
Conditions are created to deliver interpretation throughout the crisis	Number of face-to-face and hybrid meetings with interpretation	Steady increase until the end of 2020 (compared to 16 March level)	In 2020, 24% of meetings were held using a platform allowing interpretation*
New methodology for reporting on standby rate of staff and optimised ratio between staff and freelance interpreters	Preliminary analysis on a new methodology for standby rate of staff and optimised ratio between staff and freelance interpreters	Q4	Preliminary analysis done on reporting of activities on the basis of recording of activities for interpreters on telework during the pandemic
Implementation of agreement on complementary remote interpretation	Monitoring team report	Q4	On-hold because of the pandemic
Assistance to the President of the European Council	Implementation of agreement on use of remote interpretation for bilateral meetings in the Europa building	Q2	Implemented
Provision of interpretation in virtual meetings	SIDP (platform technology) is implemented	Q3	Done. 15 meeting rooms with SIDPs installed
Digitisation of the distribution of documents from the Council for meeting preparation	Business case presented to the ITCB, external contract concluded for a solution	Q4	Business case validated by the ITCB on 17 December 2020. Detailed list of requirements to be drafted in cooperation with stakeholders in Q1 2021
IT project to modernise corporate management tools for the provision of interpretation	Business process analysis by external consultant launched	Q4	Business processes analysis postponed to 2021 due to the pandemic
Develop and implement an IT tool to import data concerning the tickets issued by the travel agency for freelance interpreters	Operational IT solution to increase data processing efficiency and eliminate the risk of errors linked to manual processing of data	Q4	Project on hold pending the technical analysis of the development platform proposed by the travel agency
Mentoring scheme for international sign interpreters	Number of international sign freelance interpreters in the Joint list	At least 2 new freelance interpreters added to the list by the end of 2020	After being suspended due to COVID-19, the mentoring scheme was concluded in February

			2021, resulting in the addition of four new freelance interpreters to the list
Implementation of paperless screening of ACI (freelance interpreters) candidates' files for all EU-booths in 2020-21 accreditation cycle	100% of screenings in 2020-21 accreditation cycle are paperless	Q4	The 2020-2021 accreditation test cycle has not been launched, as priority was given to rescheduling all accreditation tests pertaining to the cycle 2019-2020 which were put on hold due to the Covid-19 outbreak. Consequently, there has not been any further extension of the paperless screening procedure yet as there were no new screenings.

* In order to create conditions to deliver interpretation throughout the crisis, with its well-established framework for social dialogue, DG SCIC reached a consensual agreement on interim ad hoc working conditions for meetings with platforms for the period of the crisis. As interpreting requires a presence in the workplace, DG SCIC adopted a set of measures suited to interpreting assignments to ensure interpreters' safety. Measures focusing on physical distance, hygiene and limited exposure include:

- agreeing with the General Secretariat of the Council and the European Economic and Social Committee that Plexiglas partitions are installed to enable two interpreters to share a booth and thus provide more languages;
- seating one interpreter per booth in meeting rooms where there is no Plexiglas;
- reducing the number of interpreters assigned to work into each language in specific meetings, by way of thereby derogating from normal working practices;
- thorough cleaning and disinfecting of booths and interpreting equipment;
- adopting specific arrangements for safely distributing and using meeting documents;
- widely publicising and strictly observing corporate rules on physical distancing, personal protective equipment (PPE) and hygiene in meeting rooms;
- not assigning to the booth interpreters deemed to be in vulnerable categories;
- limiting each interpreter's number of assignments over each two-week period;
- establishing a monitoring system, which is reviewed on a monthly basis, to ensure that this limit is respected.

Specific objective 2: The quality of interpretation meets our customers' needs			Not related to a spending programme
Result indicator 1: Progress of digitalisation of meeting preparation and terminology management			
Explanation: The implementation of the Interpreter's Digital Toolbox will enable a paper-smart workflow for meeting preparation, embedding new technologies such as automated terminology extraction and document annotation.			
Source of data: DG SCIC.C3			
Baseline	Interim milestone	Target	Latest known results

(2019)	(2022)	(2024)	(2020)
Interpreters use various tools to prepare for meetings, including paper documents	At least 50% of meetings can be prepared fully online with a streamlined documentation interface	At least 85% of meetings can be fully prepared online (documents and creation of event-specific terminology glossaries)	Due to the pandemic all meetings were prepared to the extent possible online with the use of the existing tools
Result indicator 2: Satisfaction with the quality of interpretation expressed by our users Explanation: The indicator measures quality according to users' perception and enables identifying possible areas of improvement. It is measured in percentages of respondents who express satisfaction over a series of questions out of the total number of respondents in a representative sample of meetings in a particular week. Source of data: DG SCIC's Customer Satisfaction Survey			
Baseline (2017)	Interim milestone (2022)	Target (2024)	Latest known results (2017)
90%	85%	85% ³	90% The Customer Satisfaction Survey was planned for 2020, but could not be performed due to the COVID-19 crisis

This result indicator is KPI 3. The target can be considered as having been met despite the COVID-19 pandemic making it impossible to run a customer satisfaction survey (CSS) in 2020 as originally planned. The most recent survey was conducted in 2017 when overall satisfaction with the quality of interpretation reported by customers reached 90%, in line with previous surveys. This reflects on-going efforts to provide high quality interpretation, thereby ensuring multilingual communication in meetings serviced by DG SCIC. While interpreters faced considerable challenges in 2020, in meeting reports customers consistently expressed their appreciation for the quality of interpretation provided by DG SCIC.

In 2020, DG SCIC primarily provided interpretation in virtual and hybrid meetings while the presential meetings it continued to serve were usually on a high political level. This overhaul of the delivery mode posed a major challenge for interpreters and had a serious impact on the organisation of interpretation. The technical conditions for sound and image at virtual and hybrid meetings were, and continue to be, below the accepted standards for quality conference interpretation. Moreover, interpreters had to adapt to new working environments, e.g. working from screens in empty rooms, or seated one interpreter per booth. There were also new working conditions, such as reducing manning levels from three interpreters per language to two (an ad hoc derogation from the Agreement on Interpreters' Working Conditions because of the pandemic). Despite these considerable challenges, in meeting reports customers consistently expressed their appreciation for the quality of interpretation provided by DG SCIC interpreters despite the very difficult circumstances.

³ This target is considered in line with available resources. A marginal increase of the satisfaction could entail a far bigger increase in costs (i.e. hiring of freelance interpreters from outside of Brussels at an extra cost for the service). This is the reason why the target is set below the baseline.

Main outputs in 2020:

Main outputs

Output	Indicator	Target	Latest known results (situation on 31/12/2020)
Follow-up of quality issues in meetings served by DG SCIC interpreters	Number of complaints about quality of interpretation followed up	100%	100%
Extend direct language cover of meetings	Number of active languages and retours added by staff and freelance interpreters	40	Despite difficulties linked to the pandemic, 16 passive languages and 1 retour added by staff interpreters. Freelance interpreters added 8 passive languages and 3 retours with DG SCIC support
Knowledge centre on interpretation 7.0	A fully operational, more dynamic and multilingual platform is available, allowing for sharing knowledge on interpretation, for creating communities and for managing the interpreters training support activities with external partners	Q4	Completed. Additional functionalities for the, creation of new communities for the managing of the interpreter training support activities in a coherent and more dynamic way are up and running
Capacity development through cooperation with universities in the EU and candidate countries	Adoption of the annual programme	Q1	Work Programme adopted on 27 February 2020, ref. C(2020) 1054
Capacity building for future interpreters' training through a more modern and sustainable scheme	Review and extension of the catalogue of virtual training activities	Q3	Adaptation to the pandemic situation and organisation of ad hoc trainings based on the needs of the universities and according to the service priorities
Training project for interpreters from Mongolia	Funds committed and project launched	Q4	Interpreter trainees selected, funds committed, training project ready to be implemented in 2021 (implementation postponed due to the COVID-19 situation)
Interpreters' Digital Toolbox: Stage 1 – Meeting documentation interface	Completion of stage 1	Q4	Stage 1 was not fully completed due to delays in the delivery by DG DIGIT
Interpreters' Digital Toolbox: Stage 2 – Additional functionalities documentation interface (IATE/Lithos integration)	Design completed and development & test underway	Q4	Small delay. User tests started in January 2021 to improve small features on the basis of the input from the users

Interpreters' digital upskilling	Provision of digital learning resources to interpreters and organisation of the digital week for interpreters	Q3	List of online digital resources made available; online modules available; digital week transformed into specific courses on digital and IT topics
Continuity of professional support activities in the different domains	Ensure virtual learning opportunities for interpreters in the different domains as long as the confinement measures and restrictions are in place	Q2/4	The courses in all domains were organised virtually. Immersion stays transformed into virtual stays

External communication actions

Output	Indicator	Target	Latest known results (situation on 31/12/2020)
Keep the high level of DG SCIC's presence on social media	Number of followers	>60 000	87 041
Outreach events abroad: Drongo festival, Netherlands	Number of participants (main event, virtual because of COVID-19)/ Social media: number of impressions	1 450/26 000	2 000 / no social media campaign on 'EU Interpreters' on participants' request
London Language Show, UK	Number of participants (main event, physical or/and virtual according to COVID-19 situation)/Social media: number of impressions	6 000/54 000	12 000 / 66 194
Languages Connect #Think Languages Event, Ireland	Number of participants (virtual event because of COVID-19)/ Social media: number of impressions	20 000/19 000	5 000 / no social media campaign on 'EU Interpreters' because of password-based diffusion

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

Not related to a spending programme

Result indicator 1: Number of Commission DGs benefiting from corporate meeting room services

Explanation: This indicator reflects the number of DGs included in the roll-out of DG SCIC's meeting room services by zone

Source of data: Collection of data every 6 months via the room management tool and on the basis of hand-over reports between DG SCIC and each DG

Baseline (2019)	Interim milestone (2022)	Target (2024)	Latest known results (2020)
n/a	30	36	29

Result indicator 2: Number of corporate meeting rooms (rooms with interpretation or with over 50 seats)

Explanation: This indicator reflects the number of large or specific meeting rooms (rooms with interpretation booths) that are available for all DGs but whose reservation is centrally managed by DG SCIC

Source of data: Room management tool

Baseline (2019)	Interim milestone (2022)	Target (2024)	Latest known results (2020)
60	82	90	77

Result indicator 3: Number of DGs and Executive Agencies using the audio-visual framework contract

Explanation: This indicator reflects the number of DGs and Executive Agencies that signed specific contracts and/or delegated budget to DG SCIC in order to sign specific contracts based on DG SCIC's audio-visual framework contracts

Source of data: Regular monitoring on use of the framework contract

Baseline (2019)	Interim milestone (2022)	Target (2024)	Latest known results (2020)
n/a	36	42	29

Result indicator 4: Number of meeting rooms with DG SCIC's support and technical maintenance

Explanation: This indicator reflects the number of meeting rooms that are technically managed and supported by DG SCIC following the roll-out of DG SCIC's meeting room services by zone

Source of data: Room inventory

Baseline (2019)	Interim milestone (2022)	Target (2024)	Latest known results (2020)
150	550	700	280

Main outputs in 2020:**Main outputs**

Output	Indicator	Target	Latest known results (situation on 31/12/2020)
Support OIB during the phases of the Commission's new conference centre project	Inter-service consultation approved	December 2020	Completed, approved in November 2020
ISO deliverables on new technologies in simultaneous interpreting	- 2 Working Drafts (WD) - 1 Committee Draft (CD) of the future ISO 24019 Standard	September 2020	Completed. Committee Draft ISO 24019 available as of September 2020
Support and maintenance services for all meeting rooms related to the 17 newly enrolled DGs	Roll out of the meeting room services (design, installation, help desk, maintenance and support) to the 17 newly enrolled DGs	December 2020	Completed. Roll-out for zone 2 finished in December 2020

Specific objective 4: The customer journey is improved through high-quality digital solutions and workflows in meeting room management			Not related to a spending programme
Result indicator 1: Customer satisfaction with audio-visual services offered in meeting rooms			
Explanation: This indicator reflects the overall score obtained from a periodic user survey sent to Commission's staff using meeting rooms managed by DG SCIC			
Source of data: Measured via surveys every 2 years			
Baseline (2019)	Interim milestone (2022)	Target (2024)	Latest known results (2020)
n/a	At least 75%	At least 80%	n/a (Postponed following the COVID-19 crisis)
Result indicator 2: Occupancy rate of Commission meeting rooms			
Explanation: The IT tool for interpretation request and meeting room management (MIRA) is being redesigned to support simpler, more user-centric processes of requesting DG SCIC's services. The tool will allow an increase of the meeting rooms occupancy rate thanks to more efficient sharing of the meeting rooms.			
Source of data: DG SCIC.C3			
Baseline (2019)	Interim milestone (2022)	Target (2024)	Latest known results (2020)
60% (an estimate)	65%	75%	n/a (Postponed following the COVID-19 crisis)

Main outputs in 2020:			
Main outputs			
Output	Indicator	Target	Latest known results (situation on 31/12/2020)
Project Charter and Business use cases of the MIRA (new WebDOR) project	Project Charter and Use cases completed and approved by the Project Steering Committee and the ITCB	Q4	Done

Specific objective 5: Modern and sustainable conference organisation services are available for the European Commission			Not related to a spending programme
Result indicator 1: Satisfaction of conference participants			
Explanation: This indicator is related to services delivered by DG SCIC. It reflects the average scores given by conference participants in a survey sent after each conference.			
Source of data: Ongoing surveys of conference participants			
Baseline (2019)	Interim milestone (2022)	Target (2024)	Latest known results (2020)
80%	80%	80% ⁴	89.6%

⁴ Measurement of end customer satisfaction has been revamped in order to make results more specific and relevant. As the survey will be sent to conference participants rather than to the DG's conference organisers, satisfaction rates will be influenced by factors beyond DG SCIC's control (content, speaker selection etc.); a target rate of 80% provides for this, while still aiming for a high satisfaction rate overall.

Result indicator 2: Satisfaction of customer DGs, agencies and services

Explanation: This indicator is related to services delivered by DG SCIC. It reflects the average scores obtained from DGs to whom conference organisation services were provided, in debriefing minutes and a yearly survey.

Source of data: Debriefing minutes and a yearly survey

Baseline (2019)	Interim milestone (2022)	Target (2024)	Latest known results (2020)
92%	80%	80% ⁵	87%

Result indicator 3: Progress in putting in place a mechanism to calculate environmental impacts of conferences

Explanation: This indicator reflects progress in putting in place a mechanism to calculate and to subsequently reduce and offset negative environmental impacts of conferences.

Source of data: to be defined

Baseline (2019)	Interim milestone (2022)	Target (2024)	Latest known results (2020)
n/a	Report on possible mechanisms for calculation and offsetting	Offsetting mechanism in place	This became in 2020 part of the wider effort to make the Commission carbon neutral by 2030. The suggestion to develop a calculator was one of DG SCIC's contributions to the focus groups on greening the Commission

Main outputs in 2020:**Main outputs**

Output	Indicator	Target	Latest known results (situation on 31/12/2020)
Exploring calculation mechanism for offsetting negative environmental impacts of conferences	Report exploring options for offsetting negative environmental impacts of conferences published	End of 2020	COVID-19 related disruption has not allowed enough time for studying different options available; suggestion to develop a calculator has been made as part of DG SCIC's input to DG HR-led focus groups on greening the Commission
7 steps for Greener	Percentage of kick-off	100%	100%

⁵ Measurement of end customer satisfaction has been revamped in order to make results more specific and relevant. At the same time, the customer base has been expanded significantly and working methods have been streamlined, including the introduction of a framework contract. A target rate of 80% takes these changes and their possible impact into consideration whilst still aiming for a high satisfaction rate overall.

Conferences	meetings with involvement of DG SCIC conference managers featuring information on greener conferences		
New all-sustainable promotional items framework contract	Contract signed	Q3	Slight delay in implementation, published on 22/01/2021
Framework Contract PCO	Report showcasing how 'sustainable-by-default' was put into action by contractors, using 3 conferences as an example	Q3	Done, reports submitted by contractors in relation to the first semester of contract implementation
New wiki page on virtual conferencing	Wiki updated – page on virtual conferencing created	Q2	Done

Other important outputs

Output	Indicator	Target	Latest known results (situation on 31/12/2020)
Standard communication/information package on sustainability of events for DGs (could be adapted individually and used by other DGs in their communication of the event)	Package completed	Q4	This has been rolled over to 2021 as many of the points would apply to in-person conferencing which is not yet resuming

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

Not related to a spending programme

Result indicator 1: Satisfaction of users with the professionalisation training path offered by DG SCIC

Explanation: This indicator relates to future training offered by DG SCIC. A targeted training offer is needed for the conference community. The satisfaction rate of training participants will be measured through a post-event survey to monitor relevance to professional needs.

Source of data: to be defined

Baseline (2019)	Interim milestone (2022)	Target (2024)	Latest known results
n/a as the post for professionalisation is newly created	n/a as beginner-level training course is just in place	70%	Learning Needs Analysis has been shared with HRBC team and DG HR

Result indicator 2: Satisfaction of conference correspondents with DG SCIC's domain leadership

Explanation: This indicator measures, in live polls during network meetings, the percentage of conference correspondents' considering DG SCIC activities in the domain (including the role of the conference correspondents network) useful for conference management in their DG/service, on a scale from 1 to 5.

Source of data: Poll about usefulness and involvement of the Network of Conference Correspondents

Baseline	Interim milestone	Target	Latest known results
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(2019)	(2022)	(2024)	
65%	70%	70% ⁶	82%

Main outputs in 2020:

Main outputs

Output	Indicator	Target	Latest known results (situation on 31/12/2020)
Beginner level Conference Management course	Progress in designing and implementing a training course	Training pathway defined by the end 2020	Pathway not yet fully defined, but the Learning Needs Analysis has been shared with HRBC team and DG HR

General objective: A Europe fit for the digital age

Impact indicator 1: Aggregate score in the Digital Economy and Society Index (DESI)⁷

Explanation: DESI is a composite index that summarises relevant indicators on Europe's digital performance and tracks the evolution of EU Member States in digital competitiveness. Higher values indicate a better performance

Source of the data: [DESI](#)

Methodology for calculating the indicator: The DESI index is calculated as the weighted average of the five main DESI dimensions: 1 Connectivity (25%), 2 Human Capital (25%), 3 Use of Internet (15%), 4 Integration of Digital Technology (20%) and 5 Digital Public Services (15%)

Baseline ⁸ (2019)	Latest known value (2020)	Interim milestone (2022)	Target (2024)
49.4	52.6	Increase	Increase

Impact indicator 2: Digital skills⁹

Explanation: The basic digital skills indicator looks at selected activities performed by individuals aged 16 to 74 on the internet in the four specific areas (information, communication, problem solving, content creation). It is assumed that individuals having performed certain activities have the corresponding skills; therefore, the indicator can be considered as a proxy of the digital competences and skills of individuals. Finally, based on the performance in the four specific areas, an overall digital skills indicator is calculated as a proxy of the digital competences and skills of individuals ('no skills', 'low', 'basic' or 'above basic'). The basic digital skills indicator shows the share of individuals with 'basic' and 'above basic' skills.

Source of data: Eurostat (Eurostat online data code: [isoc_sk_dskl_i](#))

⁶ Due to the high turnover among Conference Correspondents, it is difficult to obtain a continuous improvement of the relationship with the domain leader.

⁷ EU28 data. EU27 data not available.

⁸ Baseline recalculated, as the composition of the index changed in 2020

⁹ New methodology for the calculation of this indicator is currently under development. This indicator might be revised.

Baseline (2020 ¹⁰)	Latest known value (2020)	Interim milestone (2022)	Target (2024)
<i>Basic digital skills:</i> 46%	46%	63%	67%

Specific objective 7: A European speech recognition technology is used by the EU Institutions and the public		Related to the IT ‘Global envelope’ and a spending programme – CEF and Digital Europe Programme	
Result indicator 1: Number of languages supported by the speech recognition tool			
Explanation: The project is first focussing on the languages that represent some of the most used languages in Commission meetings, and where existing technological solutions and sufficient data sets are available.			
Source of data: Connecting Europe Facility programme report			
Baseline (2019)	Interim milestone (2022)	Target (2024)	Latest known results (2020)
0	5	10	0 languages for CEF, data curation almost finished, DGT to start work on open source engine in early 2021, pipeline almost set up (front- end/back-end). Creation of models started on the Azure platform

Main outputs in 2020:			
Main outputs			
Output	Indicator	Target	Latest known results (situation on 31/12/2020)
Initiate project for Automatic Speech Recognition	Solutions on recordings/web streaming were tested Data Curation phase for the ASR model finished	Q4	Solutions were tested (pilot Q3/Q4 2020). Data curation phase is being finalised (end foreseen early 2021). Creation of models in Azure started. Interpreters contribute to post-editing of 'raw transcripts' (starting in Q3)

¹⁰Original baseline 2019 with indicator of 56% had to be corrected as there was an unexpected break in series

Annex 3 Financial Reports - DG SCIC - Financial Year 2020

Table 1: Commitments

Table 2: Payments

Table 3: Commitments to be settled

Table 4: Balance Sheet

Table 5: Statement of Financial Performance

Table 5 Bis: Off Balance Sheet

Table 6: Average Payment Times

Table 7: Income

Table 8: Recovery of undue Payments

Table 9: Ageing Balance of Recovery Orders

Table 10: Waivers of Recovery Orders

Table 11: Negotiated Procedures

Table 12: Summary of Procedures

Table 13: Building Contracts

Table 14: Contracts declared Secret

Table 15: FPA duration exceeds 4 years

Table 1:

The appropriations presented under Title 31 are DG SCIC's own budget, consisting of basic appropriations and assigned revenue. The data displayed for Titles 19 and 21 are co-delegated appropriations financing cooperation with 3rd countries in the area of interpretation. Figures for all other Titles represent funds co-delegated to DG SCIC for the organisation of conferences.

The level of commitments appears to be lower than available appropriations for Title 31. Authorised appropriations also include assigned revenue which was cashed during 2020 but not used to finance activities during the year. This is due to the fact that as assigned revenue represents 2/3 of the overall financing of DG SCIC's interpreting activities, it is used as an 'anticipé' on revenue, which is mostly consumed at the beginning of the year for long-term recruitment of freelance interpreters and to finance recurring IT expenditures related to interpretation. Revenues not linked to interpretation, but for meeting rooms management, are often received from the paying services (notably Agencies) very late in the year, and cannot be committed immediately as the planning and contracting phases for the renovation works require several weeks.

Table 2:

As mentioned for the previous table, payment appropriations authorised for Title 31 also include assigned revenue which was not committed in 2020. Payment appropriations for budget line 31 01 02 11 also include C8 credits for the Missions lines, where payment is co-delegated to PMO. For Titles 21 and 26 it seems as if more had been paid than the total available payment appropriations. This is due to the fact that C8 credits are not counted for these budget lines because of the way the original co-delegation had been encoded.

Table 6:

The data for Average Payment Times displayed in Table 6 is not complete, as it does not include all invoices that due to the specificities of SCIC operations are paid via hors budget accounts. The complete data is displayed in Annex 7.

Table 8:

In the figure presented in the first table, only transactions up to May 2020 are included, therefore it is misleading.

The amount initially mentioned in the 'Total undue payments recovered' field of the expenses budget is not correct as it includes all credit notes which were requested to correct mistakes in invoices detected by DG SCIC ex ante controls, before any payment had been authorised.

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2020 (in Mio €) for DG SCIC					
			Commitment appropriations authorised	Commitments made	%
			1	2	3=2/1
Title 01 Economic and financial affairs					
01	01 02	Economic and monetary union	0,30	0,30	100,00 %
Total Title 01			0,30	0,30	100,00 %
Title 02 Internal market, industry, entrepreneurship and SMEs					
02	02 03	Internal market for goods and services	0,00	0,00	0,00 %
Total Title 02			0,00	0,00	0,00 %
Title 09 Communications networks, content and technology					
09	09 04	Horizon 2020	0,59	0,59	100,00 %
Total Title 09			0,59	0,59	100,00 %
Title 10 Direct research					
10	10 01	Administrative expenditure of the 'Direct research' policy area	0,00	0,00	0,00 %
Total Title 10			0,00	0,00	0,00 %
Title 11 Maritime affairs and fisheries					
11	11 06	European Maritime and Fisheries Fund (EMFF)	0,53	0,53	100,00 %
Total Title 11			0,53	0,53	100,00 %
Title 13 Regional and urban policy					
13	13 03	European Regional Development Fund and other regional operations	0,00	0,00	0,00 %
	13 04	Cohesion Fund (CF)	0,09	0,09	100,00 %
Total Title 13			0,09	0,09	100,00 %
Title 18 Migration and home affairs					
18	18 05	Horizon 2020 - Research related to security	0,00	0,00	0,00 %
Total Title 18			0,00	0,00	0,00 %
Title 19 Foreign policy instruments					
19	19 01	Administrative expenditure of the 'Foreign policy instruments' policy area	0,03	0,00	0,00 %
	19 05	Cooperation with third countries under the Partnership Instrument (PI)	0,45	0,45	100,00 %
Total Title 19			0,48	0,45	93,60 %
Title 21 International cooperation and development					
21	21 02	Development Cooperation Instrument (DCI)	0,00	0,00	0,00 %
Total Title 21			0,00	0,00	0,00 %

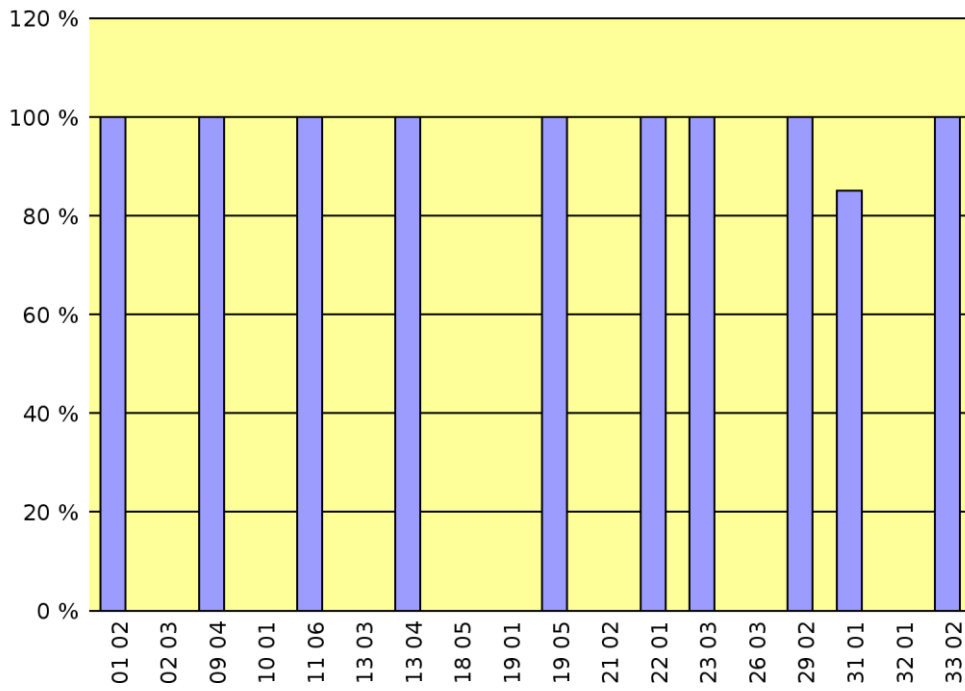
Note: The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Refresh date : 10/03/2021

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2020 (in Mio €) for DG SCIC					
			Commitment appropriations authorised	Commitments made	%
			1	2	3=2/1
Title 22 Neighbourhood and enlargement negotiations					
22	22 01	Administrative expenditure of the 'Neighbourhood and enlargement negotiations' policy area	0,02	0,02	100,00 %
Total Title 22			0,02	0,02	100,00 %
Title 23 Humanitarian aid and civil protection					
23	23 03	The Union Civil Protection Mechanism	0,15	0,15	100,00 %
Total Title 23			0,15	0,15	100,00 %
Title 26 Commission's administration					
26	26 03	Services to public administrations, businesses and citizens	0,00	0,00	0,00 %
Total Title 26			0,00	0,00	0,00 %
Title 29 Statistics					
29	29 02	The European statistical programme	0,20	0,20	100,00 %
Total Title 29			0,20	0,20	100,00 %
Title 31 Language services					
31	31 01	Administrative expenditure of the 'Language services' policy area	71,00	60,34	84,99 %
Total Title 31			71,00	60,34	84,99 %
Title 32 Energy					
32	32 01	Administrative expenditure in the 'Energy' policy area	0,00	0,00	0,00 %
Total Title 32			0,00	0,00	0,00 %
Title 33 Justice and consumers					
33	33 02	Rights, equality and citizenship	0,14	0,14	100,00 %
Total Title 33			0,14	0,14	100,00 %
Total DG SCIC			73,50	62,81	85,46 %

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

% Outturn on Commitment Appropriations in 2020 for DG SCIC



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

Refresh date : 10/03/2021

TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS in 2020 (in Mio €) for DG SCIC

			Payment appropriations authorised *	Payments made	%
			1	2	3=2/1
Title 01 Economic and financial affairs					
01	01 02	Economic and monetary union	0,21	0,21	100,00 %
Total Title 01			0,21	0,21	100,00%
Title 02 Internal market, industry, entrepreneurship and SMEs					
02	02 03	Internal market for goods and services	0,00	0,00	0,00 %
Total Title 02			0,00	0,00	0,00%
Title 09 Communications networks, content and technology					
09	09 04	Horizon 2020	0,00	0,00	100,00 %
Total Title 09			0,00	0,00	100,00%
Title 10 Direct research					
10	10 01	Administrative expenditure of the 'Direct research' policy area	0,00	0,00	0,00 %
Total Title 10			0,00	0,00	0,00%
Title 11 Maritime affairs and fisheries					
11	11 06	European Maritime and Fisheries Fund (EMFF)	0,14	0,14	100,00 %
Total Title 11			0,14	0,14	100,00%
Title 13 Regional and urban policy					
13	13 03	European Regional Development Fund and other regional operations	0,00	0,00	0,00 %
	13 04	Cohesion Fund (CF)	0,00	0,00	0,00 %
Total Title 13			0,00	0,00	0,00%
Title 18 Migration and home affairs					
18	18 05	Horizon 2020 - Research related to security	0,00	0,00	0,00 %
Total Title 18			0,00	0,00	0,00%
Title 19 Foreign policy instruments					
19	19 01	Administrative expenditure of the 'Foreign policy instruments' policy area	0,03	0,00	0,00 %
	19 05	Cooperation with third countries under the Partnership Instrument (PI)	0,06	0,06	100,00 %
Total Title 19			0,09	0,06	66,04%
Title 21 International cooperation and development					
21	21 02	Development Cooperation Instrument (DCI)	0,00	0,01	1030,59 %
Total Title 21			0,00	0,01	1.030,59%
Title 22 Neighbourhood and enlargement negotiations					
22	22 01	Administrative expenditure of the 'Neighbourhood and enlargement negotiations' policy area	0,03	0,03	100,00 %
Total Title 22			0,03	0,03	100,00%
Title 23 Humanitarian aid and civil protection					
23	23 03	The Union Civil Protection Mechanism	0,15	0,15	100,00 %
Total Title 23			0,15	0,15	100,00%
Title 26 Commission's administration					

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

Refresh date : 10/03/2021

TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS in 2020 (in Mio €) for DG SCIC					
			Payment appropriations authorised *	Payments made	%
			1	2	3=2/1
26	26 03	Services to public administrations, businesses and citizens	0,00	0,05	0,00 %
Total Title 26			0,00	0,05	0,00%
Title 29 Statistics					
29	29 02	The European statistical programme	0,00	0,00	0,00 %
Total Title 29			0,00	0,00	0,00%
Title 31 Language services					
31	31 01	Administrative expenditure of the 'Language services' policy area	76,82	55,90	72,76 %
Total Title 31			76,82	55,90	72,76%
Title 32 Energy					
32	32 01	Administrative expenditure in the 'Energy' policy area	0,00	0,00	0,00 %
Total Title 32			0,00	0,00	0,00%
Title 33 Justice and consumers					
33	33 02	Rights, equality and citizenship	0,14	0,14	100,00 %
Total Title 33			0,14	0,14	100,00%
Total DG SCIC			77,58	56,69	73,07 %

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

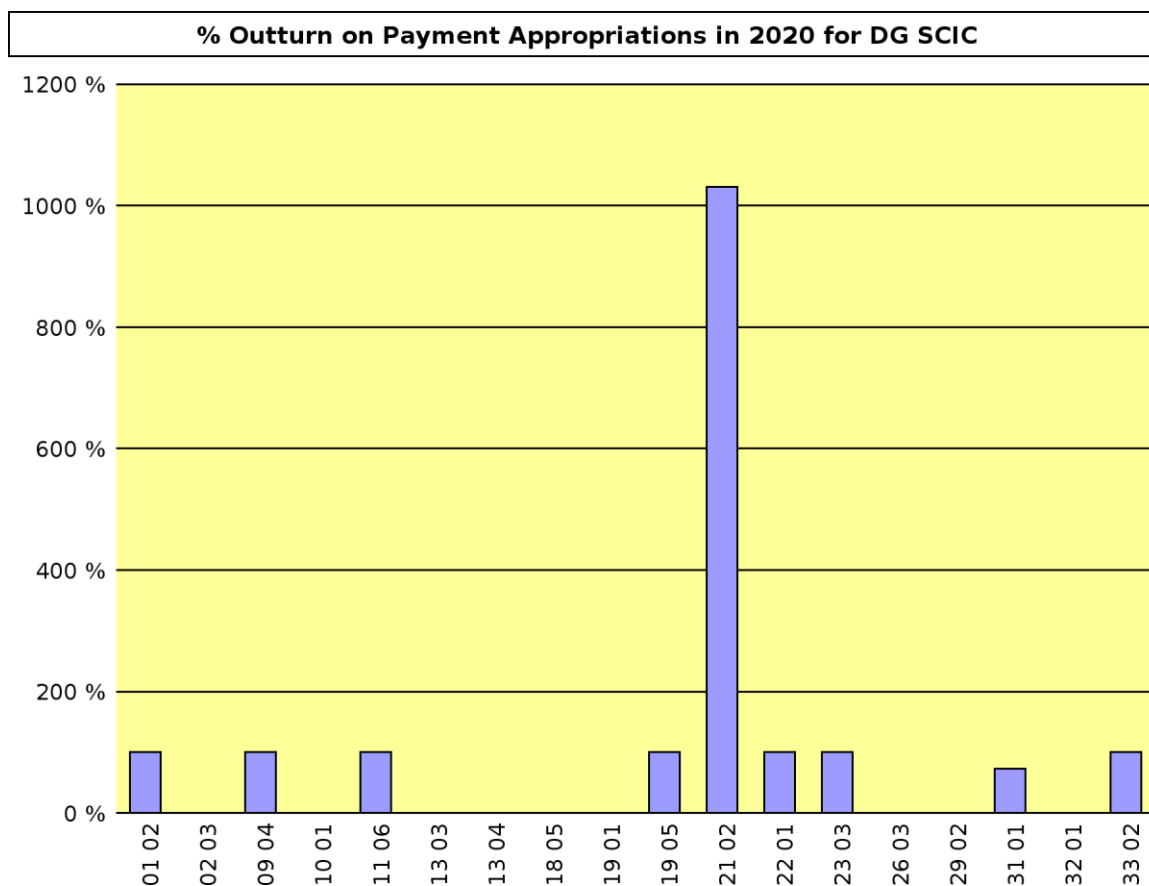


TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for DG SCIC									
			Commitments to be settled				Commitments to be settled from financial years previous to 2019	Total of commitments to be settled at end of financial year 2020	Total of commitments to be settled at end of financial year 2019
Chapter			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
01	01 02	Economic and monetary union	0,30	0,00	0,30	100,00%	0,00	0,30	0,40
Total Title 01			0,30	0,00	0,30	100,00%	0,00	0,30	0,40

TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for DG SCIC									
			Commitments to be settled				Commitments to be settled from financial years previous to 2019	Total of commitments to be settled at end of financial year 2020	Total of commitments to be settled at end of financial year 2019
Chapter			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
02	02 03	Internal market for goods and services	0,00		0,00	0,00%	0,00	0,00	0,00
Total Title 02			0,00		0,00	0,00%	0,00	0,00	0,00

TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for DG SCIC									
			Commitments to be settled				Commitments to be settled from financial years previous to 2019	Total of commitments to be settled at end of financial year 2020	Total of commitments to be settled at end of financial year 2019
Chapter			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
09	09 04	Horizon 2020	0,59	0,00	0,59	100,00%	0,00	0,59	0,02
Total Title 09			0,59	0,00	0,59	100,00%	0,00	0,59	0,02

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

Refresh date: 10/03/2021

TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for DG SCIC									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2019	Total of commitments to be settled at end of financial year 2020	Total of commitments to be settled at end of financial year 2019
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
10	10 01	Administrative expenditure of the 'Direct research' policy area							
Total Title 10									

TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for DG SCIC									
			Commitments to be settled				Commitments to be settled from financial years previous to 2019	Total of commitments to be settled at end of financial year 2020	Total of commitments to be settled at end of financial year 2019
			Commitments	Payments	RAL	% to be settled			
Chapter			1	2	3=1-2	4=1-2/1	5	6=3+5	7
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
11	11 06	European Maritime and Fisheries Fund (EMFF)	0,53	0,00	0,53	99,77%	0,07	0,60	0,43
Total Title 11			0,53	0,00	0,53	99,77%	0,07	0,60	0,43

TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for DG SCIC									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2019	Total of commitments to be settled at end of financial year 2020	Total of commitments to be settled at end of financial year 2019
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
13	13 03	European Regional Development Fund and other regional operations							
	13 04	Cohesion Fund (CF)	0,09		0,09	100,00%	0,00	0,09	0,00
Total Title 13			0,09		0,09	100,00%	0,00	0,09	0,00

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

Refresh date: 10/03/2021

TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for DG SCIC									
			Commitments to be settled				Commitments to be settled from financial years previous to 2019	Total of commitments to be settled at end of financial year 2020	Total of commitments to be settled at end of financial year 2019
			Commitments	Payments	RAL	% to be settled			
Chapter									
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
18	18 05	Horizon 2020 - Research related to security	0,00		0,00	0,00%	0,00	0,00	0,00
Total Title 18			0,00		0,00	0,00%	0,00	0,00	0,00

TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for DG SCIC									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2019	Total of commitments to be settled at end of financial year 2020	Total of commitments to be settled at end of financial year 2019
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
19	19 01	Administrative expenditure of the 'Foreign policy instruments' policy area							
	19 05	Cooperation with third countries under the Partnership Instrument (PI)	0,45	0,00	0,45	100,00%	0,29	0,74	0,35
Total Title 19			0,45	0,00	0,45	100,00%	0,29	0,74	0,35

TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for DG SCIC									
			Commitments to be settled				Commitments to be settled from financial years previous to 2019	Total of commitments to be settled at end of financial year 2020	Total of commitments to be settled at end of financial year 2019
Chapter			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
21	21 02	Development Cooperation Instrument (DCI)	0,00	0,00	0,00	0,00%	0,24	0,24	0,50
Total Title 21			0,00	0,00	0,00	0,00%	0,24	0,24	0,50

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

Refresh date: 10/03/2021

TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for DG SCIC									
			Commitments to be settled				Commitments to be settled from financial years previous to 2019	Total of commitments to be settled at end of financial year 2020	Total of commitments to be settled at end of financial year 2019
Chapter			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
22	22 01	Administrative expenditure of the 'Neighbourhood and enlargement negotiations' policy area	0,02	0,02	0,00	0,00%	0,00	0,00	0,01
Total Title 22			0,02	0,02	0,00	0,00%	0,00	0,00	0,01

TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for DG SCIC									
			Commitments to be settled				Commitments to be settled from financial years previous to 2019	Total of commitments to be settled at end of financial year 2020	Total of commitments to be settled at end of financial year 2019
Chapter			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
23	23 03	The Union Civil Protection Mechanism	0,15	0,15	0,00	0,00%	0,00	0,00	0,00
Total Title 23			0,15	0,15	0,00	0,00%	0,00	0,00	0,00

TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for DG SCIC									
			Commitments to be settled				Commitments to be settled from financial years previous to 2019	Total of commitments to be settled at end of financial year 2020	Total of commitments to be settled at end of financial year 2019
Chapter			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
26	26 03	Services to public administrations, businesses and citizens	0,00	0,00	0,00	0,00%	0,00	0,00	0,09
Total Title 26			0,00	0,00	0,00	0,00%	0,00	0,00	0,09

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

Refresh date: 10/03/2021

TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for DG SCIC									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2019	Total of commitments to be settled at end of financial year 2020	Total of commitments to be settled at end of financial year 2019
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
29	29 02	The European statistical programme	0,20		0,20	100,00%	0,00	0,20	0,00
Total Title 29			0,20		0,20	100,00%	0,00	0,20	0,00

TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for DG SCIC									
			Commitments to be settled				Commitments to be settled from financial years previous to 2019	Total of commitments to be settled at end of financial year 2020	Total of commitments to be settled at end of financial year 2019
Chapter			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
31	31 01	Administrative expenditure of the 'Language services' policy area	60,34	51,17	9,17	15,20%	0,00	9,17	5,82
Total Title 31			60,34	51,17	9,17	15,20%	0,00	9,17	5,82

TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for DG SCIC									
			Commitments to be settled				Commitments to be settled from financial years previous to 2019	Total of commitments to be settled at end of financial year 2020	Total of commitments to be settled at end of financial year 2019
Chapter			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
32	32 01	Administrative expenditure in the 'Energy' policy area	0,00		0,00	0,00%	0,00	0,00	0,00
Total Title 32			0,00		0,00	0,00%	0,00	0,00	0,00

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

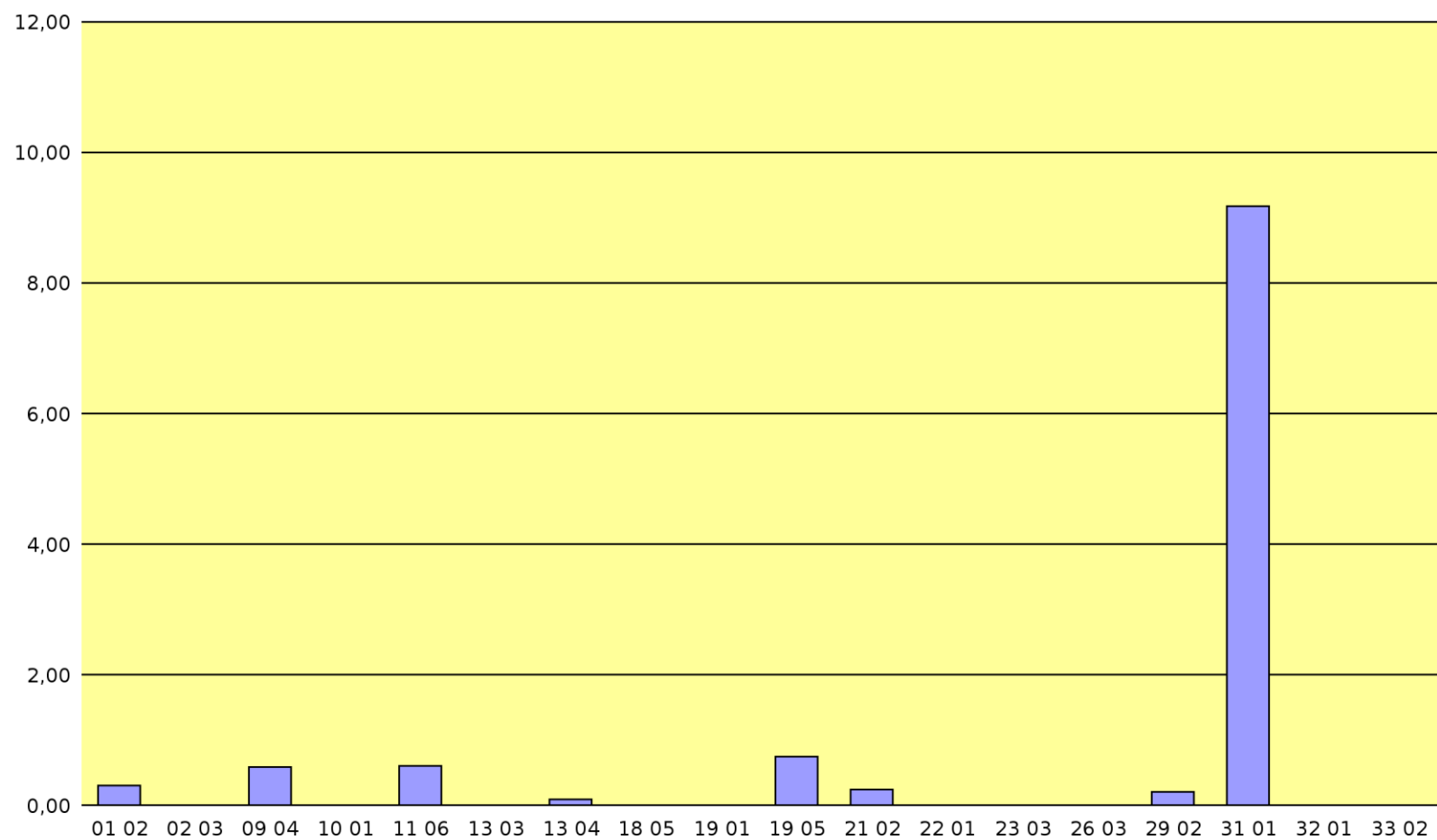
Refresh date: 10/03/2021

TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for DG SCIC									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2019	Total of commitments to be settled at end of financial year 2020	Total of commitments to be settled at end of financial year 2019
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
33	33 02	Rights, equality and citizenship	0,14	0,14	0,00	0,00%	0,00	0,00	0,00
Total Title 33			0,14	0,14	0,00	0,00%	0,00	0,00	0,00
Total for DG SCIC			62,81	51,48	11,32	18,03 %	0,61	11,93	7,63

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

Refresh date: 10/03/2021

Breakdown of Commitments Remaining to be Settled (in Mio EUR) in 2020 SCIC



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

Refresh date: 10/03/2021

TABLE 4: BALANCE SHEET for DG SCIC

BALANCE SHEET	2020	2019
A.I. NON CURRENT ASSETS	183.100,67	365.836,38
A.I.1. Intangible Assets	0,00	0,00
A.I.2. Property, Plant and Equipment	183.100,67	365.836,38
A.II. CURRENT ASSETS	21.534.986,46	492.658,07
A.II.2. Current Pre-Financing	205.823,79	173.942,07
A.II.3. Curr Exch Receiv & Non-Ex Recoverables	21.329.162,67	318.716,00
A.II.6. Cash and Cash Equivalents	0,00	0,00
ASSETS	21.718.087,13	858.494,45
P.II. CURRENT LIABILITIES	-30.818.331,32	-5.208.039,14
P.II.2. Current Provisions	0,00	0,00
P.II.4. Current Payables	-2.350.616,11	-1.918.419,16
P.II.5. Current Accrued Charges & Defrd Income	-28.467.715,21	-3.289.619,98
LIABILITIES	-30.818.331,32	-5.208.039,14
NET ASSETS (ASSETS less LIABILITIES)	-9.100.244,19	-4.349.544,69
P.III.2. Accumulated Surplus/Deficit	-227.882.389,36	-198.203.783,61
Non-allocated central (surplus)/deficit*	236.982.633,55	202.553.328,3
TOTAL DG SCIC	0,00	0,00

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

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

TABLE 5: STATEMENT OF FINANCIAL PERFORMANCE for DG SCIC

STATEMENT OF FINANCIAL PERFORMANCE	2020	2019
II.1 REVENUES	-26.876.039,1	-91.412.164,96
II.1.1. NON-EXCHANGE REVENUES	-7.219.580,09	-11.224.089,66
II.1.1.5. RECOVERY OF EXPENSES		-2.400,00
II.1.1.7. OTHER NON-EXCHANGE REVENUES	-7.219.580,09	-11.221.689,66
II.1.2. EXCHANGE REVENUES	-19.656.459,01	-80.188.075,3
II.1.2.2. OTHER EXCHANGE REVENUE	-19.656.459,01	-80.188.075,30
II.2. EXPENSES	36.924.768,5	61.733.559,21
II.2. EXPENSES	36.924.768,5	61.733.559,21
II.2.10. OTHER EXPENSES	36.492.724,56	57.264.587,09
II.2.2. EXP IMPLM BY COMMISS&EX.AGENC	742.723,94	4.793.001,28
II.2.6. STAFF AND PENSION COSTS	-310.680,00	-325.280,00
II.2.8. FINANCE COSTS		1.250,84
STATEMENT OF FINANCIAL PERFORMANCE	10.048.729,40	-29.678.605,75

The accounting situation presented in the Balance Sheet and Statement of Financial Performance does not include the accruals and deferrals calculated centrally by the services of the Accounting Officer.

It has to be noted that the amount presented in the Balance Sheet as 'Current Accrued Charges and Deferred Income' corresponds to the balances of the suspense accounts of the European Parliament and the Court of Justice. These accounts are used to make payments to freelance interpreters on behalf of these Institutions. The balance at year-end (EUR – 28,467,715.21) reflects the amount that is still available for making necessary payments. When all payments related to a budget year are performed, the remaining balance is returned to the corresponding institution. Also related to these accounts, EUR 20,000,000.00 is part of 'Curr Exch Receiv & Non-Ex Recoverables' and it is the result of a recovery order issued but not cashed at year-end on the Parliament's suspense account.

The Revenues in the Statement of Financial Performance are considerably lower in 2020 than in 2019. Partially this is due to the effects of the pandemic crisis. On the other hand, it also needs to be noted that Internal Commission Expenditure is taken into account as part of Revenues, decreasing the total figure. In 2020 EUR 20,712,537.66 was paid to other DGs (EUR 20 million as a repayment to PMO), which is greatly distorting the total figure of EUR 19,656,459.01 as Exchange Revenues.

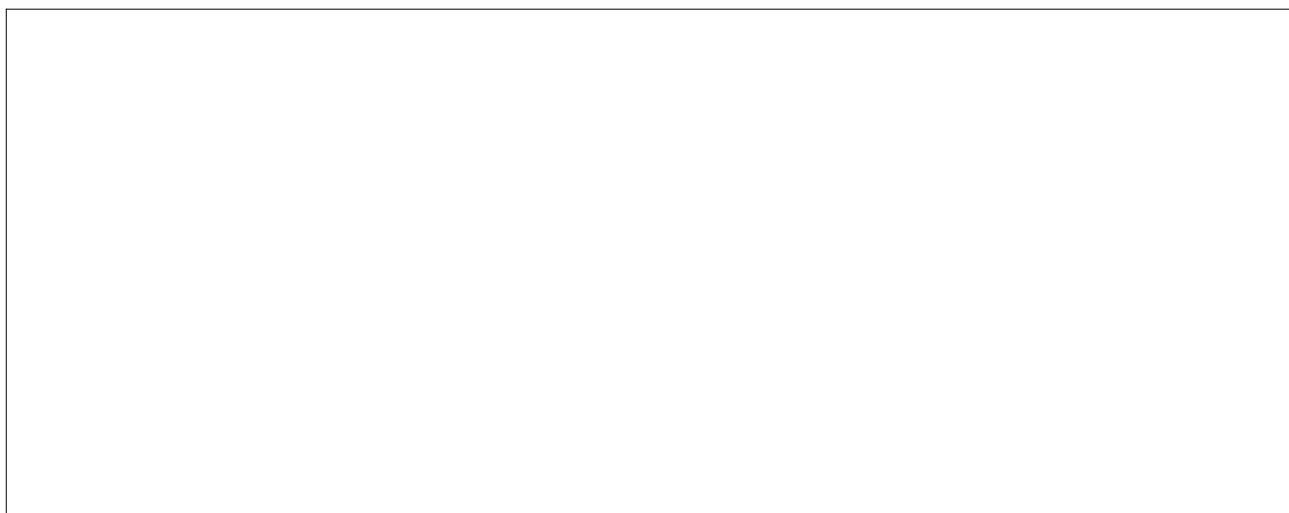
The negative figures for II.2.6. Staff and Pension Costs in the Statement of Financial Performance are the result of the accounting closure entries transferring staff costs (that normally do not appear in DG SCIC's accounts) to IT development costs.

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

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

TABLE 5bis: OFF BALANCE SHEET for DG SCIC

OFF BALANCE	2020	2019
OB.1. Contingent Assets		0
GR for pre-financing		0,00
OB.3. Other Significant Disclosures	-114.524	-139.065,95
OB.3.5. Operating lease commitments	-114.524,00	-139.065,95
OB.4. Balancing Accounts	114.524	139.065,95
OB.4. Balancing Accounts	114.524,00	139.065,95
OFF BALANCE	0,00	0,00



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

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

TABLE 6: AVERAGE PAYMENT TIMES in 2020 for SCIC

Legal Times									
Maximum Payment Time (Days)	Total Number of Payments	Nbr of Payments within Time Limit	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)	Late Payments Amount	Percentage
14	1	1	100,00 %	6				0	0 %
30	901	877	97,34 %	14,51	24	2,66 %	45,71	286.671,95	2 %
42	1	1	100,00 %	4				0	0 %
49	1	1	100,00 %	34				0	0 %
60	10	10	100,00 %	20,9				0	0 %

Total Number of Payments	914	890	97,37 %		24	2,63 %		286.671,95	1 %
Average Net Payment Time	15,4			14,58			45,71		
Average Gross Payment Time	17,15			16,26			50,17		

Suspensions							
Average Report Approval Suspension Days	Average Payment Suspension Days	Number of Suspended Payments	% of Total Number	Total Number of Payments	Amount of Suspended Payments	% of Total Amount	Total Paid Amount
0	18	91	9,96 %	914	815.717,15	2,08 %	39.145.805,53

DG	GL Account	Description	Amount (Eur)

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

TABLE 7: SITUATION ON REVENUE AND INCOME in 2020 for DG SCIC

Chapter		Revenue and income recognized			Revenue and income cashed from			Outstanding balance
		Current year RO	Carried over RO	Total	Current Year RO	Carried over RO	Total	
		1	2	3=1+2	4	5	6=4+5	7=3-6
40	MISCELLANEOUS TAXES AND DEDUCTIONS	7.219.580,09		7.219.580,09	7.219.580,09		7.219.580,09	0,00
57	OTHER CONTRIBUTIONS AND REFUNDS IN CONNECTION WITH THE ADMINISTRATIVE OPERATION OF THE INSTITUTION	40.367.686,67	294.318,00	40.662.004,67	39.062.922,00	294.318,00	39.357.240,00	1.304.764,67
66	OTHER CONTRIBUTIONS AND REFUNDS	2.062,76	0,00	2.062,76	2.062,76	0,00	2.062,76	0,00
Total DG SCIC		47.589.329,52	294.318	47.883.647,52	46.284.564,85	294.318	46.578.882,85	1.304.764,67

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

Refresh date: 10/03/2021

TABLE 8 : RECOVERY OF PAYMENTS in 2020 for DG SCIC
(Number of Recovery Contexts and corresponding Transaction Amount)

Year of Origin (commitment)	Total undue payments recovered		Total transactions in recovery context (incl. non-qualified)		% Qualified/Total RC	
	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount
2019			1	752,76		
No Link			42	32.082.276,4		
Sub-Total			43	32.083.029,16		

EXPENSES BUDGET	Irregularity		OLAF Notified		Total undue payments recovered		Total transactions in recovery context (incl. non-qualified)		% Qualified/Total RC	
	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount
INCOME LINES IN INVOICES										
NON ELIGIBLE IN COST CLAIMS										
CREDIT NOTES	21	58.045,27			21	58.045,27	57	567.169,69	36,84%	10,23%
Sub-Total	21	58.045,27			21	58.045,27	57	567.169,69	36,84%	10,23%

GRAND TOTAL	21	58.045,27			21	58.045,27	100	32.650.198,85	21,00%	0,18%
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Note: The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Refresh date: 10/03/2021

TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2020 for DG SCIC

	Number at 1/01/2020	Number at 31/12/2020	Evolution	Open Amount (Eur) at 1/01/2020	Open Amount (Eur) at 31/12/2020	Evolution
2019	6		-100,00 %	294.318,00		-100,00 %
2020		10			1.304.764,67	
	6	10	66,67 %	294.318,00	1.304.764,67	343,32 %

TABLE 10: Recovery Order Waivers >= 60 000 € in 2020 for DG SCIC

	Waiver Central Key	Linked RO Central Key	RO Accepted Amount (Eur)	LE Account Group	Commission Decision	Comments
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Total DG SCIC	
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Number of RO waivers	
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TABLE 11: Negotiated Procedures in 2020 for DG SCIC

Negotiated Procedure Legal base	Number of Procedures	Amount (€)
Total		

TABLE 12: Summary of Procedures in 2020 for DG SCIC

Procedure Legal base	Number of Procedures	Amount (€)
Total		

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TABLE 13: BUILDING CONTRACTS in 2020 for DG SCIC

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

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

Refresh date: 10/03/2021

TABLE 14: CONTRACTS DECLARED SECRET in 2020 for DG SCIC

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

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

Refresh date: 10/03/2021

TABLE 15: FPA duration exceeds 4 years - DG

None of your FPA (if any) exceeds 4 years

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

Refresh date: 10/03/2021

TABLE 16: Commitments co-delegation type 3 in 2020 for DG

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

Refresh date: 10/03/2021

ANNEX 4: Financial Scorecard

DG SCIC

The Annex 4 of each Commission service summarises the annual result of the standard financial indicators measurement. Annexed to the Annual Activity Report 2020, 6 standard financial indicators are presented below, each with its objective, category, definition, and result for the Commission service and for the EC as a whole (for benchmarking purposes)¹¹:


- Commitment Appropriations (CA) Implementation
- CA Forecast Implementation
- Payment Appropriations (PA) Implementation
- PA Forecast Implementation
- Global Commitment Absorption
- Timely Payments

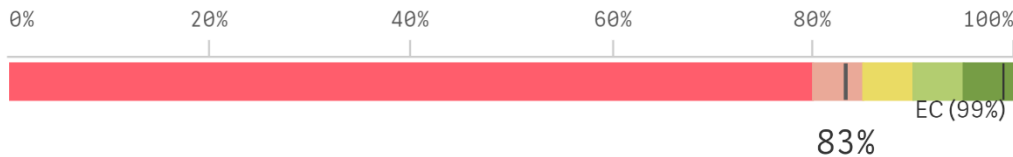
For each indicator, its value (in %) for the Commission service is compared to the common target (in %). The difference between the indicator's value and the target is colour coded as follows:


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

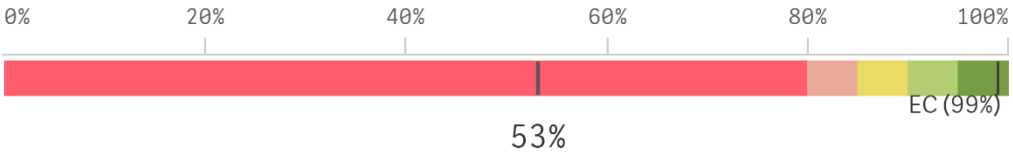
The Commission services are invited to provide commentary behind each indicator's result in the dedicated boxes below as this can help the reader to understand the Commission's service context. In cases when the indicator's value achieves 80% or less of the target, the comment becomes mandatory.


¹¹ If the EC service did not perform any transaction in the area measured by the indicator or the information is not available in the central financial system, the indicator is not calculated (i.e. displayed as '-') in this Annex.


Indicator	<u>CA Implementation</u>
Category	Efficiency Controls / Budget
Objective	Ensure efficient use of commitment appropriations
Result	<p>DG SCIC achieved 100% compared to the EC result of 99%</p>  <p>0% 20% 40% 60% 80% 100%</p> <p>EC (99%) 100%</p>
Comment	DG SCIC always uses C5 appropriations first and aims at the maximal utilization of C1 appropriations: when it is confirmed that contrary to the information available at the planning of the draft budget, certain appropriations would not be needed, these are returned to the Central Services as part of the Global Transfer exercise.
Definition	<p>Formula: Value A / Value B</p> <ul style="list-style-type: none"> - Value A: Committed L1 Accepted Amount + Direct Committed L2 Accepted Amount (Eur) - Value B: Credit Accepted Com Amount (Eur) <p>Scope: Commitments on all relevant Fund Sources, except for:</p> <ul style="list-style-type: none"> - Internal assigned revenue in first year (C4) - Internal assigned revenue from lettings and sale of buildings and lands (CL) - Repaid advances (structural funds) (C6) - External assigned revenue except for EFTA (FCA ,FRT, PO, RO, TCA, TF5, TFC)

Indicator	PA Implementation
Category	Efficiency Controls / Budget
Objective	Ensure efficient use of payment appropriations
Result	<p>DG SCIC achieved 83% compared to the EC result of 99%</p>  <p>0% 20% 40% 60% 80% 100%</p> <p>83% EC (99%)</p>
Comment	<p>DG SCIC received and committed an additional 4 M EUR in the final months of 2020 for the installation of meeting rooms. Including this amount there is approximately 5.1 M EUR RAL left on the related budget line on C1 appropriations. This is due to the fact that after contracting, delivery and installations are needed before the contractors can submit related invoices for payment, which may take several months. In DG SCIC's case this amount is significantly distorting the statistics.</p>
Definition	<p>Formula: Value A / Value B</p> <ul style="list-style-type: none"> - Value A: Payment Accepted Amount (Eur) - Value B: Credit Accepted Pay Amount (Eur) <p>Scope:</p> <p>Payments on all relevant Fund Sources, except for:</p> <ul style="list-style-type: none"> - Internal assigned revenue in first year (C4) - Internal assigned revenue from lettings and sale of buildings and lands (CL) - Repaid advances (structural funds) (C6) - External assigned revenue except for EFTA (FCA, FRT, PO, RO, TCA, TF5, TFC) - Payments stemming from C1, C5, E0 outstanding commitments on the non-staff budget positions that will be carried-forward as C8 to the next financial year

Indicator	<u>CA Forecast Implementation</u>
Category	Efficiency Controls / Budget
Objective	Ensure the cumulative alignment of the commitment implementation with the commitment forecast in a financial year
Result	<p>DG SCIC achieved 37% compared to the EC result of 98%</p> 
Comment	<p>The value of 37% in fact comes from a figure of 163% so in fact there is no under implementation but over implementation. DG SCIC had to provide the new forecasts in September 2020. At that moment it was understood that DG SCIC would release 9.1 M EUR of C1 appropriations and 12 M EUR of C4 appropriations via the Global Transfer. Therefore, these amounts were not included in the forecasted amounts, only in the comments. It was also expected that 10 M EUR of C4 appropriations would be carried forward for 2021 that is the usual practice for financing DG SCIC's budgetary needs at the beginning of the year.</p> <p>Instead, in December 20 M EUR were committed and paid to PMO in order to compensate the lack of income that would have been allocated to cover the costs of staff interpreters working for DG SCIC's clients. A further 6.3 M EUR was paid back to the Council and the Committee of the Regions to clear the advances paid at the beginning of 2020 and that could not be compensated by services provided due to the pandemic crisis. Almost 10 M EUR was carried forward to 2021, which for some reason is also regarded by the application as committed.</p> <p>Additionally, DG SCIC received and committed 4 M EUR in the final months of the year for the installation of meeting rooms, which was not foreseen, nor forecasted in September.</p> <p>It was not DG SCIC's decision to determine the way how funds unused due to the sanitary crisis are returned. Neither was it in our power to forecast that we would be entrusted with additional funds unused by other services. Therefore, it can be concluded, that all of these factors being outside of DG SCIC's control, there are no remedial actions to be taken.</p>
Definition	<p>Formula: $\text{Value A} / \text{Value B}^{*,**}$</p> <ul style="list-style-type: none"> - Value A: Committed L1 Accepted Amount + Direct Committed L2 Accepted Amount (Eur) - Value B: Commitment Forecast Amount (Eur) <p><i>*if Value A / Value B between 100 and 200% then the result indicator will be equal to 1 - (ABS(Value B - Value A) / Value B)</i></p> <p><i>**if Value A / Value B > 200 % then the result indicator will be equal to 0%</i></p> <p>Scope:</p> <ul style="list-style-type: none"> - Commitments on all relevant Fund Sources - Commitment Forecast Amount (Eur) from the most up to date forecast version (Initial Mar-Aug, Revised Sep-Dec)

Indicator	<u>PA Forecast Implementation</u>
Category	Efficiency Controls / Budget
Objective	Ensure the cumulative alignment of the payment implementation with the payment forecast in a financial year
Result	<p>DG SCIC achieved 53% compared to the EC result of 99%</p> 
Comment	<p>Similarly to the previous indicator, the score of 53% actually means 147%, so an over performance instead of an under performance. The reasons are also the same as mentioned at the commitment forecast: in September 2020 DG SCIC had a completely different understanding of how the funds unused due to the pandemic crisis would be returned to the Central Services and that a re-payment would be made to clients on the advances received at the beginning of 2020.</p>
Definition	<p>Formula: Value A / Value B*,**</p> <ul style="list-style-type: none"> - Value A: Payment Accepted Amount (Eur) - Value B: Payment Forecast Amount (Eur) <p>*if Value A / Value B between 100 and 200% then the result indicator will be equal to 1 – (ABS(Value B – Value A) / Value B)</p> <p>**if Value A / Value B > 200 % then the result indicator will be equal to 0%</p> <p>Scope:</p> <ul style="list-style-type: none"> - Payments on all relevant Fund Sources - Payment Forecast Amount (Eur) from the most up to date forecast version (Initial Mar-Aug, Revised Sep-Dec)

Indicator	<u>Global Commitment Absorption</u>
Category	Efficiency Controls / Absorption
Objective	Ensure efficient use of already earmarked commitment appropriations (at L1 level)
Result	<p>DG SCIC achieved 85% compared to the EC result of 98%</p>  <p>0% 20% 40% 60% 80% 100%</p> <p>85% EC (98%)</p>
Comment	<p>The relative under implementation of Level 1 budgetary commitments at DG SCIC is due to the fact that credits on co-delegated budget lines were received from other DGs for the organisation of conferences before the end of the year. However, it was not possible to make the necessary Level 2 budgetary commitments and sign the related contracts before the end of the year.</p>
Definition	<p>Formula:</p> <ul style="list-style-type: none"> - Value A: Com L1 Consumption amount (Eur) - Value B: Com L1 Initial amount (Eur) + Com L1 Complementary Amount (Eur) + (Com L1 Decommitment Amount (Eur) on all Fund Sources except for C8 and C9) <p>Scope:</p> <ul style="list-style-type: none"> - Com L1 with FDC ILC date from 01/01 to 31/12 of the current year - No movements to the Com L1 Consumption amount (Eur) after the FDC ILC date is taken into account (Generally decommitments of L2 which decrease the Com L1 consumption) <p>Remark: Due to technical limitation, the indicator does not take into account the Com L1 Consumption between the FDC ILC date and the FA FDI allowed as an exception in the external actions for Com L1 of type GF, i.e. with Financing Agreement, under the FR2018 Article 114.2. As a result, the actual Indicator score may be slightly higher than the one reported for DGs using the GF commitments.</p>

Indicator	<u>Timely Payments</u>
Category	Efficiency Controls / Timeliness
Objective	Ensure efficient processing of payments within the legal deadlines
Result	<p>DG SCIC achieved 99% compared to the EC result of 99%</p>  <p>0% 20% 40% 60% 80% 100%</p> <p>EC (99%) 99%</p>
Comment	DG SCIC performed very well and exactly in line with Commission average with regards to the value of payments made within the stipulated deadlines. A large number of payments were already processed only electronically before the pandemic crisis and SCIC managed to ensure a swift and efficient transition for all other payments as well without additional delays. Besides the focus of all agents participating in the financial circuits aiming to make all payments in time, quarterly reports to management and weekly reports on open invoices sent to all operational units contribute to this result.
Definition	<p>Formula: Value A / Value B</p> <ul style="list-style-type: none"> - Value A: Payment Accepted Amount (Eur) in time <ul style="list-style-type: none"> o In Time: Payment Bank Value Date < = Payment legal deadline - Value B: Payment Accepted Amount (Eur) <p>Scope:</p> <ul style="list-style-type: none"> - Payments made in the current year - Payments valid for payment statistics (DWH Flag "Payment Time Status OK?" = "Y")

ANNEX 5: Materiality criteria

Since 2019¹², a 'de minimis' threshold for financial reservations has been introduced. Quantified AAR reservations related to residual error rates above the 2% materiality threshold, are deemed not substantial for segments representing less than 5% of a DG's total payments and with a financial impact below EUR 5 million. In such cases, quantified reservations are no longer needed.

The threshold of 2% was taken as reference for determining materiality for the following reasons:

Quantitative criteria

- Almost 77% of the 2020 executed budget were related to the remuneration of freelance interpreters, a large part of these transactions being processed through automated procedures¹³;
- For payments of ACI contracts, the detected error rate as reported by *ex post* controls was 0.09% and the residual error rate is 0;
- Following the recommendation given by DG BUDG, DG SCIC has used a conservative estimate for the error rate of 0.5%. A separate calculation is displayed taking into account the above-mentioned error rate known on ACIs expenditure;
- The reimbursement of ACIs' sickness and accident insurance claims is the responsibility of an external insurance company, thereby transferring the risk. Contributions to pension schemes of recruited ACIs are transferred to private insurance companies chosen by the ACIs or to the default pension fund managed by a private insurance company selected following a call for tender.
- Procurement and grant management account for a limited budget where standard *ex ante* controls are implemented in order to ensure the necessary control environment is in place and all errors are fully reported.

Qualitative criteria

- No significant control system weakness or critical issue has been identified by the AOSDs or the IAS. In particular, the errors detected are not repetitive and corrective actions are taken without delay, in particular regarding ACIs remuneration. Mitigating controls are in place, in particular a single information system (with a single database) ensuring a high level of data integrity combined with random *ex post* controls. The same source of information is used for ensuring the collection of revenue from interpretation services to fee-paying users;

¹² Agreement of the Corporate Management Board of 30/4/2019.

¹³ It needs to be added that the total of €25.1 million corresponding to 3 extraordinary payments is also included into this figure. €18.3 million was a repayment to PMO for using staff interpreters for assignments of SCIC's clients and €6.3 million was a repayment to the Council and the Committee of the Regions as the advances they paid at the beginning of the year exceeded the related services provided. All 3 of these extraordinary payments were due to the pandemic crisis.

- DG SCIC's management and reporting tool (SCICView) provides adequate information to management regarding the operations, the collected revenues, the availability and the use of resources.

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

Stage 1: *Ex ante*

ACI (freelance interpreters) process

Main internal control objectives: to ensure the legality and regularity with regards to the contracting and payment of freelance interpreters. Additionally, the aim is to optimise the allocation of resources: budgetary coverage of all contracts signed including the reimbursement of costs made by the ACI, at the same time minimizing budgetary commitments not consumed for payments and minimizing contracts not executed.

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
The contracts signed with ACI are not covered by a provisional budgetary commitment.	'Engagements financiers', a dedicated application ensures budgetary coverage for contracts, while consumption is additionally monitored by the operational units.	Through the dedicated application, the monitoring of consumption is continuous. Additionally, calculations are made by staff with special focus at the end of the year with the purpose of optimization of resources.	2020 contracts were fully covered by the provisional commitment. There were no cases noted where no ACI could be contracted and/or paid due to the lack of available funds.
The recruitment or planning offices of the Institutions introduce the wrong information about the ACI contract into DG SCIC's internal payment system. An ACI contract is modified after	In DG SCIC, the system which allows the booking of meetings, allocation of interpreters, monitoring of meeting attendance, recruitment and payment of ACI is fully integrated, caters for strict segregation of duties and	For DG SCIC, all interpreter bookings are entered into the Meetings and Interpretation Management system, which is a single database for the whole of the DG.	These controls are built into the applications. There was an exceptional situation discovered in 2020 regarding the contracts of two ACIs: in 2017 when the meeting was cancelled the contracts were also

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
the "conforme aux faits" was sent and the contract paid.	therefore it is not possible to create fictitious entries at different levels. It is possible that there is a change to the contract after the first payment has been made. This was the case for many contracts in 2020 as due to the COVID-19 crisis meetings had to be cancelled, re-scheduled or organised on-line. In these cases after the update a new balance (positive or negative) appears in SCIC's local system, Grif and the second payment is executed.	For the other Institutions, all information related to contracts is covered as from the moment they are injected in DG SCIC database. It is possible to make a correction to a payment after a payment has been made, but it is not the same payment then.	accidentally erased by a clerical mistake. However, remuneration was still due to the ACIs. The case was discovered when one ACI claimed that his payment had not yet been made. Due to further investigation the other erased contract was also discovered. A non-compliance note was filed at the beginning of 2021 and data in Grif was restored. Based on the incident, the agents responsible for similar transactions were given additional instructions.
Due to the unpredictability of demand, the DG may have recruited too many ACIs in the long or medium term exercise	Constant monitoring of demand and review of procedures regarding the long, medium and short-term recruitment exercises.	Meeting the demand for interpretation, whilst ensuring standby rates are kept within the targets in the MP are key objectives for DG SCIC to achieve its mission Therefore, the monitoring of demand is an ongoing task for the management within the Unit and	The overall standby rate of 29.4% in 2020 showed an increase compared to the previous years (In 2019 it was 20.5%). The reason behind this development was the considerable drop of demand for interpretation services due to the pandemic situation.

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
		Directorate.	
<p>DG SCIC performs the role of inter-institutional payment office for ACI.</p> <p>Due to differing procedures between the Institutions, there is a risk of error when handling payment requests.</p>	<p>Payment officers are grouped by Institution and therefore understand the payment rules linked to their specific recruiting institution.</p> <p>An internal payments vademecum, which regroups specific rules for each institution, has been put in use since mid-2019. This document was updated in 2020 with additional clarifications.</p>	<p>Coverage: 100% of all payment requests are filtered in this way</p>	<p>This is an organisational matter, therefore no additional costs are associated.</p>
<p>ACI presents a forged supporting document in order to claim higher or non-existent expenses</p>	<p>Payment officers are trained to spot possible forged documents.</p> <p>Access to travel tickets prepaid by the Institutions further reduce the possibility to forge supporting documents</p>	<p>Coverage: 100% of non-local contracts with supporting documents are subject to <i>ex ante</i> control according to the 4-eyes principle. Additional <i>ex ante</i> verification is performed by a different actor than the ones performing initiation and verification. Training and further guidance is given to ensure controls are sufficient and up to date.</p>	<p>No false documents were confirmed/proven in 2020. Where payment managers considered it necessary, additional supporting documents were requested (proof of payments, bank statements, etc.). There were also documents not accepted because of not complying with the rules, and the related reimbursement was not made.</p>

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
<p>The amount paid is incorrect or paid to the wrong ACI.</p>	<p>Payment officers have access to statistical data and reference tables to verify respect of the various ceilings.</p> <p>The paid amount per each category of expenses is determined by the initiating agent according to a clear procedure and set of rules.</p> <p>The flat rate character of allowances paid reduces the risk of error</p> <p>Risk to pay to the wrong ACI is limited via the general Commission methodology to pay only to validated binomes LEF/BAF, univocally associated to each ACI by DG BUDG and reflected into the SCIC payment system.</p>	<p>Coverage: 100% of non-local contracts with supporting documents are subject to <i>ex ante</i> control according to the 4-eyes principle.</p>	<p>There were no complaints noted in 2020 with regards to payment to the wrong ACI.</p> <p>There have been cases of complaints where the amounts reimbursed to ACI were adjusted to reasons of:</p> <ul style="list-style-type: none"> - Request of a derogation from the RAO, which was accepted - Additional supporting documents provided - Additional information with regards to the interpretation of rules - Decisions taken by the RAO for commitments for the other Institutions served by DG SCIC through the Payment Office

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
Batch payments to ACI or payments to the travel agency are encoded with errors.	All batch payments and payments to the travel agency are processed according to the 4-eyes principle.	100% of the transactions is subject to <i>ex ante</i> controls.	In 2020 the verifying agents refused 4 transactions for correction. In two cases the budgetary commitment, in two cases the amount had to be corrected.
The amount of expenses reimbursed is incorrect for the organisation of inter-institutional accreditation tests for ACI.	The reimbursable amount per each category of expenses is calculated by the initiating agent according to the clear procedure and with help of the checklist. The ceilings for the reimbursement of travel expenses and flat rate character of allowances paid, to cover subsistence expenses, reduce the risk of error.	100% of reimbursement requests received are subject to <i>ex ante</i> control according to the 4-eyes principle. The use of checklists ensures that all steps and controls are followed.	<p>In 2020 there were no non-eligible claims refused</p> <p>In 2020 there were no complaints received linked to incorrect payment of expenses.</p> <p>There was a non-compliance note issued as based on historical records the invitations sent out for tests would not be fully covered by the corresponding budgetary commitment. In fact, shortly after sending them, many invitations were withdrawn due to the COVID-19 crisis and finally the original budgetary coverage was more than sufficient.</p>

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
			<i>Ex ante</i> controls resulted in 5 cases where the verifying agent refused the transaction for correction: in 2 cases the budgetary commitment, in 1 case the invoice date, and in one case the legal entity was adjusted, while in one case there was an error in the user reference.

Procurement process

Main internal control objectives: Ensuring that the Commission selects the tenders that contribute the most towards the achievement of the policy or programme objectives (effectiveness); Prevention of fraud (anti-fraud strategy); Ensuring that the actions and funds allocation is optimal (best value for money; effectiveness, economy, efficiency); Ensuring that the operation results (deliverables) from the projects are of good value and meet the objectives and conditions (effectiveness & efficiency); ensuring that the related financial operations comply with regulatory and contractual provisions (legality & regularity); Ensuring appropriate accounting of the operations (reliability of reporting, safeguarding of assets and information).

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
<p>Selection phase</p> <p>The needs are not well defined (operationally and economically), therefore the decision to procure is inappropriate to meet the operational objectives.</p> <p>Poor planning and organisation of the procurement process, including the planning of supervision and monitoring, resulting in waste of resources.</p> <p>Inappropriate choice of procurement procedure and calculation of threshold, resulting in non-compliance case.</p>	<p>In order to optimize the tendering process, DG SCIC has concluded framework contracts in the areas of technical equipment and services and conference management. Additionally, SCIC also utilizes framework contracts concluded by other DGs.</p> <p>Irrespective of the estimated amount of the procurement, the RAO is responsible for the approval of the tender specifications and their compliance with the regulatory framework. This approval is documented in the legal and budgetary commitment file in</p>	<p>The 'outcome of procedure' document constitutes a compulsory component of each legal commitment file. Before the signature of the contract the finance unit reviews these files according to the 4-eyes principle and provides advice to the RAO with regards to legality and regularity of the process.</p> <p>Operational units regularly turn to the finance unit in the planning phase of procurement in order to ensure compliance with necessary regulations.</p>	<p>There were no projected tenders cancelled or not awarded due to the unsatisfactory definition of the tender specifications in 2020, which demonstrates the effectiveness of controls in this area.</p> <p>There were no open procedures published or awarded for SCIC in 2020. For some low and middle value procedures a low number of tenders was received, but there could be no link established to the tender documents. The reason is more likely the pandemic situation.</p> <p>There were no non-compliance or exception notes recorded in this</p>

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
<p>The best offer/s are not submitted due to the poor definition of the tender specifications.</p>	<p>form of an 'outcome of procedure' document.</p> <p>The finance unit – due to their specific expertise – is at the disposal of operational units for the full review of tender specifications to ensure that these are clear and that the proposed evaluation and award criteria allow the best possible evaluation compared to the contract subject. Publication of tender specifications are done centrally by the finance unit as an additional means for <i>ex ante</i> control.</p>		<p>area in 2020.</p> <p>There were three negative visas given by the Financial Verifying Agent. In two of these cases the reason was that the procedure was not cancelled while catalogue prices had a yearly update in the meantime, and that the deadline for accepting the offer was extended multiple times after expiration date. RAO overruled both of these cases, which were low value specific contracts of a FWC and promised better follow-up for future files. The third case was also a low value specific contract of a FWC. There was doubt about the level of experience requested and one of the CVs provided. The RAO overruled the negative visa, arguing that there was urgency for continuation of the services and that although the CV was not updated, the candidate (not the</p>

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
			one selected) also had – based on SCIC experience – sufficient experience.
<p>Selection phase: For conferences managed under co-delegated procedures only: The operational needs are not well defined, as DG SCIC is rarely in a position to know well in advance which conferences will be organised under the co-delegation management mechanism.</p> <p>This leads to a difficult planning of the whole procurement processes and an overload of work for operational and financial units.</p>	<p>The creation of a registry of conferences as part of the action plan for the implementation of the Synergies and Efficiency Review: DGs should introduce their planned conferences as soon as possible after the project is decided.</p>	<p>Information can be added to the registry at any time by all DGs. As of 2019, the registry has a status similar to the one of GOVIS for IT systems.</p>	<p>The creation of the registry contributed to the better planning of the procurement processes as opposite to high demand during peak periods. More even distribution of workloads for both the financial and operational units. However, due to the pandemic situation, several conferences had to be cancelled or they were organised digitally instead.</p> <p>For the use of the FWCs it is to note that due to the economic and health situation in 2020 numerous amendments were required in respect of events as originally planned with physical presence then shifting to hybrid or virtual participation. To note that all stakeholders involved and all contractors reacted positively to such changes.</p>

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
<p>Selection phase:</p> <p>The most economically advantageous offer is not selected, due to a biased, inaccurate or 'unfair' evaluation process. Opening and evaluation of offers is not in line with the Financial Regulation, with the defined selection and award criteria or if applicable with the corresponding Framework contract.</p>	<p>Opening committees and Evaluation committees for procedures above € 139,000 are always assigned members of representatives of at least 2 administrative entities (including the finance unit), complemented where appropriate with representatives from other DGs or Institutions as experts or services users and in case of need, external experts.</p> <p>Members of such committees provide a declaration of absence of conflict of interest.</p> <p>The standstill period after communication of the award decision offers an opportunity for unsuccessful tenderers to put forward their concerns on the award decision.</p>	<p>100% of procedures above 139,000€ is awarded via an opening and evaluation committee.</p> <p>Before the signature of the legal commitment 100% of files is reviewed by the finance unit according to the 4-eyes principle.</p> <p>As part of the checks, legality and regularity of the procurement process is verified.</p>	<p>In 2020 there were no complaints submitted by non-selected or not awarded tenderers to DG SCIC, which indicates the maturity of the procurement procedures put in place.</p> <p>There were no new procedures above the value of 139,000€ in 2020. The only high value file treated was a novation agreement with regards to the default pension provider of freelance interpreters.</p> <p>There was one exception recorded with regards to a FWC of DG HR. In case of the organisation of language courses for interpreters by SCIC, due to the specific expertise needed, the deadline of 5 working days is not sufficiently long for contractors to give a reply. The exception was recorded to allow for longer deadline of 10 or 15 working days, to be determined for each order form</p>

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
			<p>on a case by case basis beforehand.</p> <p>There was also a non-compliance note issued as no exception note was prepared when the validity of a FWC was extended. The extension was necessary for business continuity reasons, as due to the pandemic crisis not only was there delay in publishing a new call for tender, there was also uncertainty about the list of tasks and services covered by the new FWC.</p>
<p>Contracting phase:</p> <p>The proposed contract does not respect the Financial Regulation or terms of the related tendering specifications or framework contract.</p> <p>The legal commitment is not covered by a corresponding budgetary commitment.</p> <p>The budgetary and/or legal commitment is made <i>à posteriori</i>.</p>	<p>Budgetary and legal commitments are examined for the legality and regularity of the transaction, including:</p> <ul style="list-style-type: none"> - Respect of the Financial Regulation - Complying with terms of the related framework contract, call for tenders - The existence of the budgetary commitment before the signature of the 	<p>100% of budgetary and legal commitments are subject to <i>ex ante</i> validation according to the 4-eyes principle, both at the operational and financial unit.</p> <p>The use of checklists facilitates the work of the agents ensuring that all necessary controls are executed.</p> <p>For the specific cases of last minute needs emerging at</p>	<p>In 2020 there were in total 8 non-compliance notes registered with regards to a posteriori commitments.</p> <p>In two cases the situation was related to the pandemic situation. In one of these cases a tool was urgently needed and the contractor delivered a first version of the tool before signature of the</p>

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
	<p>legal commitment</p> <ul style="list-style-type: none"> - Confirmation that all features of the commitment are encoded correctly in ABAC 	<p>conferences a specific procedure is put in place creating a margin in the budgetary commitment and empowering certain officials for adjusting the ordered services covered by the contracts based on the needs defined on the spot. Such changes are reported to the RAO so that (s)he can ensure that his/her authorization is not misused.</p>	<p>contract. The budgetary commitment could not be signed as a paraphe was needed from DIGIT, the owner of the FWC.</p> <p>In the other case the telecommunication lines, which were urgently needed, had originally been ordered by DIGIT, they were installed, and only after was a direct billing agreement concluded with SCIC (together with the necessary budgetary commitment), transferring the lines to SCIC.</p> <p>In one case the a posteriori commitment was due to miscommunication between the ordering units. To prevent this from happening in the future it was decided to set up a functional mailbox for orders to be launched by unit C.4 and to establish a list containing all reoccurring</p>

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
			<p>maintenance projects.</p> <p>In one case the a posteriori commitment was due to a long-time absence: the editor did not reply in due time to the request of the reseller despite several reminders. There was no other possibility to get these services from another source.</p> <p>Another case was due to a last-minute large increase in participants. An email was sent to the contractor ordering additional supplies without reinforcing the budgetary commitment prior to signing a Presto Order. In this case there was already a level 1 commitment in place.</p> <p>In another case a de-commitment was made while there was still a small outstanding amount. However, in this case there were still available credits in the level 1</p>

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
			<p>commitment, which made it possible to reinforce the level 2 commitment.</p> <p>Finally, in two cases the a posteriori commitment was due to the fact that continuation of services was not ordered in time. For one of these cases there was already a budgetary commitment initiated, but it was not finalized, while the service provider continued working for SCIC. In the other case, according to the FWC the supplier should have sent a reminder to renew the software licence. This was not done, therefore an a posteriori commitment had to be made.</p> <p>In 2020 there were two cases when after <i>ex ante</i> verifications a budgetary commitment had to be adjusted to correct the applicable Financial Regulation. There was also one case where the user</p>

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
			<p>reference had to be modified to reflect a connection to the COVID-19 crisis.</p> <p>All in all it can be concluded that controls in this area were effective and efficient even despite the fact that due to the pandemic crisis abruptly all financial files had to be processed digitally.</p>
<p>Execution/Payment phase:</p> <p>The products/services/works ordered are not, totally or partially, provided in accordance with the technical description and requirements foreseen in the contract.</p> <p>The amounts paid exceed that due in accordance with the applicable contractual and regulatory provisions.</p> <p>The details of the invoice and/or payment are entered incorrectly</p>	<p>Certified correct qualification is given by a formally endorsed official trained, technically competent and informed of the details of the contract and subsequent invoice under supervision of RAO for payments.</p> <p>Operational and financial checks are carried out in accordance with the financial circuits and checklists, encompassing the comparison between the certified correct endorsement and the contract provisions.</p>	<p>All invoices are endorsed "certified correct". Existence of this endorsement is confirmed as part of the <i>ex ante</i> verification at the finance unit, according to the 4-eyes principle. The use of checklists facilitates the work of the agents ensuring that all necessary controls are executed.</p> <p>100% of the invoices are controlled against the contract.</p> <p>ABAC security applies to 100% of</p>	<p>There were no exceptions or non-compliance events recorded in this area in 2020.</p> <p>There was only one correction requested due to <i>ex ante</i> verifications, this was due to a missing ARES link.</p> <p>As already mentioned with regards to commitments, as of mid-March all payment files had to be treated electronically. The transition went well, and SCIC was able to maintain the efficiency and effectiveness of the executed</p>

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
<p>into ABAC.</p>	<p>ABAC security prevents from paying more than the corresponding budgetary commitment.</p> <p>Financial circuits are conceived so that a payment is never authorised by the RAO having signed the contract to ensure objectivity.</p>	<p>the transactions.</p> <p>Sub-delegations are granted so that a RAO for commitments will never be RAO for payments.</p>	<p>controls. Another effect of the pandemic situation was that the way of execution for certain contracts had to be modified and this had an influence on the amounts to be paid. An example for this was the case of language courses where classroom courses were replaced by online ones and different rates of the applicable FWC had to be applied.</p>

Grants process

Main internal control objectives: Ensuring that the Commission selects the proposals that contribute the most towards the achievement of the policy or programme objectives (effectiveness); Prevention of fraud (anti-fraud strategy); Ensuring that the actions and funds allocation is optimal (best value for money; effectiveness, economy, efficiency); Ensuring that the operation results (deliverables) from the projects are of good value and meet the objectives and conditions (effectiveness & efficiency); ensuring that the related financial operations comply with regulatory and contractual provisions (legality & regularity); Ensuring appropriate accounting of the operations (reliability of reporting, safeguarding of assets and information)

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
<p>The evaluation, ranking and selection of proposals is not carried out in accordance with the established procedures, the policy objectives, priorities and the essential eligibility, or with the selection and award criteria defined in the annual work programme and subsequent calls for proposals.</p>	<p>The call for proposals and the procedures are established in close cooperation with the finance unit and in consultation with the RAO.</p> <p>Assessment of proposals is done by an evaluation committee appointed by the RAO. The committee contains at least members from 2 different Units or sectors. In the case of grants, members of DG LINC of the EP are present as observers, to ensure an inter-institutional approach and to avoid double financing.</p> <p>When evaluating the applications, the Committee members use a</p>	<p>100% of proposals from Universities and students are evaluated by the evaluation committee on the basis of the proposals themselves and an analysis grid covering all non-exclusion, selection and award criteria.</p> <p>Clarifications are requested in writing when necessary with a view to enable the evaluation committee to be fully informed before drafting its report.</p> <p>If the RAO does not want to follow the recommendations of the evaluation committee, (s)he must</p>	<p>There were no complaints received from applicants for the university grants or student bursaries.</p> <p>Controls for grant agreements became more difficult due to the COVID-19 crisis as not all universities have fully paperless administration. At the same time the finance unit noted a further improvement of documentary evidence on proceedings of the relevant evaluation committee. There were no effects on the follow-up of bursaries as the whole process had been digitalised some years ago.</p> <p>There was an exception registered</p>

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
	<p>standard evaluation grid which contains the eligibility, selection and award criteria (with weighted scoring method) as published in the call for proposals.</p> <p>The programme officer, who is also observer in the evaluation committee, pre-checks the exclusion criteria and eligible costs</p> <p>Non-conflict of interest declarations are signed by all evaluation committee members</p>	<p>document the reasons for the decision in the award decision.</p> <p>The limited number of procurement procedures that are grouped with these transactions are also subject to <i>ex ante</i> verifications according to the four-eyes principle.</p>	<p>for accepting an offer which was not in full formal compliance with the tender specifications, as there was an urgency to start the execution of the contract and only one possible contractor was identified, thus there was no breach of competition. This procurement process was taken into account with the grants, as it was financed from the same budget line.</p> <p>There were two non-compliance events registered as the legal commitments were signed before the validation of the Level 2 budgetary commitments. In both cases there was a Level 1 budgetary commitment in place, and the budgetary coverage was therefore ensured. The operational unit shall take actions not to repeat such errors in the future. It can be concluded that controls</p>

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
			are carried out consistently in this area. FVA controls identified a case where it was not necessary to prepare a Level 1 commitment. This suggestion was accepted by the RAO.
<p>The description of the action in the grant agreement includes tasks which do not contribute to the achievement of the programme objectives and/or that the budget foreseen overestimates the costs necessary to carry out the action.</p> <p>The rules for implementing the action are unclear, resulting in litigations and incomplete action implementation. Anti-fraud issues are not well covered.</p>	<p>The application form is drafted in a way that the applicant/beneficiary is asked to provide a detailed project description (with expected results and objectives) and realistic budget needs.</p> <p>SCIC systematically uses the standard DG BUDG templates for grant agreements to complement the other elements that are displayed in the applicant's guide and other documents related to the call for proposals. The templates include a number of provisions related to audit and antifraud actions to protect EU financial interests. They are also</p>	<p>100% of subsidised projects are subject to <i>ex ante</i> controls.</p> <p>As with one exception, all of the grants awarded in 2020 were low value grants, additional <i>ex post</i> controls and on-the-spot audit missions are only performed when strictly needed in order to keep a correct balance between cost and benefit of such controls.</p>	<p>In 2020 there were no claims received from applications for university grants or bursaries to students.</p> <p>There were no exceptions or non-compliance events recorded in this area.</p> <p>FVA controls identified 2 cases of incorrect indication of the applicable Financial Regulation, and a case where the official noted as OIA in the budgetary commitment was not corresponding to the person who treated the file in Ares. In the latter case also the payment class had to be adjusted. Further in one</p>

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
	published for information in the call for proposals.		case the FVA discovered that some proposed expenditure was ineligible. All corrections were made.
The actions foreseen are not totally or partially carried out in accordance with the technical description and requirements foreseen in the grant agreement and/or the amounts paid exceed that due in accordance with the applicable contractual and regulatory provisions.	<p>The template of final reports annexed to the grant agreement requires a high degree of accuracy concerning the action and the budget. During the action implementation period, pedagogical assistants' reports provide SCIC with information on the implementation of the co-financed action and information about the interim and final examinations of the students</p> <p>All final reports are reviewed by the programme officer and a random sample of expenses is verified against supporting documents, especially for the staff costs, in cooperation with the Financial Unit.</p>	<p>All payment files are subject to control according to the 4-eyes principle both at operational and financial level.</p> <p>When submitting the Final Report for the grants for universities, the examination of staff costs is given the highest priority (it accounts for 80% of the projects' costs). The declared costs are examined through sampling.</p> <p>For the bursaries and other financed actions detailed controls are performed in all aspects of the file.</p>	<p>There was one non-compliance event recorded for a grant agreement. There was a request for project modification agreed orally by the project manager without formally amending the grant agreement by the RAO. The discrepancy was only noted at the time of the payment.</p> <p>In connection with the KCI Steering Committee, one payment was refused for correction by the RAO due to the ineligibility of some declared costs. Further the FVA asked for the correction of two invoices where the agent indicated as giving 'Certified correct' qualification was not the one performing this action.</p>

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
	Final grant payments are only made after having received all the necessary documentation and all the requested explanations.		The FVA also noted the double registration of a per diem payment to a participant. One of the payments was refused.

Staff expenditure process

Main internal control objectives: Ensuring that the Commission selects the proposals that contribute the most towards the achievement of the policy or programme objectives (effectiveness); Prevention of fraud (anti-fraud strategy); Ensuring that the actions and funds allocation is optimal (best value for money; effectiveness, economy, efficiency); Ensuring that the operation results (deliverables) from the projects are of good value and meet the objectives and conditions (effectiveness & efficiency); ensuring that the related financial operations comply with regulatory and contractual provisions (legality & regularity); Ensuring appropriate accounting of the operations (reliability of reporting, safeguarding of assets and information)

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
<p>The decision for language training priorities does not sufficiently reflect the needs of the DG at the time of the language addition due to unpredictable structural/cyclical valuations in demand and the length of the language acquisition.</p>	<p>For officials: Unit B.3 applies language training priorities defined in consultation with Directorate A and unit B.2 on the basis of objective criteria such as current language knowledge of staff interpreters, known and expected changes to the language combinations resulting from departures, and gaps identified when assigning interpreters to meetings and the level of satisfaction of interpretation demand per language.</p> <p>For ACIs: SCIC offers financial support for ACIs language learning</p>	<p>Extensive consultation is conducted once a year.</p>	<p>In 2020 17 staff interpreters and 11 ACI added a new language after a language stay with the support of DG SCIC.</p>

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
An interpreter follows a full training cycle without adding the language at the end of their learning path (courses/training vouchers + immersion periods).	Monitoring of language training process.	Coverage: limited sample	Due to the COVID-19 pandemic the deadline for adding a language has been prolonged. However, there were no cases noted in 2020 where an interpreter failed to add a language after following the entire learning path.
Lack of or insufficient supporting documents, absence of legal and/or budgetary commitment for the reimbursement of expenses. The invoice and/or payment is not registered correctly into ABAC.	Standard <i>ex ante</i> control procedure with operational initiation and verification in Unit B.3 and the financial initiation and verification in Unit C.2.	Coverage: 100% of all files are controlled at the operational and at the financial units according to the 4-eyes principle. Due to the COVID-19 crisis and the teleworking mode, all the financial files have become e-files. The necessary controls in 2020 were done in a similar way and for similar files as before on paper files, now in the paperless workflow.	<p>There were no non-compliance events or exceptions recorded in this area in 2020.</p> <p>FVA controls highlighted one case where the user reference of a budgetary commitment had to be clarified as well as some individual payments requiring documentary corrections. Therefore, <i>ex ante</i> controls can still be considered effective.</p> <p>The COVID-19 crisis had some considerable effects in this area. Some study leaves and bursaries had to be cancelled or interrupted. As a result pre-paid per diems</p>

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
			for the cancelled periods had to be recovered from some interpreters, which corresponded to additional controls to be executed. Furthermore new, digital options for language training had to be considered in order to maintain the goals set in this area. In practical terms this also meant that interpreters are now discouraged to make cash payments for the trainings they follow.

Cooperation 3rd countries process

Main internal control objectives: Ensuring that the Commission selects the tenders that contribute the most towards the achievement of the policy or programme objectives (effectiveness); Prevention of fraud (anti-fraud strategy); Ensuring that the actions and funds allocation is optimal (best value for money; effectiveness, economy, efficiency); Ensuring that the operation results (deliverables) from the projects are of good value and meet the objectives and conditions (effectiveness & efficiency); ensuring that the related financial operations comply with regulatory and contractual provisions (legality & regularity); Ensuring appropriate accounting of the operations (reliability of reporting, safeguarding of assets and information).

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
<p>Procurement needs are not well defined, poor planning and organisation of the procurement process, inappropriate choice of procurement procedure.</p>	<p>In many cases services that are needed for the implementation of the programme are requested via existing framework contracts. In other cases the contracts to be concluded are of low value, both cases resulting in a more simplified procurement process. However, the budgetary/legal commitment file always contains an 'outcome of procedure' document, which ensures the RAO of the application of correct procedures before signature of the contract.</p>	<p>The 'outcome of procedure' document constitutes a compulsory component of each legal commitment file. Before the signature of the contract the finance unit reviews these files according to the 4-eyes principle and provides advice to the RAO with regards to legality and regularity of the process.</p> <p>Operational units also had the opportunity to turn to the finance unit in the planning phase of procurement in order to ensure compliance with necessary regulations.</p>	<p>To demonstrate the effectiveness of controls, it can be concluded that in 2020 there were no projected tenders cancelled or not awarded due to the unsatisfactory definition of the tender specifications.</p> <p>There were some contracts that had to be cancelled or modified during the first semester of 2020 due to the pandemic situation. Due to the same reason the training programme for the Mongolian trainees had to be adjusted and postponed for 2021; some contracts were signed in this sense on the 2020 budget. As the existing commitment had as end date 31/12/2020, SCIC inquired with DEVCO if there was a possibility to find another legal basis to support it further in 2021, in case other services/actions will be necessary to fulfil the program. Close follow-up of the FPI and</p>

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
			DEVCO lines was ensured in order to use the available funds as best as possible
<p>The proposed contract does not respect the Financial Regulation or terms of the related tendering specifications or framework contract.</p> <p>The legal commitment is not covered by a corresponding budgetary commitment.</p>	<p>100% of budgetary and legal commitments are controlled for the legality and regularity of the transaction, including:</p> <ul style="list-style-type: none"> - Respect of the Financial Regulation - Complying with terms of the related framework contract, call for tenders - The existence of the budgetary commitment before the signature of the legal commitment - Confirmation that all features of the commitment are encoded correctly in ABAC 	<p>100% of budgetary and legal commitments are subject to <i>ex ante</i> validation according to the 4-eyes principle, both at the operational and financial unit.</p> <p>The use of checklists facilitates the work of the agents ensuring that all necessary controls are executed.</p>	<p>FVA controls did not highlight any discrepancies in this area which confirms the maturity of the functioning of the financial circuits.</p>
<p>The products or services ordered are not, totally or partially, provided in accordance with the technical description and</p>	<p>Certified correct qualification is given by a formally endorsed official trained, technically competent and informed of the</p>	<p>All invoices are endorsed "certified correct". Existence of this endorsement is confirmed as part of the <i>ex ante</i> verification at the</p>	<p>During 2020 there was 1 refusal visa given on a payment due to wrong document Ares reference.</p>

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
<p>requirements foreseen in the contract. Reimbursement request is not in line with prior authorisations/agreements.</p> <p>The amounts paid exceed that due in accordance with the applicable contractual and regulatory provisions.</p> <p>The details of the invoice and/or payment are entered incorrectly into ABAC.</p>	<p>details of the contract or other agreement and subsequent invoice under supervision of RAO for payments.</p> <p>Operational and financial checks are carried out in accordance with the financial circuits and checklists, encompassing the comparison between the certified correct endorsement and the contract provisions.</p> <p>ABAC security prevents from paying more than the corresponding budgetary commitment.</p> <p>Financial circuits are conceived so that a payment is never authorised by the RAO having signed the contract to ensure objectivity.</p>	<p>finance unit, according to the 4-eyes principle. The use of checklists facilitates the work of the agents ensuring that all necessary controls are executed.</p> <p>100% of the invoices are controlled against the contract.</p> <p>ABAC security applies to 100% of the transactions.</p> <p>Sub-delegations are granted so that an RAO for commitments will never be RAO for payments.</p>	<p>This demonstrates that FVA controls efficiently trace minor discrepancies, while no considerable errors can be noted in the processed files.</p>

Income process

Main internal control objectives: Safeguarding of assets of the DG, Effectiveness, efficiency and economy; Compliance (legality and regularity); Sound financial management

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
<p>An amount due is not billed to SCIC's interpretation clients.</p>	<p>The MIM (Meeting and Interpretation Management) database holds the data on all bookings of interpretation. This entry is the prerequisite for allocating interpreters to an assignment. This provides a basis which is in the form of <i>ex ante</i> controls verified by the finance unit.</p>	<p>100% of all meetings and interpretation requirements are entered into MIM.</p> <p>After verification, amounts to be compensated are sent to users under the form of an automated pre-information. They have 15 days to accept the amounts to be compensated on an interface or introduce a claim.</p> <p>100% of all debit notes are controlled against pre-information before being sent to clients.</p>	<p>In the finance unit initiating agents have specific clients assigned to them. This means that they can ensure timely follow-up of interpretation services to be billed. However, MIM offers an additional opportunity for business continuity, allowing to trace interpretation services to be verified and to be billed.</p> <p>It has to be noted that as due to the COVID-19 crisis most meetings were cancelled. Agreements had to be reached with clients how to treat these extraordinary cancellations. Additionally, the use of interpretation platforms was introduced, making it possible to provide interpretation services without travel, but adding new cost elements. These circumstances made the verification process much more complex and time-consuming.</p>

An amount due is not billed to other clients of SCIC.	Conference organisation and meetings room management are billed based on agreements with SCIC's clients.	Relevant agreements are provided to the responsible initiating agent who shall proceed with the billing as soon as they are signed.	<p>The availability of funds is a prerequisite for the conclusion of contracts in the areas of conference organisation and meetings room management.</p> <p>If the amount has not been billed to the client and it has not been cashed, the action cannot be started.</p>
The amount billed is not correct.	The data with regards to billing is subject to extensive <i>ex ante</i> verification by the finance unit.	All recoveries are preceded by <i>ex ante</i> verification which is followed by sending of a pre-information notice or based on the signed contract. In the first case, this provides the client with additional 15 days to signal any potential errors or inconsistencies.	<p>In 2020 out of the 109 recovery orders established, there was only one case where the cancellation of the amount was necessary. It was out of DG SCIC's control: the Croatian Presidency requested a new debit note with an earlier due date, otherwise their internal processes would not allow payment before the end of the year which was necessary due to budgetary considerations.</p> <p>This resulted in a smoother compensation process ensuring that funds are rapidly reconstituted and allowing for the continuity of DG SCIC activities.</p>

<p>Recovery (compensation) delays</p>	<p>Introduction of SLAs and ACAs introducing clear rules and guidelines on payments.</p> <p>Reporting tools to ensure respect of the compensation rules.</p>	<p>SLAs and ACAs are created as and when needed with the external users of DG SCIC. They contribute to sound financial management and reduce discussions on their implementation. SCIC has concluded so far 19 such agreements for interpretation services with other Institutions and Agencies, and 26 with Member States.</p>	<p>Average recovery delay for SCIC's 3 biggest clients for debit notes issued in 2020 was 12, 23 and 47 days respectively, which is a considerable change compared to the same figures in 2019: (20, 16 and 25). It can be concluded that DG SCIC conducted rather extensive consultations in order to achieve mutual understanding on how to treat the challenges caused by the COVID-19 crisis with regards to determining billing figures. The actual cashing times at the 3 Institutions can also be affected by their internal financial procedures. For Presidencies the total average figure was 23 days, which is an improvement compared to the 27 days average observed in 2019. As Presidency countries change each year, cashing also depends on the performance of the different Member States.</p> <p>As the creation of SLAs and ACAs is a continuous exercise, it is not possible to isolate the control factor of these costs.</p>
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Stage 2: *Ex post*

Ex post controls on payments to freelance interpreters

Main internal control objectives: Measuring the effectiveness of *ex ante* controls by *ex post* monitoring; addressing systemic weaknesses in the *ex ante* controls, based on the analysis of the findings (sound financial management).

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
<p>The amounts reimbursed to freelance interpreters are not correct: the amounts are not justified sufficiently by supporting documents, or they are not in line with the legal bases (Agreement on working conditions with ACI and additional rules for implementing certain provisions), or the contract concluded with the ACI.</p>	<p>MIM concentrates all information related to the conclusion by all 3 institutions of contracts with ACIs, ensuring a fair share of joint costs for each institution and data consistency.</p> <p>A system of <i>ex post</i> controls has been set up examining the correctness of the amounts paid.</p>	<p>The controls are executed on a sample basis selected according to the MUS method. Similarly to earlier years, in 2020 only transactions with supporting documents were selected for control. Due to the pandemic situation, there were significantly less transactions, therefore as of the second semester the threshold used for the selection process was lowered from EUR 50,000 to EUR 10,000. Findings are collected per month and are presented twice a year in a report.</p>	<p>As a result of the 2020 controls an error rate of 0,09% was noted applying to the total population of payments to ACI. The controls are based on the population of all payments made to ACI regardless whether they were contracted by the Commission, the Parliament or the Court of Justice.</p> <p>In total only 9 errors were noted above the EUR 5 threshold. 4 of these cases were related to the payment or non-payment of allowances, 3 of them to derogations for hotel bills, in one case wrong exchange rate was used, while in one case an airport shuttle was incorrectly reimbursed.</p>

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
			<p>In order to help them dealing with the effects of the pandemic, there were also advances paid to 189 ACI. The clearing of these advances was not yet completed by the end of 2020, therefore they will be followed up in 2021.</p> <p>It can be concluded that the controls effectively traced potential errors, these were efficiently registered in the checklists developed for this purpose and the related costs are extremely low compared to the total of payments made on behalf of the 3 Institutions.</p>

Ex post accounting controls

Main internal control objectives: Reliability of reporting: providing the Authorising Officer with reasonable assurance with regards to the quality of DG SCIC's accounts.

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
<p>For expenditure:</p> <p>Expenses are registered on the incorrect G/L account, invoices are not entered into SCIC's accounts or the information entered for invoices or credit notes is incorrect. Invoices remain unpaid for no valid reason, or they are not introduced into DG SCIC's accounts within 7 days after reception, VAT reimbursement files and returned payments are not treated.</p>	<p>Various accounting controls as well as automated reports sent to the operational units trace invoices that remain untreated, other controls aim at identifying transactions which apply an incorrect G/L account.</p>	<p>Monthly controls are executed at transaction level to trace untreated invoices. G/L account controls are also conducted monthly at transaction level. Other controls are executed on a quarterly basis in order to detect incorrect application of recovery context in credit notes, untreated returned payments and VAT files, observe on an aggregated level the correct application of G/L accounts for the different budget lines, and examine in detail a sample of invoices.</p>	<p>In 2020 in 19 credit notes the recovery context was corrected, in 3 invoices the expense account was corrected, and in 2 cases expenses booked had to be registered as assets. In one case it was also noted that an invoice and the corresponding credit note had not yet received necessary validation. It was noted that there was no automated e-mail generated by DIGIT announcing the arrival of e-credit notes. Therefore a new control was introduced in December to trace credit notes that had not been validated. As a result, 22 duplicate or unintended entry credit notes were deleted and 5 further old credit notes received the necessary visas to take them out</p>

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
			of the workflow. 2 unintended duplicate invoices were deleted and 2 invoices and 2 credit notes were re-validated after they had accidentally been edited. OIAs were reminded on a monthly basis to treat long outstanding transactions and to pay attention to the timely registration of invoices into DG SCIC's accounts. Further controls highlighted one incorrect invoice registration date, one missing ARES reference and an e-invoice that had been intended for another DG.
<p>For batch payments (for ACI):</p> <p>Batch payments are entered incorrectly for regularisation payments. Insufficient funds are put at DG SCIC's disposal for the payment of ACI working for the EP and CoJ.</p>	<p>Ensure that batch payments are booked on the correct accounts and in line with data entered into SCIC's local system, Grif. Follow up that recovery orders are established in time in order to feed the hors budget accounts of the EP and CoJ to avoid a negative balance.</p>	<p>These two accounting controls are performed on a monthly basis at aggregated transaction level.</p>	<p>No errors were found in connection with the registration of batch payments. At the same time, it was noted that one transaction did not receive the necessary visa.</p> <p>In 2020 in 4 cases the controls lead to the timely establishment of recovery orders on the hors balance account and therefore</p>

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
			negative balance could be prevented.
Pre-financing: Pre-financing transactions are registered on an incorrect account or they remain uncleared even after final settlement has been made for the grant/procurement contract.	Accounting controls follow up new entries on pre-financing accounts and ensure that their clearance is registered correctly.	Quarterly controls examine new entries at transaction level and a sample of transactions is reviewed for various aspects of correct registration and clearing.	In 2020 no errors have been noted in this area.
Assets Assets are booked as expenditure or incorrect entries are made on asset or depreciation accounts.	Accounting controls follow up irregular entries and cases where asset purchases are expensed.	Monthly controls review uncleared entries on the asset suspense account, while additional quarterly controls are conducted at transaction level to trace irregular entries.	In 2020 besides the 2 cases already mentioned as part of the controls on expenditure, there was one invoice identified and corrected where the costs were originally booked as expenditure instead of assets. It was also noted that there was a double registration of a goods receipt. Correction was made. Controls also enabled following up that 2 entries related to IT assets were cleared up by DG BUDG.

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
Guarantees: No guarantee is requested/received while the contract/grant agreement stipulates this, the guarantee is incorrectly registered or is in an incorrect state.	Accounting controls review new contracts above EUR 60,000 for eventual need for a guarantee and confirm correct registration and state of guarantees in DG SCIC's accounts.	Quarterly controls are performed at transaction level.	In 2020 there were no irregularities noted in this area. However the controls highlighted 3 cases where the registration of Legal Commitments was overdue.
Income: Recovery Orders are registered incorrectly in DG SCIC's account (G/L account, budget line, policy area, related commitment, NoR and SNoR codes, amount, LEF, "Late Interest Rule ID", Recovery Context). Establishment of a pre-information notice is not followed by a recovery order. Recovery Order remains unpaid.	Various accounting controls confirm whether different features for recovery orders are established correctly, ensure follow-up of unpaid debit notes and pre-information notices that have not led to a recovery order yet.	The follow-up of unsettled debit notes and the examination of main features of new recovery orders is conducted at transaction level on a monthly basis. The follow-up of pre-information notices is performed quarterly.	In 2020 the Commission introduced new Nature of Receivables codes in order to separate revenue coming from charge-back. Additionally, in mid-July a temporary measure was introduced to allow debtors longer payment times in order to be able to cope with the pandemic situation. Both changes resulted in some errors without a significant accounting impact. There were seven recovery orders established at the same time where besides the Nature of Receivables codes also the G/L account, due date and late interest rate were incorrect. The related amounts are

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
			extremely low and as corrections in this area are rather complex, no corrections were made. However, the responsible agent was contacted not to make such errors in the future again.
<p>Commitments:</p> <p>As DG SCIC is a non-large DG, DG BUDG is in charge of the booking of cut-off entries. Budgetary and legal commitments are used for the calculation of the cut-off figure, therefore the data quality in this area is important for accounting purposes as well. If unnecessary RAL is not de-committed and legal commitments are not registered or entered with incorrect data, this can result in erroneous cut-off bookings.</p>	<p>Various accounting controls follow up outstanding commitments, and commitments that remain in the workflow and review the registration of legal commitments.</p>	<p>Quarterly controls at transaction level identify budgetary de-commitments that should be made and cases where the legal commitment is not registered or remains without validation. Twice a year commitment in the workflow are reviewed and a quarterly control of correct registration of legal commitments is performed on a sample basis. A yearly check is made to confirm if older legal commitments can be put into state 'Closed'.</p>	<p>In 2020, besides the 3 cases unidentified as part of the controls on guarantees, there were 9 cases noted where necessary validation of a legal commitment was not made within the stipulated deadline.</p> <p>In 2020 controls also identified 23 legal commitment registrations with discrepancies and 8 unintended duplicate legal commitments. Furthermore, controls proved to be an efficient tool to clean up unintended duplicates and to remind initiating agents to proceed with de-commitments before year-end and timely validation of legal commitments. There was also a</p>

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
			mass closure of legal commitments with a related FDI in 2019 or earlier years. 4779 records could be put into state 'Closed'.

ANNEX 7: Specific annexes related to "Financial Management"

In this annex the following tables are presented:

1. DG Interpretation Accounting Indicators 2020
2. Table Y on the cost of control
3. Payment Times Statistics DG Interpretation 2020

Type of corrections	Expense process checks		Pre-financing process checks		Assets process checks		Recovery Order process checks		Commitment and Guarantee process checks		Total impact of the corrections made on the 2020 annual accounts				
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Corrections with no impact on accounts	Impact on assets	Impact on liabilities	Impact on expenses	Impact on revenue
											(data quality)	(- decrease, + increase)	(- decrease, + increase)	(- decrease, + increase)	(- decrease, + increase)
Incorrect expense G/L account used	3	108.514,42												0,00	
Correction of recovery context qualification in credit notes	19	0,00									19				
Assets incorrectly booked as expenditure	2	108.765,08			1	153.578,40						32.231,60		-262.343,48	
Double encoding of goods receipt					1	13.448,00						-13.448,00			
Invoice in PEND100 or COR0	1	26.980,97									1				
Duplicate invoice in state MOD0 or INIT0	2	0,00									2				
Credit note in MOD0 re-validated	6	0,00									6				
Duplicate or unintended entry credit notes deleted	22	0,00									22				
Suspension reason of an invoice corrected	1	0,00									1				
Overdue invoice paid after intervention	1	268,80									1				
Incorrect Legal Commitment registration									23	0,00	23				
Legal Commitment not registered/and or validated within deadline									12	0,00	12				
Mass closure of old Legal Commitments									4779	0,00	4779				
Invoices in MOD0 after 7 calendar days	4	647.352,57												647.352,57	
Duplicate Legal Commitment in state MOD0 or INIT0									8	0,00	8				
Invoice and related credit note both in PEND5.	1	1.477,30									1				
Previously validated invoice and related credit note both back to MOD0.	1	31.962,95									1				
Electronic invoice incorrectly sent to SCIC instead of another DG	1	0,00									1				
Manual clearing of asset entries on DIGIT Managemeny Centre					2	-76.533,48						-76.533,48			
Total	64	925.322,09	0	0	4	90.492,92	0	0	4822	0	4877	-57.749,88	0,00	385.009,09	0,00
TOTAL 2020 financial statements												21.718.087,13	258.700.720,68	36.924.768,50	26.876.039,10
% on total 2020 financial statements												-0,27%	0,00%	1,04%	0,00%

Table Y - Overview of the estimated cost of controls at Commission (EC) level:

Title of the Relevant Control System (RCS)	Ex ante controls			Ex post controls			Total***	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	EC total costs (in EUR)	funds managed (in EUR) ¹⁴	Ratio (%)** (a)/(b)	EC total costs (in EUR)	total value verified and/or audited (in EUR)	Ratio (%) (d)/(e)	EC total estimated cost of controls (in EUR) (a)+(d)	Ratio (%)* (g)/(b)
ACI (freelance interpreters) process	466.275,57	43.631.714,55	1,07%				466.275,57	1,07%
Procurement process	1.269.993,37	12.032.905,34	10,55%				1.269.993,37	10,55%
Grants process	82.725,00	678.795,78	12,19%				82.725,00	12,19%
Staff expenditure process	100.521,00	274.448,01	36,63%				100.521,00	36,63%
Cooperation 3rd countries process	17.270,00	73.354,61	23,54%				17.270,00	23,54%
Income process	157.251,00	39.359.302,76	0,40%				157.251,00	0,40%
Ex post controls on payments to freelance interpreters				65.172,00	53.273.682,27 ¹⁵	0,12%	65.172,00	0,12%
Ex post accounting controls				117.259,00	96.050.521,04 ¹⁶	0,12%	117.259,00	0,12%

¹⁴ Funds managed = payments made, revenues and/or other significant non-spending items such as e.g. assets, liabilities, etc.

¹⁵ This expenditure includes contracts concluded by the European Commission (EUR 18,495,412.75), the European Parliament (EUR 32,645,554.37) and the Court of Justice (EUR 2,132,715.15). For the overall figure only the contracts concluded by the European Commission are taken into account. As the cost of control for this particular RCS is rather low, it is not considered as a distorting factor that all cost is taken into account while only a part of the relevant expenditure.

¹⁶ This total figure includes all payments made and all revenue cashed in 2020, according to Annex 3.

Title of the Relevant Control System (RCS)	Ex ante controls			Ex post controls			Total***	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	EC total costs (in EUR)	funds managed (in EUR) ¹⁴	Ratio (%)** (a)/(b)	EC total costs (in EUR)	total value verified and/or audited (in EUR)	Ratio (%) (d)/(e)	EC total estimated cost of controls (in EUR) (a)+(d)	Ratio (%)* (g)/(b)
Reporting ¹⁷				437.453,00	96.050.521,04 ¹⁸	0,46%	437.453,00	0,46%
Inventory management ¹⁹				139.546,29		N/A	139.546,29	N/A
Missions ²⁰	151.449,00	628.852,12 ²¹	24,08%				151.449,00	24,08%
OVERALL total estimated cost of control at EC level	2.233.582,23	96.050.521,04	2,33%	759.430,29	96.050.521,04	0,79%	3.004.915,23	3,13%

* related funds managed/concerned = payments made, revenues and/or other significant non-spending items such as e.g. assets, liabilities, etc.

** ratio possibly 'Not Applicable (N/A)', e.g. if a RCS specifically covers an Internal Control Objective such as safeguarding sensitive information, reliable accounting/reporting, etc.; or if control costs are not attributable to a single RCS and may relate to a 'mix' of expenditure, revenue, assets/liabilities, etc.

*** any 'holistic' control elements (e.g. with 'combined' *ex ante* & *ex post* characteristics) can be mentioned in the total column (without being in either one of the *ex ante* or *ex post* columns), provided that a footnote clarifies this (their nature + their cost). *Example: MS system audits in shared management.*

¹⁷ This is not a separate RCS. All controls related to different reporting activities (including the anti-fraud activities) are accounted for here. The cost of these controls is included into to total figure.

¹⁸ This total figure includes all payments made and all revenue cashed in 2020, according to Annex 3.

¹⁹ This is not a separate RCS. The cost of related controls is included into the total figure.

²⁰ This is not a separate RCS, the control activities here are related to checks made for mission expenditure. As the payments are made by PMO and not by SCIC, the cost of these controls is not taken into account in the overall figure. However, it is considered useful to show how the cost of controls relate to the total of payments made.

²¹ Payments for this expenditure are executed by PMO, therefore they are not included into Annex 3. They are also not added to the total cost of controls.

Payment Times Statistics, DG Interpretation 2020

Financial Year	2020
Days Authorising Officer	11,751004
Days Authorising Officer (w. Susp)	10,1485944
Days Horizontal Services	4,47991968
Days Total (without Susp.)	16,23
Days Total (with Susp.)	14,63
Number of Payment Requests	996
Late Payments (FR)	24
Late Payments (Target)	0

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

not applicable

ANNEX 9: Reporting – Human resources, digital transformation and information management and sound environmental management

Objective: DG SCIC employs a competent and engaged workforce and contributes to gender equality at all levels of management to effectively deliver on the Commission's priorities and core business		
Indicator 1: Number and percentage of first female appointments to middle management positions		
Source of data: SCIC View		
Baseline (female representation in management) (2019)	Target (2022)	Latest known results (2020)
61%	Quantitative target for female first appointments to middle management positions: 5	0 in 2020
Indicator 2: DG SCIC's staff engagement index		
Source of data: Commission staff survey		
Baseline (2018)	Target (2024)	Latest known results (2021)
75%	75%	67% ²²

Main outputs in 2021:

Output	Indicator	Target	Latest known results (situation on 31/12/2020)
An internal competition in conference interpreting	Reserve list is published	Q4	Done. The reserve list was published in November 2020
Implementing the Follow-up plan of the Staff Opinion survey: Completion of actions agreed for 2020	Actions agreed for 2020 completed	Q4	Partly completed, due to the COVID-19 pandemic, some actions were transformed into on-line events and some are transferred to 2021
First female middle manager appointments	5 by end of 2022	Q4	No middle management posts could be published

²² The result comes from the Pulse Surveys 13 and 14, conducted in December 2020 and January 2021. They included some of the questions used in the Staff Opinion Survey 2018 to measure Staff engagement. In DG SCIC the Pulse Survey results are not representative and hardly comparable, since the response rate to Pulse survey 13 is slightly above 10% and for Pulse survey 14 it is 18%, whereas in 2018 the response rate was 48%.

			in 2020. The distance to target has not changed.
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Objective: DG SCIC is using innovative, trusted digital solutions for better policy-shaping, information management and administrative processes to forge a truly digitally transformed, user-focused and data-driven Commission

Indicator 1: Degree of implementation of the digital solutions modernisation plan²³

Source of data: DIGIT and DG SCIC.C3

Baseline (2018)	Interim milestone (2022)	Target (2024)	Latest known results (2020)
Simultaneous Interpretation Delivery Platforms (SIDPs) – 36%	100%	100%	61%
MIRA – New corporate tool for management of meeting rooms, meeting and interpretation services – 50%	100%	100%	55%
Interpreter's Digital Toolbox – 39%	100%	100%	50%

Indicator 2: Percentage of DG SCIC's key data assets for which corporate principles for data governance have been implemented

Source of data: EC data inventory

Baseline (2019)	Interim milestone (2022)	Target (2024)	Latest known results (2020)
35%	50%	80%	41%

Indicator 3: Percentage of staff attending awareness raising activities on data protection compliance

Source of data: DG SCIC.C3

Baseline (2018)	Interim milestone (2020)	Target (2024)	Latest known results (2020)
0%	Newcomers – 100%	100% of staff	100% of assistant controllers
	Data protection awareness when organising meetings or events (guidance		Due to the COVID-19 crisis, there were limited opportunities to present data protection issues to

²³ The European Commission Digital Strategy (C(2018)7118) calls on Commission services to digitally transform their business processes by developing new innovative digital solutions or make evolve the existing ones in line with the principles of the strategy. At the beginning of the year n+1, the Solution Owner and IT Investments Team will assess the progress made on the basis of the proposed modernisation plan. For each of the 3 solutions, a table will reflect – per principle – the progress achieved during the last year.

	booklet – ready for distribution) Audience – for all meeting organisers, Commission DPCs		all staff. An information campaign has been prepared and will be launched in 2021
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Main outputs in 2020:

Output	Indicator	Target	Latest known results (situation on 31/12/2020)
Full implementation of 15 rooms with Simultaneous Interpretation Delivery Platforms (SIDPs) - hybrid solution at the European Commission	SIDPs implemented	Q4	Done. 15 meeting rooms with SIDPs installed
Interpreters' Digital Toolbox: Stage 1 – Meeting documentation interface	Completion of stage 1	Q4	Stage 1 was not fully completed due to delays in the delivery by DG DIGIT
Interpreters' Digital Toolbox: Stage 2 – Additional functionalities documentation interface (IATE/Lithos integration)	Design completed and development & test underway	Q4	Small delay. User tests have started in January 2021 to improve small features on the basis of the input from the users
Digitisation of the distribution of documents from the Council for meeting preparation	Business case presented to the ITCB, external contract concluded for a solution	Q4	Business case validated by the ITCB on 17 December 2020. Detailed list of requirements to be drafted in cooperation with stakeholders in Q1 2021
IT project to modernise corporate management tools for the provision of interpretation	Business process analysis by external consultant launched	Q4	Business processes analysis postponed to 2021 due to the pandemic
Project Charter and Business use cases of the MIRA (new WebDOR) project	Project Charter and Use cases completed and approved by the Project Steering Committee	Q4	Done
Initiate project for Automatic Speech Recognition	Solutions on recordings/web streaming were tested Data Curation phase for the ASR model finished	Q4	Solutions were tested (pilot Q3/Q4 2020) Data curation phase is being finalised (end foreseen early 2021). Creation of models in Azure started. Interpreters contribute to post-editing of 'raw

			transcripts' (starting in Q3)
Setting the internal rules for Administrative Retention Schedules for the documents held by DG SCIC relating to freelance interpreters	List of different types of documents held by DG SCIC related to freelance interpreter's personal files	Q4	Work in progress. Due to the complexity of the issue with documents being shared across Units, Directorates and Institutions, this work will continue into 2021
Number of outstanding electronic files to be eliminated or transferred	Production of NomCom first review requests	Q2	In total 542 electronic files: 114 transferred and 428 eliminated
Volume of paper files decreased in DG SCIC archives	Physical elimination and transfer of existing paper files	All year	32 linear meters of paper files have been eliminated Nothing has been transferred in paper
Adonis ingestion project	Number of barcode dividers sent to OIB Historical Archives	All year	7141 documents have been ingested into Adonis
Ensure information sharing and data protection measures	Percentage of files open at DG and EC level	All year	46% of files open at DG level 8% of files open at EC level (4 760 personal files created for freelance interpreters are exempt from this result)
Digitalisation of personal files of Accredited freelance Interpreters (ACIs)	Business Case approved by senior management	Q4	Done, business case was approved in July
Data protection presentation aimed at newcomers	Presentation prepared	Q3	Done. To be incorporated into standard newcomers presentation in 2021
Updated page for data protection issues on SCICNet	Page updated	Q3	Done
Creation of collaborative space on MS Teams for key topics on data protection and meeting organisation with specific channels on: web streaming; audio-visual recording; participant registration; use of interactive tools such as Sli.do in meetings	Collaborative space on MS Teams created	Q4	Ongoing. The information on data protection linked to the organisation of conferences and events will now be made available on the wiki page on conference organisation. This will ensure the widest possible access to information for the target audience.

Objective: DG SCIC takes full account of its environmental impact in all its actions and actively promotes measures to reduce the related day-to-day impact of the administration and its work

Main results and outputs in 2020:

Output	Indicator	Target	Latest known results (situation on 31/12/2020)
GREEN CORNER page on SCICNet	GREEN CORNER page on SCICNet is online	Q2 – already online, but improvements necessary	Green Corner online, further improvements not resource efficient
Reducing use of plastic bottles through promotion of tap water and drinking water fountains	Drinking water bottles purchased and distributed to staff combined with awareness raising actions	Q4	Put on hold as less relevant in current context
Newsletter <i>Green Digest</i>	<i>Green Digest</i> sent at least once per quarter to mailing list of interested colleagues	Q1 – 4	8 <i>Green Digests</i> sent, evenly distributed around the year
Green Person of the Month portrait or other article related to sustainability on SCICNet	2 portraits or other articles published on the SCICNet	2 portraits or other articles by the end of 2020	Green Persons highlighted in several <i>Green Digests</i> ; 7 articles on sustainability published on SCICNet
SCIC EMAS Action Plan	Document drafted	Q3	Action plan approved by the GREEN SCIC Committee
<i>From crisis mode to the new normal – lessons learnt from the COVID-19 crisis for making DG SCIC more sustainable</i> brief for Senior Management Board	Document drafted	Q3	Committee discussed the subject in June. Relevant topics have now become part of the wider effort to green Commission operations

ANNEX 10: Implementation through national or international public-sector bodies and bodies governed by private law with a public sector mission (if applicable)

not applicable

ANNEX 11: EAMR of the Union Delegations (if applicable)

not applicable

ANNEX 12: Decentralised agencies and/or EU Trust Funds (if applicable)

not applicable