



# **2015**

# **Annual Activity Report**

# **ANNEXES**

**Internal Audit Service**

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## ANNEX 1a:

### Statement of the Resources Director

Following the Section 2.5 of the Service Level Agreement on the provision of support to the Internal Audit Service (IAS) by DG HR, revised on 27th May 2010,

*I, the undersigned, Reinder van der Zee, Director (IAS/A), in my capacity as Authorising Officer by delegation of the IAS, declare that in accordance with the Commission's communication on clarification of the responsibilities of the key actors in the domain of internal audit and internal control in the Commission<sup>1</sup>, I have reported my advice and recommendations to the Director-General on the overall state of internal control in the IAS.*

*I hereby certify that the information provided in Section 2 of the present AAR and in its annexes is, to the best of my knowledge, accurate and exhaustive.*

*Brussels, 22 March 2016*

*[Signed]*

*Reinder van der Zee*

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<sup>1</sup> Communication to the Commission: Clarification of the responsibilities of the key actors in the domain of internal audit and internal control in the Commission; SEC(2003)59 of 21.01.2003.

# ANNEX 1b: Statement of the "Shared resources services" Director of DG Human Resources and Security

Ref. Ares(2016)1398522 - 21/03/2016

## Annex 1: Annual Activity Report

### Statement of Assurance for "Shared Resources Services"

I declare that in accordance with the Commission's communication on clarification of the responsibilities of the key actors in the domain of internal audit and internal control in the Commission<sup>1</sup>, I have provided my advice and recommendations to your services, on the aspects of financial management and internal control in the IAS that fall under the responsibility of DG HR.

I hereby certify that the information provided by my services in relation to Part 2 and Annex 3 of the Annual Activity report is, to the best of my knowledge, accurate and exhaustive.

Date:

9/3/2016

Matthias WILZ

<sup>1</sup> Communication to the Commission: Clarification of the responsibilities of the key actors in the domain of internal audit and internal control in the Commission; SEC(2003)59 of 21.01.2003.

## ANNEX 2a: Human and financial resources

### Human Resources

Human Resources by ABB activity				
Code ABB Activity	ABB Activity	Establishment Plan posts	External Personnel	Total
28 AWBL-01	Administrative support for the Internal audit service	6	0	6
28 AWBL-02	Internal audit of the Commission	112	6	118
28 AWBL-03	Policy strategy and coordination for the Internal audit service	8	1.5	9.5
28 AWBL-04	Internal Audit of the Union agencies and other bodies	31	3	34
28 AWBL-05	Coordination with Audit Progress Committee (APC)	1	1.5	2.5
<b>Total</b>		<b>158</b>	<b>12</b>	<b>170</b>

General remark: the above data rely on the snapshot of Commission personnel actually employed in the IAS as of 31/12/2015. These data do not constitute full-time-equivalent units throughout the year.

### Financial Resources

Financial Resources by ABB activity (EUR Million) implementation of Commitment Appropriations (CA)					
Code ABB Activity	ABB Activity	Operational expenditure	Administrative expenditure		Total
			(1)	(2)	
28 AWBL-01	Administrative support for the Internal audit service		0.4		0.4
28 AWBL-02	Internal audit of the Commission		8.3		8.3
28 AWBL-03	Policy strategy and coordination for the Internal audit service		0.7		0.7
28 AWBL-04	Internal Audit of the Union agencies and other bodies		2.4		2.4
28 AWBL-05	Coordination with Audit Progress Committee (APC)		0.2		0.2
<b>Total</b>			<b>12</b>		<b>12</b>

(1) Heading 5 appropriations managed by the DG (global envelope) XX 01 02

(2) BA lines (XX 01 04) and, when relevant XX 01 05 and XX 01 06.



## Implementation of the global envelope

BUDGET LINE DESCRIPTION	APPROPRIATIONS 2015 (C1,C4 and C5)				APPROPRIATIONS carried over (C8)		
	AVAILABLE APPROPRIATIONS 2015	COMMITMENTS 2015	PAYMENTS 2015	RAL 2015	APPROPRIATIONS CARRIED OVER FROM 2014 *	% IMPLEMENTATION ON APPROPRIATIONS CARRIED OVER FROM 2014	Payments C8
Non affecté	0,00	0,00	0,00	0,00	0,00	N/A	
Technical assistance	0,00	0,00	0,00	0,00	0,00	N/A	0,00
Mission expenses	303.107,14	297.000,00	228.688,49	68.311,51	80.888,45	33%	27.029,51
Representation expenses	250,00	250,00	86,44	163,56	0,00	N/A	0,00
Meeting costs	2.750,00	599,15	599,15	0,00	1.000,00	N/A	0,00
Conference costs	47.481,74	44.710,45	44.451,27	259,18	170,00	N/A	0,00
Meetings of committees	0,00	0,00	0,00	0,00	0,00	N/A	0,00
Studies and consultations	0,00	0,00	0,00	0,00	0,00	N/A	0,00
Development of management and information systems	295.000,00	293.711,54	2.035,12	291.676,42	11.788,70	100%	11.788,70
Further training and management training	49.004,00	49.004,00	27.783,06	21.220,94	21.980,03	100%	12.352,77
<b>TOTAL</b>	<b>697.592,88</b>	<b>685.275,14</b>	<b>303.643,53</b>	<b>381.631,61</b>	<b>115.827,18</b>	<b>44%</b>	<b>51.170,98</b>

				C1+C4+C5+C8	813.420,06	C1+C4+C5+C8	354.814,51	
* Appropriations carried over from 2014: A total of 10.797 EUR was decommitted in the course of the year.								

	<b>APPROPRIATIONS 2014 (C1,C4 and C5)</b>				APPROPRIATIONS carried over (C8)		
BUDGET LINE DESCRIPTION	AVAILABLE APPROPRIATIONS	COMMITMENTS	PAYMENTS	RAL	APPROPRIATIONS CARRIED OVER FROM 2013	% IMPLEMENTATION ON APPROPRIATIONS CARRIED OVER FROM 2013	Payments C8
	2014	2014	2014	2014			
Non affecté	3.000,00	0,00	0,00	0,00	0,00	N/A	
Technical assistance	0,00	0,00	0,00	0,00	1.762,25	N/A	0,00
Mission expenses	298.000,00	298.000,00	217.111,55	80.888,45	76.680,31	45%	34.447,73
Representation expenses	0,00	0,00	0,00	0,00	250,00	N/A	0,00
Meeting costs	1.000,00	1.000,00	0,00	1.000,00	250,00	N/A	0,00
Conference costs	39.416,00	30.944,60	30.774,60	170,00	47,06	25%	11,82
Meetings of committees	0,00	0,00	0,00	0,00	0,00	N/A	0,00
Studies and consultations	0,00	0,00	0,00	0,00	0,00	N/A	0,00
Development of management and information systems	71.400,00	54.528,20	42.739,50	11.788,70	31.370,08	100%	31.370,08
Further training and management training	32.395,00	32.395,00	10.414,97	21.980,03	12.567,96	84%	10.567,72
<b>TOTAL</b>	<b>445.211,00</b>	<b>416.867,80</b>	<b>301.040,62</b>	<b>115.827,18</b>	<b>122.927,66</b>	<b>62%</b>	76.397,35



### Annex 2

#### DG HR's Services to the IAS in 2015

##### Internal Control and Accounting Services

###### Internal Control Services

DG HR analyses the results of different controls in order to substantiate the Director General's assurance statement. These controls cover the part of the budget entrusted to DG HR by the IAS. The controls that are most relevant to the IAS Director-General's assurance statement, as formulated in the AAR standing instructions, are the ex post controls, the sub delegated authorising officers' assurance reports and exceptions or noncompliance reports.

###### I) Ex Post Controls on Financial Transactions

The annual ex post control campaign is well established in DG HR. Its primary purpose is to estimate the DG's error rate. The controls are performed both by senior management and by the finance and internal control unit. The latter coordinates the overall campaigns and ensures that the associated rules are respected. In 2015 the ex-post process was reviewed and improved, notably by developing:

- **The Checklists** 1) to help ensure rigour in the control process; 2) to align the ex post controls with the ex-ante controls, thereby allowing for an assessment of the effectiveness of ex ante controls, and 3) to harmonise the controls performed by the Directors and those performed by the central finance unit. This facilitated the consolidation of the overall result.
- **The Sampling Methodology** 1) to ensure that the control result was based on a random and representative sample as required in the AAR standing instructions, and 2) to improve the efficiency of the process.

A second objective of the ex post control campaigns is to identify and remedy any control weaknesses in financial management. The results of the ex post controls performed in DG HR, although not specifically designed to focus on IAS financial management, covered the key processes and individual transactions (commitments, payments and recoveries) that would affect the assurance statement of the IAS. The results of the controls, based on an estimated 20% of the budget, indicate an error rate (RER) of ~0.2%. The errors were generally linked to procedural issues as opposed to material losses or 'amounts at risk'. This reassuring result would confirm the findings of the Court of Auditors in recent years.

###### II) Assurance Reports and Exceptions or Noncompliance Reports

DG HR's active authorising officers, forty-three staff as of 31st December, submitted reports to support the assurance statement of the Director General. Those who took over the functions from the departing staff also provided assurance regarding the smooth-running of the handover. The reports did not highlight any problems or weaknesses that had not already been identified and addressed through the exception reports.


DG HR's register of exceptions and non-compliance events highlights some issues related to the non-respect of standard procedures in financial management. The amount at risk associated with the exceptions is limited. The exceptions were generally associated with non-standard measures taken to ensure business continuity and/or to deal with the terrorism crisis in the latter months of 2015. None of the exceptions were related to the systems or transactions of the IAS.

**Accounting Services**

The accounting correspondent reviewed the accounts and checked the bookings made in the frame of the accounting closure. All the data in the AAR Annex 3 were checked and reconciled with the detailed financial reports.

**Overall Result for the AAR of the IAS**

The results of our work on financial management and reporting for the IAS indicate that there are no associated issues that would adversely affect the assurance statement of the Internal Auditor. On this basis, the internal control coordinator may provide the necessary assurance and sign the assurance statement foreseen in Annex 1 of the AAR.



Hubert Cousin

DG HR's Internal Control Coordinator

Head of Finance, Procurement &  
Internal Control Unit (HR.R3)

Cc. C. Vlassis, Head of Internal Control Sector;  
M. Schools, Accounting Correspondent

# ANNEX 3: Draft annual accounts and financial reports

AAR 2015 Version 1

## Annex 3 Financial Reports - DG IAS - Financial Year 2015

Table 1 : Commitments

Table 2 : Payments

Table 3 : Commitments to be settled

Table 4 : Balance Sheet

Table 5 : Statement of Financial Performance

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 (excluding Building Contracts)

Table 12 : Summary of Procedures (excluding Building Contracts)

Table 13 : Building Contracts

Table 14 : Contracts declared Secret

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

Annex 3 Financial Reports - DG IAS  
Report printed on 03/02/2016

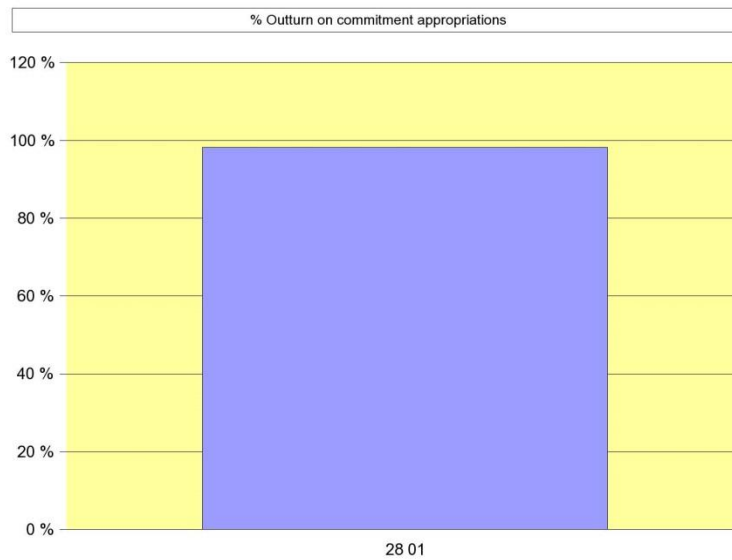
## Additional comments

*Tables 4 & 5:  
in the frame of the 2015 accounting closure, the IAS applied the "light" cut-off procedure  
as proposed by DG BUDGET*

*Table 6:  
nothing is mentioned regarding the average payment time limits, because all payments  
are executed by DG HR or DIGIT, as defined in the respective SLAs.*

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2015 (in Mio €)					
			Commitment appropriations authorised	Commitments made	%
			1	2	3=2/1
Title 28 Audit					
28	28 01	Administrative expenditure of the 'Audit' policy area	0.7	0.69	98.23 %
<b>Total Title 28</b>			0.7	0.69	98.23%
<b>Total DG IAS</b>			0.7	0.69	98.23 %

\* 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).

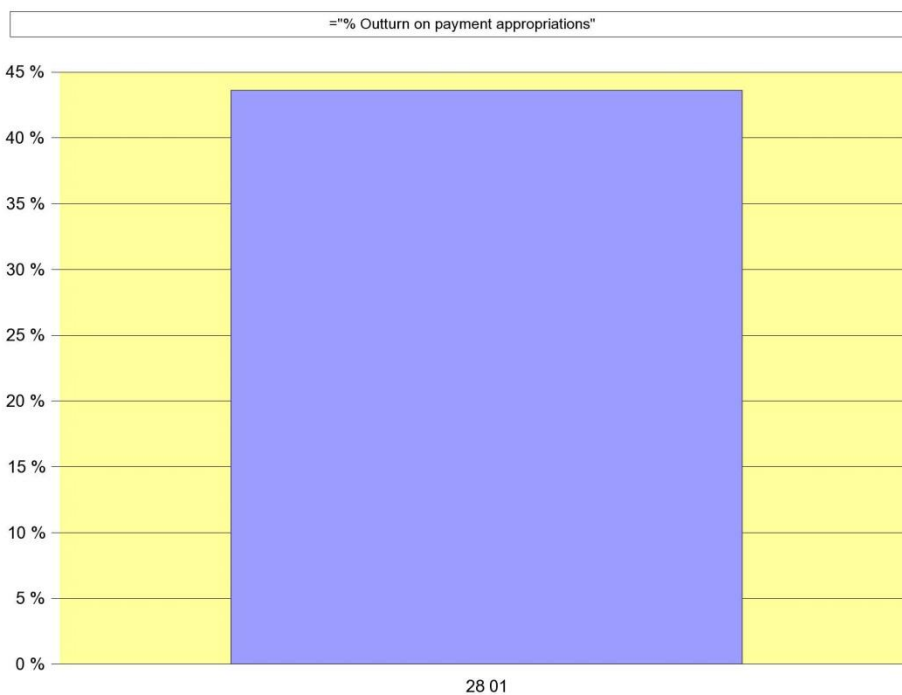


Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Annex 3 Financial Reports - DG IAS  
Report printed on 03/02/2016

TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS IN 2015 (in Mio €)					
Chapter			Payment appropriations authorised *	Payments made	%
			1	2	3=2/1
<b>Title 28 Audit</b>					
28	28 01	Administrative expenditure of the 'Audit' policy area	0.81	0.35	43.62 %
<b>Total Title 28</b>			0.81	0.35	43.62%
<b>Total DG IAS</b>			0.81	0.35	43.62 %

\* 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).

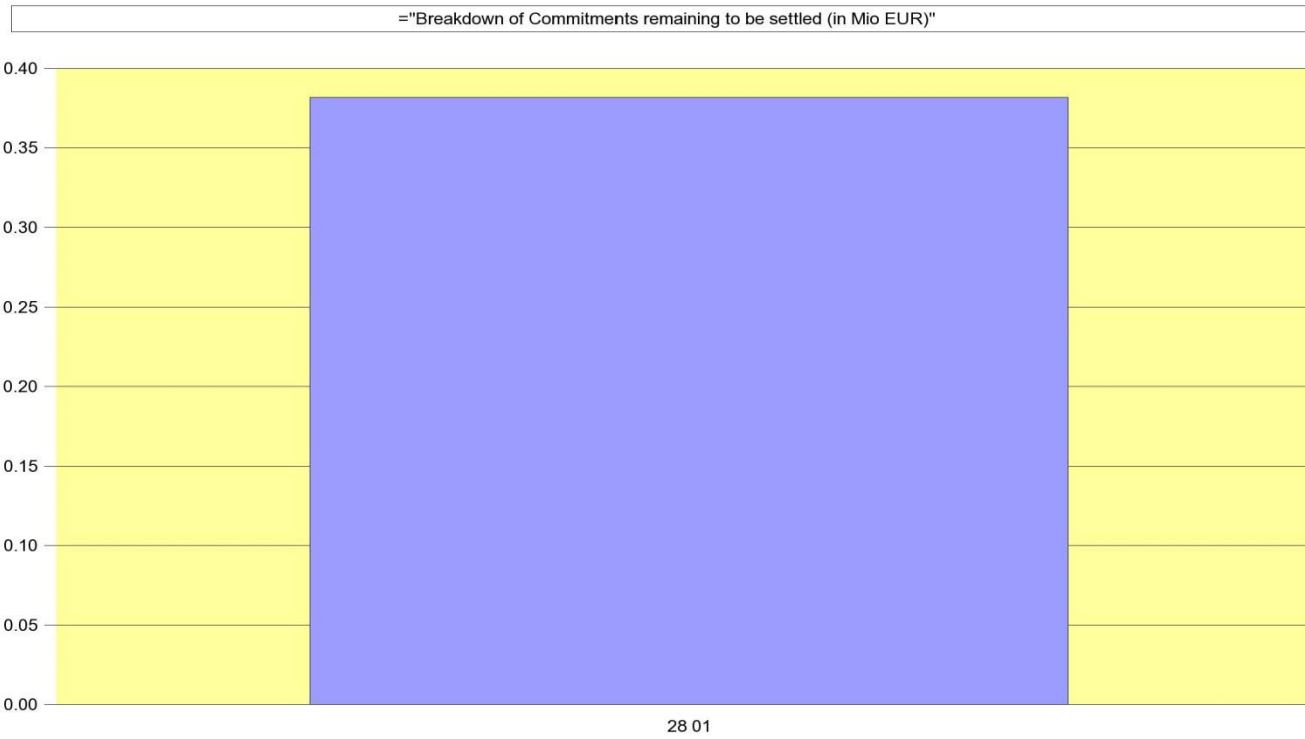


Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Annex 3 Financial Reports - DG IAS  
Report printed on 03/02/2016

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2015 (in Mio €)									
Chapter			2015 Commitments to be settled				Commitments to be settled from financial years previous to 2015	Total of commitments to be settled at end of financial year 2015 (incl. corrections)	Total of commitments to be settled at end of financial year 2014 (incl. corrections)
			Commitments 2015	Payments 2015	RAL 2015	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
<b>Title 28 : Audit</b>									
28	28 01	Administrative expenditure of the 'Audit' policy area	0.69	0.30	0.38	55.69 %	0.00	0.38	0.12
<b>Total Title 28</b>			0.69	0.30	0.38	55.69%	0	0.38	0.12
<b>Total DG IAS</b>			0.69	0.30	0.38	55.69 %	0	0.38	0.12

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



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

Annex 3 Financial Reports - DG IAS  
Report printed on 03/02/2016



TABLE 4 : BALANCE SHEET

BALANCE SHEET	2015	2014
P.III. CURRENT LIABILITIES	-2,933.64	-2,933.64
P.III.4. Accounts Payable	-538.43	-538.43
P.III.5. Accrued charges and deferred incom	-2,395.21	-2,395.21
<b>LIABILITIES</b>	<b>-2,933.64</b>	<b>-2,933.64</b>
<b>NET ASSETS (ASSETS less LIABILITIES)</b>	<b>-2,933.64</b>	<b>-2,933.64</b>

P.I.2. Accumulated Surplus / Deficit	197,140.01	144,786.9
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Non-allocated central (surplus)/deficit*	-194,206.37	-141,853.26
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<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>
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It should be noted that the balance sheet and statement of financial performance presented in Annex 3 to this Annual Activity Report, represent only the assets, liabilities, expenses and revenues that are under the control of this Directorate General. Significant amounts such as own resource revenues and cash held in Commission bank accounts are not included in this Directorate General's accounts since they are managed centrally by DG Budget, on whose balance sheet and statement of financial performance they appear. Furthermore, since the accumulated result of the Commission is not split amongst the various Directorates General, it can be seen that the balance sheet presented here is not in equilibrium.

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

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

Annex 3 Financial Reports - DG IAS  
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**TABLE 5 : STATEMENT OF FINANCIAL PERFORMANCE**

<b>STATEMENT OF FINANCIAL PERFORMANCE</b>	<b>2015</b>	<b>2014</b>
II.1 REVENUES	1,540	1,254
II.1.2. EXCHANGE REVENUES	1,540	1,254
II.1.2.2. OTHER EXCHANGE REVENUE	1,540.00	1,254.00
II.2. EXPENSES	83,133.54	51,099.11
II.2. EXPENSES	83,133.54	51,099.11
II.2.10. OTHER EXPENSES	83,133.54	51,099.11
<b>STATEMENT OF FINANCIAL PERFORMANCE</b>	<b>84,673.54</b>	<b>52,353.11</b>

In the frame of the 2015 accounting closure, the IAS applied the "light" cut-off procedure as proposed by DG BUDGET

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

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

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

Annex 3 Financial Reports - DG IAS  
Report printed on 03/02/2016

**TABLE 6: AVERAGE PAYMENT TIMES FOR 2015 - DG IAS**

Target Times				
Target Payment Time (Days)	Total Number of Payments		Percentage	Average Payment Times (Days)

Total Number of Payments				
Average Payment Time				

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

Late Interest paid in 2015			
DG	GL Account	Description	Amount (Eur)

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

Annex 3 Financial Reports - DG IAS  
Report printed on 03/02/2016

TABLE 7 : SITUATION ON REVENUE AND INCOME IN 2015							
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	
<b>Total DG</b>							

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

Annex 3 Financial Reports - DG IAS  
Report printed on 03/02/2016

**TABLE 8 : RECOVERY OF PAYMENTS  
(Number of Recovery Contexts and corresponding Transaction Amount)**

INCOME BUDGET RECOVERY ORDERS ISSUED IN 2015  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
<b>Sub-Total</b>						

EXPENSES BUDGET	Error		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	Nbr	Amount
INCOME LINES IN INVOICES												
NON ELIGIBLE IN COST CLAIMS												
CREDIT NOTES												
<b>Sub-Total</b>												
<b>GRAND TOTAL</b>												

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors. The provisional closure will be based on the recovery context situation at 31/01/2016.

Annex 3 Financial Reports - DG IAS  
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**TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2015 FOR IAS**

	Number at 01/01/2015	Number at 31/12/2015	Evolution	Open Amount (Eur) at 01/01/2015	Open Amount (Eur) at 31/12/2015	Evolution

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

Annex 3 Financial Reports - DG IAS  
Report printed on 03/02/2016



TABLE 10 : RECOVERY ORDER WAIVERS IN 2015 >= EUR 100.000						
	Waiver Central Key	Linked RO Central Key	RO Accepted Amount (Eur)	LE Account Group	Commission Decision	Comments

Total DG	
----------	--

Number of RO waivers	
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*Justifications:*  
*Please enter the text directly (no copy/paste of formatted text which would then disappear when saving the document in pdf), use "ctrl+enter" to go to the next line and "enter" to validate your typing.*

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

Annex 3 Financial Reports - DG IAS  
 Report printed on 03/02/2016

**TABLE 11 : CENSUS OF NEGOTIATED PROCEDURES - DG IAS - 2015**

<b>Negotiated Procedure Legal base</b>	<b>Number of Procedures</b>	<b>Amount (€)</b>
<b>Total</b>		

**No data to be reported**



TABLE 12 : SUMMARY OF PROCEDURES OF DG IAS EXCLUDING BUILDING CONTRACTS

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**Additional comments**

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**No data to be reported**

**TABLE 13 : BUILDING CONTRACTS**

<b>Total number of contracts :</b>	
<b>Total amount :</b>	

Legal base	Contract Number	Contractor Name	Description	Amount (€)

**No data to be reported**

**TABLE 14 : CONTRACTS DECLARED SECRET**

<b>Total Number of Contracts :</b>	
<b>Total amount :</b>	

<b>Legal base</b>	<b>Contract Number</b>	<b>Contractor Name</b>	<b>Type of contract</b>	<b>Description</b>	<b>Amount (€)</b>

**No data to be reported**

## ANNEX 4: Materiality criteria

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

Qualitative assessment:

- ***Non achievement of an important objective/obligation***

Quantitative assessment

- ***In order to be considered "material" in quantitative terms, failings must have a direct financial impact on the budget, affecting a significant proportion of total commitment appropriations or payments. In line with internal guidelines a weakness would have been considered 'material' only if there is a direct financial impact or risk of loss of more than 2% of the overall IAS budget (Title 28).***

Assessment of reputational events

- A significant reputational risk for the IAS or the Commission: given the nature and sensitivity of IAS work, any impediment to the fulfilment of IAS obligations as laid down in the Financial Regulation could have a significant impact on the reputation of the Commission and should be explicitly mentioned.

## ANNEX 5: Internal Control Template(s) for budget implementation (ICTs)

### Stage 1: Mission expenses

#### Main control objectives:

To ensure compliance of the mission expenses with the Commission's Guide to missions and IAS specific guidance<sup>2</sup>. As in the past, the IAS executed its **own controls to ensure compliance of the mission expenses** with the Commission's Guide to missions and IAS specific guidance. Therefore, all mission requests and cost-claims are **ex-ante** controlled by the verifying officer. In addition, a risk-based sample of reimbursements is controlled **ex-post** by the Resources team within Unit 01. The ex-post control activity revealed no material errors thus indicating an effective ex-ante control. The table below outlines the main risks together with the control processes aimed to mitigate them and the indicators used to measure the performance of the control systems.

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
The mission expenses will be not cost-effective.	Ex-ante validation of the opportunity of the mission (justification, location, number of staff, duration,... )	100% ex-ante validation by the direct superior and AOD	Cost = negligible (less than 1% FTE) Benefit = elimination of nonessential missions	<ul style="list-style-type: none"> <li>- Missions are limited to the essential</li> <li>- All ineligible amounts are identified by ex-ante control (as corroborated by ex-post)</li> <li>- All cases of irregularity or divergence from the best practice are listed and clarified</li> <li>- Systemic conclusions are used to inform staff and improve the management system</li> </ul>
	Ex-ante verification of the travel orders and claims for reimbursement	100% ex-ante control by the verifying officer	Cost = 25% FTE Benefits = identification of ineligible amounts	
	Independent ex-post control	Ex-post control of representative sample of expenses (13%) by the resources team	Cost = approx. 2 working days Benefits = identification of ineligible amounts that were not identified ex-ante, thus indication of the effectiveness of the ex-ante control	
	Exception reporting	See ex-ante verification and ex-post control	Cost = negligible Benefits = transparent reporting of exceptions	

<sup>2</sup> Payments are not included in the main control objectives as they are executed by the entrusted entity, PMO, subject to similar management governance modalities. The corresponding controls are reported by the PMO in their AAR.

**ANNEX 6: Implementation through national or international public-sector bodies and bodies governed by private law with a public sector mission**

(not applicable)

**ANNEX 7: EAMR of the Union Delegations**

(not applicable)

**ANNEX 8: Decentralised EU agencies and other autonomous bodies**

(not applicable)

**ANNEX 9: Evaluations and other studies finalised or cancelled in 2015**

(not applicable)

**ANNEX 10: Specific annexes related to "Management of Resources"**

(not applicable)

**ANNEX 11: Specific annexes related to "Assessment of the effectiveness of the internal control systems"**

(not applicable)

**ANNEX 12: Performance tables**

(not applicable)

## APPENDIX: Engagements finalised in 2015

### Engagements in the Commission and Executive Agencies finalised in 2015

Nr	DG	Audit title	Type
1	AGRI	IAS Audit on Approval process of AGRI RDPs	Audit
2	AGRI	IAS Audit on Design and monitoring of the management and control system for greening, including support and guidance provided to MS in DG AGRI	Audit
3	AGRI	IAS Audit on payments suspensions and interruptions in the CAP 2014-2020 framework in DG AGRI	Audit
4	CHAFEA	IAS Audit on Management of grants under 2014-2020 consumer and health programmes in CHAFEA	Audit
5	CLIMA/ENV	IAS Audit on DGs CLIMA and ENV's preparedness for the externalisation of the LIFE programme 2014-2020	Audit
6	CNECT	IAS audit on Internal control system H2020 phase II : With special focus on WP, evaluation, grant agreement and design of controls for grant implementation (e.g. ex ante checks of payments) in DG CNECT	Audit
7	COMP	IAS Audit on knowledge management in DG COMP	Audit
8	COMP	IAS Audit on management of local IT in DG COMP	Audit
9	DEVCO	IAS Audit on African Peace Facility in African Union Commission	Audit
10	DEVCO/BUDG	IAS Audit on Design and Implementation of EU Trust Funds in DG DEVCO and BUDG	Audit
11	EAC/EACEA	IAS Audit on Erasmus+ Control Strategy in EACEA and National Agencies	Audit
12	EASME	IAS Audit of the preparedness of the management and control system for the implementation of LIFE 2014-2020 in EASME	Audit
13	EASME	IAS Audit of the preparedness of the management and control systems for the SME instrument in EASME	Audit
14	ECHO	IAS Audit on Anti-Fraud Strategy in DG ECHO	Audit
15	EMPL	IAS Audit on Management of EESSI project in DG EMPL	Audit
16	ENER	IAS Audit of the governance and supervision of the Nuclear Decommissioning Programme in DG ENER	Audit
17	ERCEA	Audit on H2020 Grant Management in ERCEA: from the evaluation of proposals to the signature of grant agreements	Audit
18	ESTAT	IAS Audit on Performance of support to the Europe 2020 strategy and the new Commission priorities in DG ESTAT	Audit
19	FPI/TRADE	IAS Audit on Partnership agreement in DG FPI and TRADE	Audit
20	GROW	IAS Audit on Galileo in DG GROW	Audit
21	HOME	IAS Audit on Preparedness of DG HOME for 2014-2020 legislation in Shared Management (ISF and AMIF)	Audit
22	INEA	IAS Audit of the preparedness of the management and control systems for CEF and H2020 in INEA	Audit
23	JRC	IAS Audit on SPP/ABM in DG JRC	Audit
24	MARE	Phase 2 Detailed gap analysis of new legislation/design of 2014-20 PP & mitigating measures/new control systems design for EMFF	Audit
25	MOVE/ENER	IAS Audit of the supervision of the implementation of CEF in DG ENER and MOVE	Audit
26	Multi-DG	IAS Audit on adequacy and effective implementation of DG anti-fraud strategies	Audit
27	Multi-DG	IAS Audit on Information Security Governance in the	Audit

		Commission (HR, DIGIT and SG)	
28	Multi-DG (OIB, OIL, PMO + HR)	IAS Audit on effectiveness of the management of absenteeism in the Offices (OIB, OIL and PMO)	Audit
29	Multi-DG (SG, DGT, other operational DGs to be identified)	IAS Audit on Management Plan and objective setting	Audit
30	NEAR	IAS Audit on Control Strategy in DG NEAR	Audit
31	NEAR (ex-ELARG)	IAS Audit on Preparedness for IPA II in DG ELARG	Audit
32	REA	IAS audit on Implementation of the anti-fraud strategy in REA	Audit
33	REGIO/EMPL	IAS audit on Monitoring of the action plans for unfulfilled ex-ante conditionalities (REGIO and EMPL)	Audit
34	RTD	IAS audit on Set-up of the Common Support Centre for H2020 in DG RTD	Audit
35	RTD	IAS Audit on the design and set-up of the internal control systems for Horizon 2020 in DG RTD	Audit
36	TRADE	IAS Audit on Efficiency of TDI procedures in DG TRADE	Audit
37	TRADE	IAS Audit on Financial and Procurement Management in DG TRADE	Audit
38	Y COMM	IAS audit on the Participant's Guarantee Fund for FP7 and H2020	Audit
39	FISMA	IAS Consultancy on Objective and indicator setting in the context of the Management Plan in DG FISMA	Consulting
40	AGRI	2nd IAS Follow-up audit on Control Strategy - Implementation in DG AGRI	Follow-up
41	AGRI	2nd IAS Follow-up audit on DG AGRI Control strategy - Design and Monitoring	Follow-up
42	AGRI	3rd IAS Follow-up on Limited review of residual error rate calculations (pillar 1 and 2)	Follow-up
43	AGRI	IAS Follow-up on IAC audits in DG AGRI	Follow-up
44	BUDG	IAS Follow-up on Audit on AAR Process (multi-DGs)	Follow-up
45	CLIMA	Follow-up on IAC audits in DG CLIMA	Follow-up
46	CLIMA/DIGIT	IAS Follow-up audit on management of the security of EU ETS IT system in DG CLIMA and DIGIT	Follow-up
47	COMM	Follow-up on IAC audits in DG COMM	Follow-up
48	COMP	IAS Follow up on IAC 2013 Audit on the handling and reporting of information security incidents in DG COMP	Follow-up
49	COMP	IAS Follow-up of the audit on the effectiveness of HR management to support the financial crisis in DG COMP	Follow-up
50	CONNECT	IAS Follow-up audit Follow-up of IAS Audit on the Implementation of FP7 Control Systems (including supervision of external bodies) in DG CONNECT	Follow-up
51	CONNECT	IAS Follow-up audit Follow-up on IAC audits in DG CONNECT	Follow-up
52	CONNECT	IAS Follow-up audit on Limited Review on residual error rate in DG CONNECT	Follow-up
53	DEVCO	1st Follow-up audit on DG DEVCO - Assurance Building Process in EU Delegation	Follow-up
54	DEVCO	IAS Follow-up audit on Contribution Agreements in DG DEVCO	Follow-up
55	DEVCO	IAS Follow-up audit on Procurement under decentralised management in DG DEVCO	Follow-up
56	DEVCO	IAS Follow-up on IAC audit on Cross Border Cooperation in DG NEAR	Follow-up
57	DIGIT/multi-DG	IAS Follow-up audit on management and supervision of outsourced IT services (contract management)	Follow-up
58	EAC	IAS 1st Follow-up of performance audit of National Agencies - DG EAC	Follow-up



59	EAC	IAS Follow-up audit on IAC audits in DG EAC	Follow-up
60	EAC	IAS Follow-up audit on management of the IT projects (E4ALink and EVE) in DG EAC	Follow-up
61	EACEA	IAS Follow-up of the LLP audit in EACEA	Follow-up
62	EACEA	IAS Follow-up on IAC audits in EACEA	Follow-up
63	EASME	IAS Follow-up audit on Control Strategy in EASME	Follow-up
64	ECFIN	IAS Follow-up of the audit on the effectiveness of HR management to support the financial crisis in DG ECFIN	Follow-up
65	ECFIN	IAS Follow-up on IAC audits in DG ECFIN	Follow-up
66	ECHO	1st Follow-up audit on Financial Management of Humanitarian Aid in DG ECHO	Follow-up
67	ECHO	IAS Follow-up audit on contribution Agreements with UN bodies and other International Organisations in DG ECHO	Follow-up
68	EMPL	1st Phase of the 1st Follow-up on DG EMPL Performance Measurement Systems	Follow-up
69	EMPL	2nd Phase of the 1st Follow-up on DG EMPL Performance Measurement Systems	Follow-up
70	EMPL	IAS Follow-up on IAC audits in DG EMPL	Follow-up
71	ENER	2nd IAS Follow-up on the Control Strategy in DG ENER	Follow-up
72	ENV	IAS Follow-up on IAC audits in DG ENV	Follow-up
73	EPSC	IAS Follow-up on IAC audit on Ethics in BEPA	Follow-up
74	ERCEA	IAS Follow-up of the Audit on Implementation of FP7 Control Systems in ERCEA	Follow-up
75	ERCEA	IAS Follow-up on IAC audits in ERCEA	Follow-up
76	ESTAT	IAS 2nd follow-up on Commission-wide strategy and coordination of statistical data production, development and dissemination (+other DGs) in DG ESTAT	Follow-up
77	ESTAT	IAS Follow-up audit on management of Local IT	Follow-up
78	ESTAT	IAS Follow-up on IAC audits in DG ESTAT	Follow-up
79	FISMA	IAS Follow-up of the audit on the effectiveness of HR management to support the financial crisis in DG FISMA	Follow-up
80	FISMA	IAS Follow-up of the cooperation with the three Supervisory Bodies in DG FISMA	Follow-up
81	FISMA	IAS Follow-up on IAC audits in DG FISMA	Follow-up
82	FPI	1st Follow-up audit on Control Strategy in FPI	Follow-up
83	GROW	IAS Follow-up audit on GMES/Copernicus Programme in DG GROW	Follow-up
84	GROW	IAS Follow-up on IAC audits in GROW	Follow-up
85	HOME	1st Follow-up on Control Strategy in DG HOME	Follow-up
86	HOME	2nd Follow-up on Control Strategy in DG HOME	Follow-up
87	HR	3rd IAS Follow-up Audit on the Management of Building Procurement Contracts by DG HR and OIB	Follow-up
88	HR	IAS Follow-up audit on Security in DG HR	Follow-up
89	HR	IAS Follow-up audit on Ethics in DG HR	Follow-up
90	HR	IAS Follow-up audit on Human Resource Management (Phase II) in DG HR	Follow-up
91	INEA	IAS Follow-up audit on IAC audits in INEA	Follow-up
92	JRC	IAS Follow-up on IAC audit of Assets Management in DG JRC	Follow-up
93	JRC	IAS Follow-up on IAC audit of support of cost certification of FP7 projects in DG JRC	Follow-up
94	JRC	IAS Follow-up on IAC audit of Websites managed by the JRC	Follow-up
95	JUST	IAS Follow-up on DG JUST Monitoring the Implementation of EU Law	Follow-up
96	JUST	IAS Follow-up on IAC audits in DG JUST	Follow-up
97	MARE	IAS Follow-up audit on management of local IT in DG MARE	Follow-up

98	MARE	IAS Follow-up on European Fisheries Fund Control Strategy in DG MARE	Follow-up
99	MARE	IAS Follow-up on IAC audits in DG MARE	Follow-up
100	Multi-DG	2nd IAS Follow-up on the Audit of the Management and monitoring of staff allocation	Follow-up
101	Multi-DG	IAS Follow-up audit on the planning stage of the selection process	Follow-up
102	Multi-DG	IAS Follow-up of the audit on the administrative processes supporting the European Semester	Follow-up
103	Multi-DG (DIGIT, BUDG)	2nd IAS Follow-up audit on charge-back process in the Commission (DIGIT and BUDG)	Follow-up
104	NEAR	IAS Follow-up on IAC audit of Ex-ante Visa on Procurement in decentralised Management	Follow-up
105	NEAR	IAS Follow-up on IAC audit on Joint management in Headquarters and delegations (AU/03/2012 and AU/01/2013)	Follow-up
106	OIB	Follow-up on IAC audits of the management of the income process for the childcare activities in the OIB	Follow-up
107	OIB	IAS Follow-up on performance audit on the efficiency and effectiveness of the design and implementation of the financial circuits in OIB	Follow-up
108	OP	Follow-up on IAC audits in OP	Follow-up
109	OP	IAS Follow-up audit on Official Journal managed by Publication Office	Follow-up
110	PMO	3rd Follow-up audit on management of local IT in PMO	Follow-up
111	PMO	Follow-up on IAC audits in PMO	Follow-up
112	PMO	IAS Follow-up audit on NAP application in PMO	Follow-up
113	REA	IAS Follow-up on Implementation of FP7 Control Systems in REA	Follow-up
114	REGIO	1st Phase of the 1st Follow-up on DG REGIO Performance Measurement Systems	Follow-up
115	REGIO	2nd Follow-up on Control Strategy - Audit and Financial Corrections Processes in DG REGIO	Follow-up
116	REGIO	2nd Follow-up on implementation of the 2007-2013 Programming Period in DG REGIO	Follow-up
117	REGIO	2nd Phase of the 1st Follow-up on DG REGIO Performance Measurement Systems	Follow-up
118	REGIO	IAS Follow-up audit on security of IT environment in subcontracted projects in DG REGIO	Follow-up
119	REGIO	IAS Follow-up on IAC audits in DG REGIO	Follow-up
120	REGIO	IAS Follow-up on the Limited Review of the Calculation on the Underlying Methodology of DG REGIO's Residual Error Rates for the 2013 reporting year	Follow-up
121	RTD	IAS Follow-up of the Audit on the Implementation of FP7 Control Systems (including supervision of external bodies) in DG RTD	Follow-up
122	RTD	IAS Follow-up on IAC audits in DG RTD	Follow-up
123	RTD/CNECT	IAS Follow-up audit on IT applications supporting financial management in DG RTD and CNECT	Follow-up
124	RTD/CNECT	IAS Follow-up audit on SYGMA - Phase 1 in DG RTD and CNECT	Follow-up
125	SANTE	IAS Follow-up on IAC audits in DG SANTE	Follow-up
126	SCIC	Follow-up on IAC audits in SCIC	Follow-up
127	SG	IAS Follow-up on IAC Audit on Risk Management in SG	Follow-up
128	SJ	2nd IAS Follow-up on handling of sensitive information in SJ	Follow-up
129	SJ	IAS Follow-up on IAC Audit on Risk Management in the Legal Service	Follow-up
130	TAXUD	IAS Follow-up of IAC audit on capitalisations of intangible assets in DG TAXUD	Follow-up
131	TAXUD	IAS Follow-up on IAC audit on ethics in DG TAXUD	Follow-up

132	TRADE	IAS Follow-up on 2014 audit on enforcement in the context of multilateral and bilateral trade commitments in DG TRADE	Follow-up
133	TRADE	IAS Follow-up on IAC audit of document management in DG TRADE	Follow-up
134	TRADE	IAS Follow-up on IAC audits in DG TRADE	Follow-up
135	Y COMM	IAS Follow-up on IAC IT recommendations	Follow-up
136	EAC	Limited review of the calculation and the underlying methodology of the residual error rate for 2014	Limited review
137	EMPL	IAS Limited review of residual error rate calculations in DG EMPL	Limited review
138	Multi-DG	IAS Overview report on IT security in EC	OR
139	PMO	Risk assessment on the Joint Sickness and Insurance Scheme in PMO	Risk Assessment

### **Engagements in the decentralised EU Agencies and other autonomous bodies finalised in 2015**

<b>Nr</b>	<b>DG</b>	<b>Audit title</b>	<b>Type</b>
1	BEREC	Activities under Art. 7 & 7a incl. Stakeholders Relationship Management & Ext. Communication	Audit
2	EASA	Continuing Airworthiness Oversight (carry-over 2014)	Audit
3	EASA	Follow-Up of Past Audits	Follow-Up
4	ECDC	Operational Data Management	Audit
5	ECHA	Forecasting, Calculation and Collection of Fee Income and Charges under REACH, CLP and BPR	Audit
6	EFCA	Building Blocks of Assurance	Audit
7	EMA	Strategic Risk Assessment including IT	Risk Assessment
8	EMSA	Strategic Risk Assessment including IT	Risk Assessment
9	ERA	Stakeholders Relationship Management & External Communication with Emphasis on Safety Activities	Audit
10	ERA	Follow-Up of Past Audits	Follow-Up
11	GSA	Galileo Security Monitoring Centre	Audit
12	EBA	Human Resources Management	Audit
13	EIOPA	Promoting "College of Supervisors" & Building a Common Supervisory Culture (carry-over 2014)	Audit
14	ESMA	Stakeholders Relation & External Communication (carry-over 2014)	Audit
15	CDT	Management of the Workflow for Translation of Documents (carry-over 2014)	Audit
16	CEDEFOP	Procurement incl. Fraud Prevention & Legal Advice	Audit
17	EU-OSHA	Tools OSH Management & Impact Assessment	Audit
18	EU-OSHA	Follow-Up of Past Audits	Follow-Up
19	EU-SCHOOLS	Revenues & Treasury	Audit
20	CEPOL	Strategic Risk Assessment including IT	Risk Assessment
21	EUROPOL	Stakeholders Management	Audit
22	EMCDDA	Strategic Risk Assessment including IT	Risk Assessment
23	EMCDDA	IT Project Management	IT Audit
24	FRONTEX	Human Resources Management (carry-over 2014)	Audit

25	EASO	Training Management EASO Permanent Support Activity	Audit
26	EASO	Follow-Up of Past Audits	Follow-Up
27	EASO	Fact Finding Mission	
28	eu-LISA	Implementation of Internal Control Standards	Audit
29	EIGE	Procurement supporting Operational Processes	Audit
30	EUROJUST	Fact Finding Mission	Audit
31	EUROJUST	Management & Organisation of Coordination Meetings and Coordination Centres	Audit
32	FRA	Follow-Up of Past Audits	Follow-Up
33	EEAS	Follow-Up of Past Audits	Follow-Up
34	EEAS	Strategic Risk Assessment including IT	Risk Assessment
35	EDPS	Follow-Up on Actions to address High Risk Processes identified in Section 3 of the SIAP 2014-2016 combined with a Limited Review of Implementation of ICS (adopted 01/2013)	Audit
36	EIT	Strategic Risk Assessment including IT	Risk Assessment
37	EIT	Second Follow-Up of Past Audits (carry-over 2014)	Follow-Up
38	EIT	Selection Process of the New Knowledge & Innovation Communities	Audit
39	EIT	Second Follow-Up of LR on Grant Managements	Follow-Up
40	F4E	Strategic Risk Assessment including IT	Risk Assessment
41	F4E	Second Follow-Up - Audit on Procurement Arrangements Preparation	Follow-Up
42	F4E	Follow-Up of Audit on CD-TB03	Follow-Up
43	SESAR JU	Strategic Risk Assessment including IT	Risk Assessment
44	ECSEL JU	Strategic Risk Assessment including IT	Risk Assessment
45	CLEANSKY JU	Strategic Risk Assessment including IT	Risk Assessment
46	CLEANSKY JU	Grants: Evaluation & Dissemination of Results	Audit
47	FCH JU	Strategic Risk Assessment including IT	Risk Assessment
48	FCH JU	H2020 Grant Process	Audit
49	IMI JU	Strategic Risk Assessment including IT	Risk Assessment
50	IMI JU	Controls over In-kind Contributions	Audit