



2013

Annual Activity Report

Annexes

**Directorate-General for
Mobility and Transport**



ANNEX 1: Statement of the Acting Resources Director

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 Commission¹, I have reported my advice and recommendations to the Director-General on the overall state of internal control in the DG.

I hereby certify that the information provided in Parts 2 and 3 of the present AAR and in its annexes is, to the best of my knowledge, accurate and exhaustive.

Done in Brussels 28.03.2014

<Signed>

Olivier Onidi

¹ SEC(2003)59 of 21.01.2003.

ANNEX 2: Human and Financial resources

Human Resources by ABB activity				
Code ABB Activity	ABB Activity	Establishment Plan posts	External Personnel	Total
06 02	Inland, air and maritime transport	229	68	297
06 03	Trans-European networks	42	7	49
06 06	Research related to transport	12	3	15
06 AWBL-02	Policy strategy and coordination for the Directorate-General for Mobility and transport	47	10	57
06-32 AWBL-01	Shared administrative support for Energy and Mobility and Transport	144	19	163
06-32 AWBL-02	Shared Policy strategy and coordination for Energy and Mobility and Transport	1	0	1
Total		475	107	582

General remark: the above data rely on the snapshot of Commission personnel actually employed in each DG/ service as of 31 December of the reporting year. These data do not necessarily constitute full-time-equivalents throughout the year

	Financial Resources by ABB activity (EUR Million) implementation of Commitment Appropriations (CA)				
Code ABB Activity	ABB Activity	Operational expenditure	Administrative expenditure		Total
0601	Admin		(1)2,533,935	(2)	2,533,935
0602	Inland/air/maritime	214,932,624 ²	(1)	(2) 2,166,922	217,099,546
0603	TEN	1,456,508,982 ³	(1)	(2) 12,711,753	1,469,220,735
0606	Research	68,844,584	(1)	(2) 9,136,808	77,981,392
Total		1,740,286,190	26,549,418		1,766,835,608

(1) 1) Heading 5 appropriations managed by the DG (global envelope) 06 01 02

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

² Including EACI commitments

³ TEN-T EA commitments

Implementation of decentralised administrative authorised operations of DG MOVE Global envelope as of 31 December 2013					
		Appropriations	Commitment Appropriations	Payment Appropriations	% Execution
06.010211.00	Other management expenditure				
06.010211.00.01.10	Missions	1,197,740	1,197,740	996,431	
06.010211.00.01.30	Representation expenses	25,000	25,000	16,337	
06.010211.00.02.20	External meetings	515,100	515,100	354,263	
06.010211.00.02.40	Internal meetings and conferences	8,500	8,500	1,919	
06.010211.00.03	Committee meetings	513,100	513,100	328,359	
06.010211.00.04	Studies and consultation	-	-	-	
06.010211.00.05	Development of IT systems	132,399	132,399	56,428	
32.010211.00.06	Training	142,096	142,096	84,987	
TOTAL		2,533,935	2,533,935	1,838,724	100%

ANNEX 3: Draft annual accounts and financial reports

Annex 3 Financial Reports - DG MOVE - Financial Year 2013

Table 1 : Commitments

Table 2 : Payments

Table 3 : Commitments to be settled

Table 4 : Balance Sheet

Table 5 : Economic Outturn Account

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 Contracts (excluding Building Contracts)

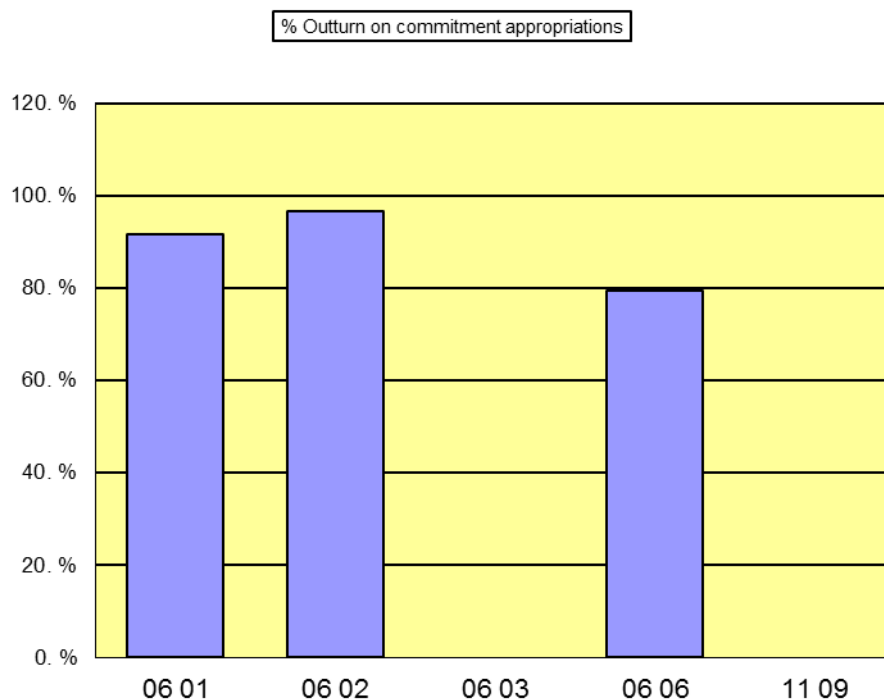
Table 13 : Building Contracts

Table 14 : Contracts declared Secret

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

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2013 (in Mio €)					
			Commitment appropriations authorised	Commitments made	%
			1	2	3=2/1
Title 06 Mobility and transport					
06	06 01	Administrative expenditure of the `Mobility and transport- policy area	28.94	26.55	91.73 %
	06 02	Inland, air and maritime transport	153.51	148.16	96.52 %
	06 03	Trans-European networks	0.64	0	0.00 %
	06 06	Research related to transport	86.84	68.84	79.28 %
Total Title 06			269.94	243.56	90.23%
Title 11 Maritime affairs and fisheries					
11	11 09	Maritime policy	0	0	
Total Title 11			0	0	
Total DG MOVE			269.94	243.56	90.23 %

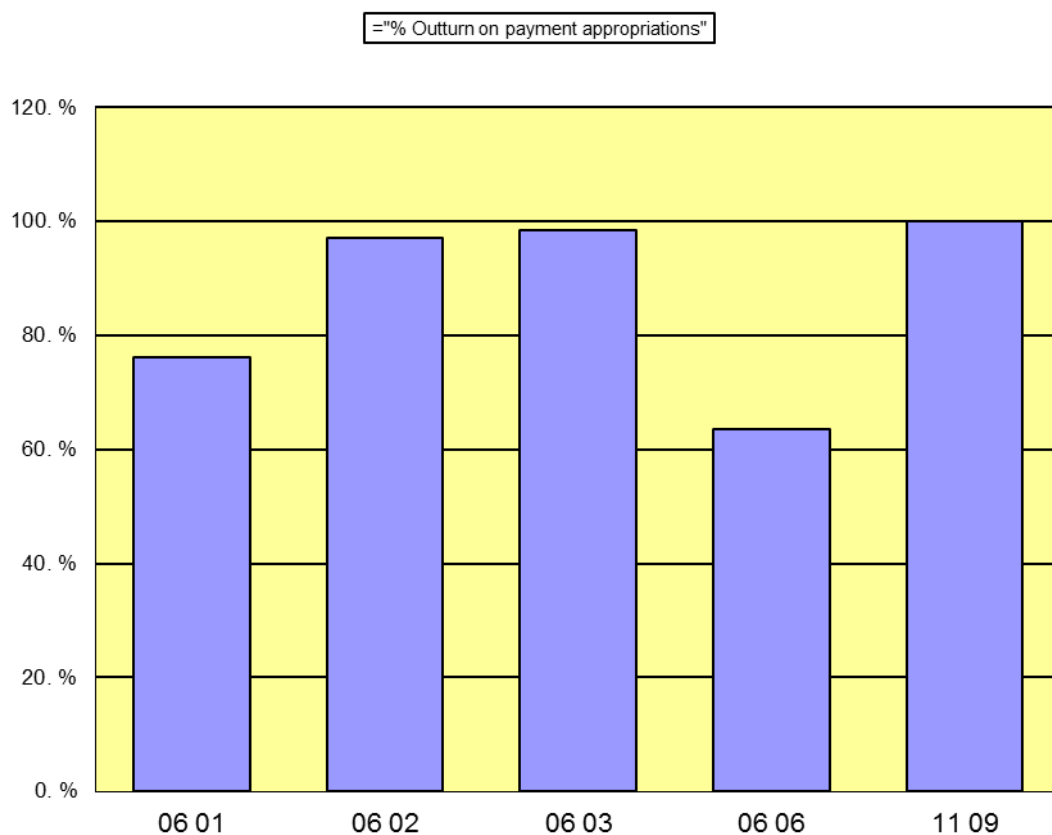
* Commitment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous commitment appropriations for the period (e.g. internal and external assigned revenue).



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

TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS IN 2013 (in Mio €)					
Chapter			Payment appropriations authorised *	Payments made	%
			1	2	3=2/1
Title 06 Mobility and transport					
06	06 01	Administrative expenditure of the `Mobility and transport- policy area	33.17	25.25	76.11 %
	06 02	Inland, air and maritime transport	143.16	139.00	97.09 %
	06 03	Trans-European networks	43.56	42.91	98.52 %
	06 06	Research related to transport	102.59	65.25	63.60 %
Total Title 06			322.48	272.41	84.47%
Title 11 Maritime affairs and fisheries					
11	11 09	Maritime policy	0.12	0.12	100.00 %
Total Title 11			0.12	0.12	100.00%
	Total DG MOVE		322.60	272.52	84.48 %

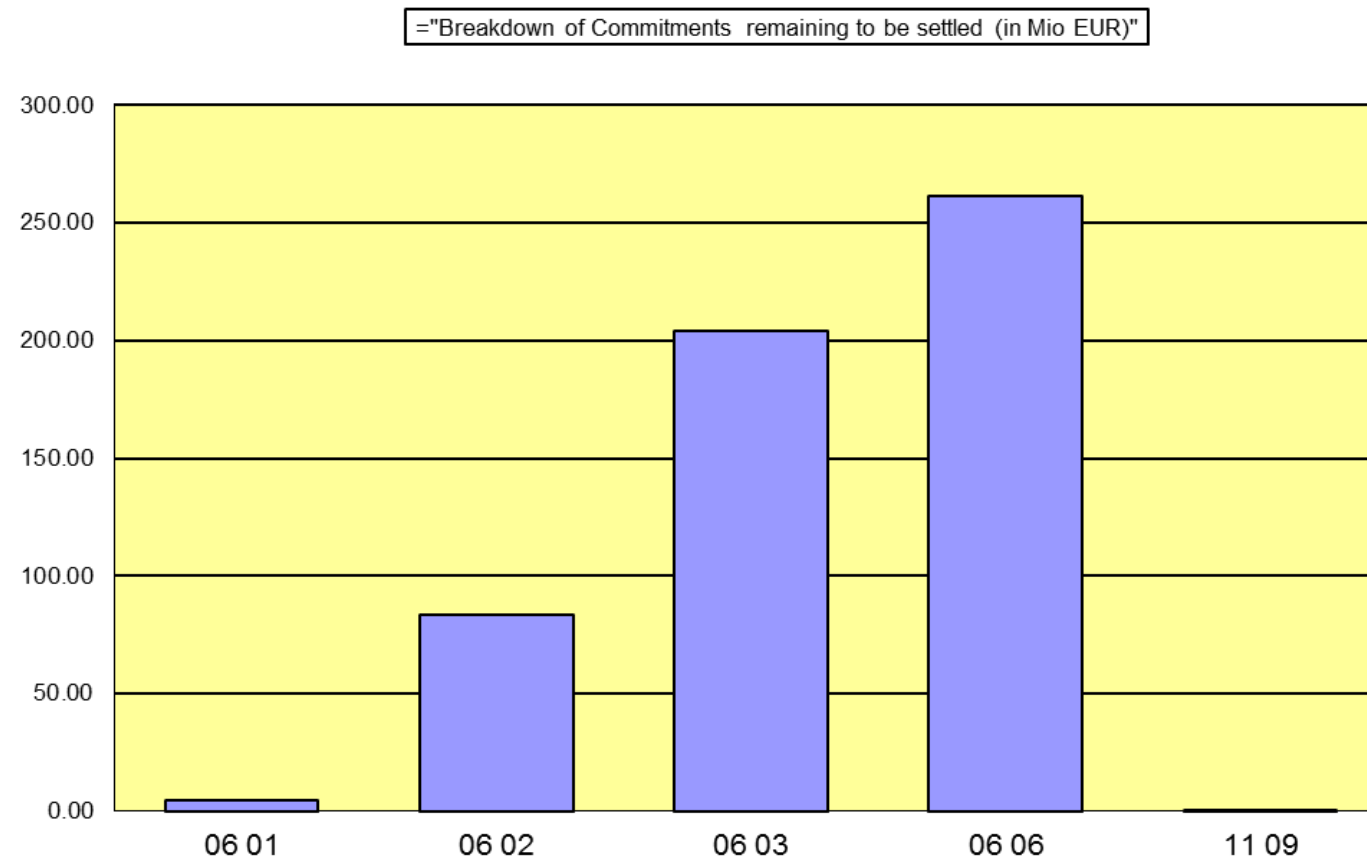
* Payment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous payment appropriations for the period (e.g. internal and external assigned revenue).



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

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2013 (in Mio €)									
Chapter			2013 Commitments to be settled				Commitments to be settled from financial years previous to 2013	Total of commitments to be settled at end of financial year 2013(incl corrections)	Total of commitments to be settled at end of financial year 2012(incl. corrections)
			Commitments 2013	Payments 2013	RAL 2013	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
Title 06 : Mobility and transport									
06	06 01	Administrative expenditure of the Mobility and transport- policy area	26.24	21.84	4.40	16.76 %	0.00	4.40	4.23
	06 02	Inland, air and maritime transport	148.16	102.32	45.85	30.94 %	37.84	83.69	80.15
	06 03	Trans-European networks	0	0	0	#DIV/0	204.06	204.06	246.97
	06 06	Research related to transport	68.84	0.28	68.57	99.60 %	193.00	261.57	266.37
Total Title 06			243.25	124.43	118.81	48.84%	434.89	553.71	597.71
Title 11 : Maritime affairs and fisheries									
11	11 09	Maritime policy	0	0	0	#DIV/0	0.28	0.28	0.40
Total Title 11			0	0	0	#DIV/0	0.28	0.28	0.40
	Total DG MOVE		243.25	124.43	118.81	48.84 %	435.18	553.99	598.11

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

TABLE 4 : BALANCE SHEET

BALANCE SHEET	2013	2012
A.I. NON CURRENT ASSETS	134,658,818.83	9,493,330.10
A.I.1. Intangible Assets	0.00	0.00
A.I.3. Invstmnts Accntd For Using Equity	0.00	0.00
A.I.4. Non-Current Financial Assets	115,595,028.86	
A.I.5. LT Pre-Financing	17,721,095.15	9,493,330.10
A.I.6. LT Receivables	1,342,694.82	
A.II. CURRENT ASSETS	117,969,233.40	18,464,430.27
A.II.2. Short-term Pre-Financing	18,860,336.78	16,386,400.73
A.II.3.2. Current Receivables and Recove	1,230,184.63	2,078,029.54
A.II.3. Current Financial Assets	54,677,005.95	
A.II.5. Cash and Cash Equivalents	43,201,706.04	
ASSETS	252,628,052.23	27,957,760.37
P.I. NET ASSETS/LIABILITIES	-743,921.82	
P.I.1. Reserves	-743,921.82	
P.III. CURRENT LIABILITIES	-21,921,791.63	-21,585,655.43
P.III.4. Accounts Payable	-21,921,791.63	-21,585,655.43
LIABILITIES	-22,665,713.45	-21,585,655.43
NET ASSETS (ASSETS less LIABILITIES)	229,962,338.78	6,372,104.94

P.I.2. Accumulated Surplus / Deficit	4,539,102.10	0.00
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Non-allocated central (surplus)/deficit*	-234,501,440.88	-6,372,104.94
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TOTAL	0.00	0.00
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It should be noted that the balance sheet and economic outturn account presented in Annex 3 to this Annual Activity Report, represent only the (contingent) assets, (contingent) 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 economic outturn account 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

TABLE 5 : ECONOMIC OUTTURN ACCOUNT

ECONOMIC OUTTURN ACCOUNT	2013	2012
II.1 SURPLUS/ DEF. FROM OPERATING ACTIVIT	183,445,427.05	174,725,620.98
II.1.1. OPERATING REVENUES	259,911.44	2,244,816.71
II.1.1.2. Other operating revenue	259,911.44	2,244,816.71
II.1.2. OPERATING EXPENSES	183,185,515.61	172,480,804.27
II.1.2.1. Administrative Expenses	13,808,579.90	14,500,268.32
II.1.2.2. Operating Expenses	169,376,935.71	157,980,535.95
II.2. SURPLUS/DEF. NON OPERATING ACTIVIT	78,383,916.05	69,167,694.49
II.2.1. FINANCIAL OPERATIONS	848,401.05	-545,305.51
II.2.1.1. Financial revenue	-9,387,026.27	-550,389.24
II.2.1.2. Financial expenses	10,235,427.32	5,083.73
II.2. OTHER NON OPERATING ACTIVITIES	77,535,515.00	69,713,000.00
II.2.3. Share of deficit associates & JV	77,535,515.00	69,713,000.00
ECONOMIC OUTTURN ACCOUNT	261,829,343.10	243,893,315.47

It should be noted that the balance sheet and economic outturn account presented in Annex 3 to this Annual Activity Report, represent only the (contingent) assets, (contingent) 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 economic outturn account 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.

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

TABLE 6: AVERAGE PAYMENT TIMES FOR 2013 - DG MOVE

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)
30	479	464	96.87 %	18.69	15	3.13 %	38.47
45	84	81	96.43 %	24.28	3	3.57 %	63
60	66	66	100.00 %	18.50			
90	24	22	91.67 %	60.41	2	8.33 %	92.5
105	2	2	100.00 %	90.00			
Total Number of Payments	655	635	96.95 %		20	3.05 %	
Average Payment Time	21.86			21.05			47.55
Target Times							
Target Payment Time (Days)	Total Number of Payments	Nbr of Payments within Target Time	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)
20	60	49	81.67 %	13.80	11	18.33 %	25.73
30	464	436	93.97 %	19.42	28	6.03 %	40.36
75	12	11	91.67 %	56.82	1	8.33 %	80.00
90	2	2	100.00 %	90.00			
Total Number of Payments	538	498	92.57 %		40	7.43 %	
Average Payment Time	21.27			19.98			37.33

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
15	44	91	13.89 %	655	20,302,058.15	7.43 %	273,233,238.88

Late Interest paid in 2013			
DG	GL Account	Description	Amount (Eur)
MOVE	65010100	Interest on late payment of charges New FR	379.37
			379.37

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

TABLE 7 : SITUATION ON REVENUE AND INCOME IN 2013								
Chapter		Revenue and income recognized			Revenue and income cashed from			Outstanding
		Current year RO	Carried over RO	Total	Current Year RO	Carried over RO	Total	balance
		1	2	3=1+2	4	5	6=4+5	7=3-6
52	REVENUE FROM INVESTMENTS OR LOANS GRANTED, BANK AND OTHER INTEREST	318,764.49	10,641.55	329,406.04	318,016.29	10,641.55	328,657.84	748.20
59	OTHER REVENUE ARISING FROM ADMINISTRATIVE MANAGEMENT	445,055.08	0.00	445,055.08	445,055.08	0.00	445,055.08	0.00
60	CONTRIBUTIONS TO UNION PROGRAMMES	107,500.00	0.00	107,500.00	107,500.00	0.00	107,500.00	0.00
66	OTHER CONTRIBUTIONS AND REFUNDS	2,425,901.05	1,797,574.27	4,223,475.32	2,205,813.80	1,611,436.60	3,817,250.40	406,224.92
90	MISCELLANEOUS REVENUE	96,159.58	106,176.51	202,336.09	88,614.64	46,497.26	135,111.90	67,224.19
Total DG MOVE		3,393,380.20	1,914,392.33	5,307,772.53	3,164,999.81	1,668,575.41	4,833,575.22	474,197.31

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

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

INCOME BUDGET RECOVERY ORDERS ISSUED IN 2013	Irregularity		TOTAL Qualified		TOTAL RC(incl. non-qualified)		% Qualified/Total RC	
	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount
Year of Origin (commitment)								
2004	6	312,354.06	6	312,354.06	8	351,285.33	75.00%	88.92%
2005	7	212,170.96	7	212,170.96	10	217,316.79	70.00%	97.63%
2006	9	436,300.80	9	436,300.80	11	451,226.75	81.82%	96.69%
2007	9	141,318.50	9	141,318.50	15	161,780.34	60.00%	87.35%
2008	4	21,205.46	4	21,205.46	12	209,027.37	33.33%	10.14%
2009	3	6,901.29	3	6,901.29	5	45,752.53	60.00%	15.08%
2010	1	5,130.15	1	5,130.15	5	10,657.28	20.00%	48.14%
Sub-Total	39	1,135,381.22	39	1,135,381.22	77	3,518,890.86	50.65%	32.27%

EXPENSES BUDGET	Error		Irregularity		OLAF Notified		TOTAL Qualified		TOTAL RC(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	3	174.05	31	2,500,400.72			34	2,500,574.77	46	5,405,146.36	73.91%	46.26%
CREDIT NOTES	26	496,720.77	19	168,477.56			45	665,198.33	47	959,980.91	95.74%	69.29%
Sub-Total	29	496,894.82	50	2,668,878.28			79	3,165,773.10	93	6,365,127.27	84.95%	49.74%

GRAND TOTAL	29	496,894.82	89	3,804,259.50			118	4,301,154.32	170	9,884,018.13	69.41%	32.03%
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Note: The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2013 FOR MOVE

	Number at 01/01/2013	Number at 31/12/2013	Evolution	Open Amount (Eur) at 01/01/2013	Open Amount (Eur) at 31/12/2013	Evolution
2002	1	1	0.00 %	42,709.92	42,709.92	0.00 %
2007	1		-100.00 %	490,960.77		-100.00 %
2009	2		-100.00 %	217,218.03		-100.00 %
2011	11	8	-27.27 %	198,507.36	160,401.00	-19.20 %
2012	23	1	-95.65 %	964,996.25	42,706.00	-95.57 %
2013		11			228,380.39	
	38	21	-44.74 %	1,914,392.33	474,197.31	-75.23 %

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

TABLE 10 : RECOVERY ORDER WAIVERS IN 2013 >= EUR 100.000						
	Waiver Central Key	Linked RO Central Key	RO Accepted Amount (Eur)	LE Account Group	Commission Decision	Comments
1	3233130006	3230913152	-132,017.91	Private Companies		
2	3233130056	3240906795	-490,960.72	Private Companies		

Total DG	-622,978.63
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Number of RO waivers	2
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TABLE 11 : CENSUS OF NEGOTIATED PROCEDURES - DG MOVE - 2013**Procurement > EUR 60,000**

Negotiated Procedure Legal base	Number of Procedures	Amount (€)
Art. 126 1b)	1	850,000.00
Art. 134.1(a)	2	412,973.00
Art. 134.1(b)	1	393,082.00
Total	4.	1,656,055.00

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

External Procedures > €20,000		
Procedure Type	Count	Amount (€)
(Ext. act) Service - International Open Procedure with prior publication (Art. 265(1)(a)(ii) RAP)	4	1,109,173.80
TOTAL	4	1,109,173.80

Internal Procedures > €60,000		
Procedure Type	Count	Amount (€)
Exceptional Negotiated Procedure without publication of a contract notice (Art. 134 RAP)	3	806,055.00
Negotiated Procedure without publication of a contract notice Art. 126 IR	1	850,000.00
Open Procedure (Art. 122.2 IR)	1	215,600.00
Open Procedure (Art. 127.2 RAP)	9	9,903,899.68
TOTAL	14	11,775,554.68

Additional Comments

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TABLE 13 : BUILDING CONTRACTS

Total number of contracts :	
Total amount :	

Legal base	Contract Number	Contractor Name	Description	Amount (€)

No data to be reported

TABLE 14 : CONTRACTS DECLARED SECRET

Total Number of Contracts :

Total amount :

Legal base	Contract Number	Contractor Name	Type of contract	Description	Amount (€)

No data to be reported

ANNEX 4: Materiality criteria

Framework research Programmes

The Standing Instructions for the preparation of Annual Activity Reports stipulate that the quantitative materiality threshold **must not exceed 2% of the authorised payments of the reporting year of the ABB expenditure**. However, the Guidance on AARs also allows a multi-annual approach, especially for budget areas (e.g. programmes) for which a multi-annual control system is more effective. In such cases, the calculation of errors, corrections and materiality of the residual amount at risk should be done on a "cumulative basis" on the basis of the totals over the entire programme lifecycle.

Because of its multiannual nature, the effectiveness of the Research services' control strategy can only be fully measured and assessed at the final stages in the life of the framework programme, once the ex-post audit strategy has been fully implemented and systematic errors have been detected and corrected.

In addition, basing materiality solely on ABB expenditure for one year may not provide the most appropriate basis for judgements, as ABB expenditure often includes significant levels of pre-financing expenditure (e.g. during the initial years of a new generation of programmes), as well as reimbursements (interim and final payments) based on cost claims that 'clear' those pre-financings. Pre-financing expenditure is very low risk, being paid automatically after the signing of the contract with the beneficiary.

The general control objective for the Research services, following the standard quantitative materiality threshold proposed in the Standing Instructions, is to ensure for each FP (and the Coal and Steel Research Fund for DG RTD), that **the residual error rate, i.e. the level of errors which remain undetected and uncorrected, does not exceed 2% by the end of the FP's management cycle**. The question of being on track towards this objective is to be (re)assessed annually, in view of the results of the implementation of the ex-post audit strategy and taking into account both the frequency and importance of the errors found as well as a cost-benefit analysis of the effort needed to detect and correct them.

Notwithstanding the multiannual span of their control strategy, the Director-Generals of the Research DGs (and the Directors of ERCEA and REA) are required to sign a statement of assurance for each financial reporting year. In order to determine whether to qualify this statement of assurance with a reservation, the effectiveness of the control systems in place needs to be assessed not only for the year of reference but also with a multiannual perspective, to determine whether it is possible to reasonably conclude that the control objectives will be met in the future as foreseen. In view of the crucial role of ex-post audits defined in the common FP7 audit strategy, this assessment needs to check in particular whether the scope and results of the ex-post audits carried out until the end of the reporting period are sufficient and adequate to meet the multiannual control strategy goals.

The criteria for making a decision on whether there is material error in the expenditure of the DG or service, and so on whether to make a reservation in the AAR, will therefore be principally, though not necessarily exclusively, based on the level of error identified in ex-post audits of cost claims on a multi-annual basis.

Effectiveness of controls

The starting point to determine the effectiveness of the controls in place is the cumulative level of error expressed as the percentage of errors in favour of the EC, detected by ex-post audits, measured with respect to the amounts accepted after ex-ante controls.

However, to take into account the impact of the ex-post controls, this error level is to be adjusted by subtracting:

- Errors detected corrected as a result of the implementation of audit conclusions.
- Errors corrected as a result of the extrapolation of audit results to non-audited contracts with the same beneficiary.

This results in a residual error rate, which is calculated in accordance with the following formula:

$$Re sER\% = \frac{(Re pER\% * (P - A)) - (Re pER_{sys}\% * E)}{P}$$

where:

ResER%	residual error rate, expressed as a percentage.
RepER%	representative error rate, or error rate detected in the common representative sample, expressed as a percentage. For FP 7 this rate is the same for all Research services.
RepERsys%	portion of the RepER% representing (negative) systematic errors, expressed as a percentage. The RepER% is composed of two complementary portions reflecting the proportion of negative systematic and non-systematic errors detected.
P	total aggregated amount in € of EC share of funding in the auditable population. In FP7, the population is that of all received cost statements, and the € amounts those that reflect the EC share included in the costs claimed in each cost statement.

- A** total EC share of all audited amounts, expressed in €. This will be collected from audit results.
- E** total non-audited amounts of all audited beneficiaries. In FP7, this consists of the total EC share, expressed in €, of all non-audited received cost statements for all audited beneficiaries (whether extrapolation has been launched or not).

If the residual error rate is not (yet) below 2% at the end of a reporting year within the FP's management lifecycle, a reservation must be considered.

The Common Representative Audit Sample (CRAS) is the starting point for the calculation of the residual error rate. It is representative of the expenditure of FP7 as a whole. Nevertheless, the Director-General (or Director for the Executive Agencies) must also take into account other information when considering if the overall residual error rate is a sufficient basis on which to draw a conclusion on assurance (or make a reservation) for specific segment(s) of FP7. This may include the results of other ex-post audits, ex-ante controls, risk assessments, audit reports from external or internal auditors, etc. All this information may be used in assessing the overall impact of a weakness and considering whether to make a reservation or not.

If the CRAS results are not used as the basis for calculating the residual error rate this must be clearly disclosed in the AAR, along with details of why and how the final judgement was made.

In case a calculation of the residual error rate based on a representative sample is not possible for a FP for reasons not involving control deficiencies,⁴ the consequences are to be assessed quantitatively by making a best estimate of the likely exposure for the reporting year based on all available information. The relative impact on the Declaration of Assurance would be then considered by analysing the available information on qualitative grounds and considering evidence from other sources and areas. This should be clearly explained in the AAR.

Adequacy of the audit scope

The quantity of the (cumulative) audit effort carried out until the end of each year is to be measured by the actual volume of audits completed. The data is to be shown per year and cumulated, in line with the current AAR presentation of error rates. The multiannual planning and results should be reported in sufficient detail to allow the reader to form an opinion on whether the strategy is on course as foreseen.

⁴ Such as, for instance, when the number of results from a statistically-representative sample collected at a given point in time is not sufficient to calculate a reliable error rate.

The Director-General (or Director for the Executive Agencies) should form a qualitative opinion to determine whether deviations from the multiannual plan are of such significance that they seriously endanger the achievement of the internal control objective. In such case, she or he would be expected to qualify his annual statement of assurance with a reservation.

Materiality is assessed for each Framework Programme

In 2013, the Research services managed financial operations under the sixth and seventh framework programmes, and the Coal and Steel Research Fund. Each is managed under different sets of regulatory and contractual provisions. Therefore, the assessment of the performance of the internal controls has to take into account these differences.

However, given that the expenditure for the 6th Framework Programme is now a very small part of operations, and given the full disclosure on the results for this FP in the AAR 2012, information on the 6th FP should only be reported if there are exceptional elements, the non-disclosure of which would result in the reader being misled.

ANNEX 5: Internal Control Templates for budget implementation (ICTs)

Grant direct management – FP7

** = not reported in this year's AAR.*

Stage 1: Programming, evaluation and selection of proposals + Stage 2: Contracting : Not Applicable : Given that DG MOVE manages funds received by cross-sub-delegation from DG RTD, this ICT will focus only on stages 3 and 4, where projects from previous years are managed under DG MOVE budget appropriations (0606).

Stage 3: Monitoring the execution

Main control objectives: ensuring that the operational results (deliverables) from the projects are of good value and meet the objectives and conditions; ensuring that the related financial operations comply with regulatory and contractual provisions; prevention of fraud; ensuring appropriate accounting of the operations

Main risks	Mitigating controls	Coverage, frequency and depth	Costs and benefits of controls	Control indicators
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>Kick-off meetings and "launch events" involving the beneficiaries in order to avoid project management and reporting errors</p> <p>Effective external communication about guidance to the beneficiaries</p> <p>Operational and financial checks in accordance with the financial circuits.</p> <p>Operation authorisation by the AO</p> <p>For riskier operations, enhanced ex-ante controls</p> <p>Scientific reviews if necessary</p>	<p>100% of the projects are controlled, including only value-adding checks.</p> <p>Riskier operations subject to enhanced controls.</p> <p>The depth depends on risk criteria. However, as a deliberate policy to reduce administrative burden, and to ensure a good balance between trust and control, the level of control at this stage is reduced a to a minimum</p> <p>High risk operations identified by risk criteria.</p> <p>Red flags: suspicions raised by</p>	<p>Costs *</p> <p>Benefits: budget value of the costs claimed by the beneficiary, but rejected by staff</p> <p>Reductions in error rates identified by audit certificates.</p>	<p>Efficiency Indicators:</p> <p>Time-to-pay</p> <p>% and value of reductions made to EC contribution paid out through the ex-ante desk checks / total value of EC contribution claimed</p>

Main risks	Mitigating controls	Coverage, frequency and depth	Costs and benefits of controls	Control indicators
	If needed: application of Suspension/interruption of payments, Penalties or liquidated damages. Referring grant to OLAF	staff, audit results, EWS or other reasons Audit certificates required for any beneficiary claiming more than €375000 (FP7).		

Stage 4: Ex-post controls

A - Reviews, audits and monitoring

Main control objectives: Measuring the level of error in the population after ex-ante controls have been undertaken; detect and correct any error or fraud remaining undetected after the implementation ex-ante controls; identifying possible systemic weaknesses in the ex-ante controls, or weaknesses in the rules

Main risks	Mitigating controls	Coverage, frequency and depth	Costs and benefits of controls	Control indicators
The ex-ante controls (as such) do not prevent, detect and correct erroneous payments or attempted fraud to an extent going beyond a tolerable rate of error.	Ex-post control strategy: At intervals carry out audits of a representative sample of operations to measure the level of error in the population after ex-ante controls have been performed Additional sample to address specific risks Multi-annual basis (programme's lifecycle) and coordination with other AOs concerned Validate audit results with beneficiary	Common Representative Sample: MUS sample across the programme to draw valid management conclusions on the error rate in the population. Risk-based sample, determined in accordance with the selected risk criteria, aimed to maximise deterrent effect and prevention of fraud or serious error	Costs: estimate of cost of staff involved in the coordination and execution of the audit strategy .Cost of the appointment of audit firms for the outsourced audits (Reported at aggregate level all audits MOVE/ENER. Benefits: budget value of the errors detected by the auditors. Non quantifiable benefits: Deterrent effect. Learning effect for beneficiaries. Improvement of ex-ante controls or risk approach in ex-ante controls by feeding back	Effectiveness: Number of audits finalised (+ % of beneficiaries & value coverage) Representative error rate. Residual error rate in comparison to the tolerable threshold. Amount of budget of errors concerned. Total & Average ex-post audit cost in-house (FTE * standard

Main risks	Mitigating controls	Coverage, frequency and depth	Costs and benefits of controls	Control indicators
	<p>In case of systemic error detected, extrapolation to all the projects run by the audited beneficiary</p> <p>If needed: referring the beneficiary or grant to OLAF</p>		<p>findings from audit.</p> <p>Improvement in rules and guidance from feedback from audit.</p>	<p>staff cost) and/or outsourced (audit fees paid (Reported at aggregate level all audits MOVE/ENER)</p>

B - Implementing results from ex-post audits/controls

Main control objectives: Ensuring that the (audit) results from the ex-post controls lead to effective recoveries; Ensuring appropriate accounting of the recoveries made

Main risks	Mitigating controls	Coverage, frequency and depth	Costs and benefits of controls	Control indicators
<p>The errors, irregularities and cases of fraud detected are not addressed or not addressed in a timely manner</p>	<p>Systematic registration of audit / control results to be implemented and actual implementation.</p> <p>Validation of recovery in accordance with financial circuits.</p> <p>Authorisation by AO</p> <p>Notification to OLAF and regular follow up of detected fraud.</p>	<p>Coverage: 100% of final audit results <i>with a financial impact</i>.</p> <p>Depth: All audit results are examined in-depth in making the final recoveries. Systemic errors are extrapolated to all the non-audited projects of the same beneficiary</p>	<p>* Costs</p> <p>Benefits: budget value of the errors, detected by ex-post controls, which have actually been corrected (offset or recovered).</p> <p>Loss: budget value of such ROs which are 'waived' or have to be cancelled.</p>	<p>Effectiveness:</p> <p>Number/value/% of audit results pending implementation</p> <p>Number/value/% of audit results implemented.</p>

Indirect entrusted management DG MOVE

The ICT covers: (1) the operating (administrative) budget of the executive agencies TEN-T EA and EACI, (2) cross delegations to other Commission services, (3) the joint undertakings SESAR and FCH, (4) the financial instruments LTGG and Project Bond Initiative, (5) the operating (administrative) budget of the decentralised agencies

<p>Stage 1: Establishment (or prolongation) of the mandate to the entrusted entity ("delegation act"/"contribution agreement"/etc.)</p> <p>Stage 2: Assessment and supervision of the entrusted entity's financial and control framework (towards "budget autonomy"; "financial rules").</p>	<p><i>NOT APPLICABLE: All entities have been established and achieved budget autonomy prior to 2013. This ICT therefore focuses on stages 3, 4 and 5.</i></p>
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*** = not reported in this year's AAR.**

Stage 3: Operations: monitoring, supervision, reporting.

Main control objectives: Ensuring that the Commission is fully and timely informed of any relevant management issues encountered by the entrusted entity, in order to possibly mitigate any potential financial and/or reputational impacts (legality & regularity, achievement of objectives, sound financial management, true and fair view reporting, anti-fraud strategy).

Main risks	Mitigating controls	Coverage, frequency and depth	Costs and benefits of controls	Control indicators
<p>The Commission is not informed of relevant management issues encountered by the entrusted entity in a timely manner</p> <p>The Commission does not react</p>	<p>(1) Executive Agencies TEN-T EA DG MOVE's Monitoring Strategy for the TEN-T EA was reviewed in early 2013. It will be integrated into the new Memorandum of Understanding when it is</p>	<p>Coverage: 100% of the entities are monitored/supervised.</p> <p>Frequency:</p> <ul style="list-style-type: none"> - Regular Steering Committee meetings; - Regular reports on use of resources and performance of 	<p>*Costs</p> <p>Benefits: The average annual budget amount entrusted to the entity.</p>	<p>Effectiveness: Number of serious issues arising not identified through standard reporting channels</p> <p>*Efficiency Indicators</p>

Main risks	Mitigating controls	Coverage, frequency and depth	Costs and benefits of controls	Control indicators
upon and mitigate notified issues in a timely manner.	<p>extended to become the Innovation and Networks Executive Agency (INEA). The strategy is based on four pillars:</p> <ul style="list-style-type: none"> • Steering Committee and liaison officers • Mandatory reports and evaluation as described in the legal base of TEN-T and the associated TEN-T EA • Data collected through the Open Method of Coordination (OMC-Module) and from the project management modules of the TENtec Information System • On-site visits to projects by Commission desk officers, TEN-T EA project officers, as well as by other EU services and bodies <p><u>EACI</u></p> <p>The following supervision mechanisms were applied in line with the instrument of delegation:</p> <ul style="list-style-type: none"> • Regular reporting from the agency (on quarterly basis); • Control activities via Steering Committee; 	<p>tasks;</p> <ul style="list-style-type: none"> - Formal opinion on Annual Work Programme and Annual Activity Report 		

Main risks	Mitigating controls	Coverage, frequency and depth	Costs and benefits of controls	Control indicators
	<ul style="list-style-type: none"> • Liaison meetings at Director and Head of Unit levels; • A number of ad hoc meetings and regular contacts at working level; • Regular updates on the achievements of the programme objectives, in particular on the Marco Polo Programme indicator; • Budgetary control via the commitment and payment appropriations; • Formal opinion and formal consultation on key documents of the Agency such as the annual work programme and the annual activity report. 			
As above	(2) Cross-delegations	<p>Coverage: 100 %: Being a Commission service itself, the AOD of the cross-delegated service is required to implement the appropriations subject to the same rules, responsibilities and accountability arrangements.</p> <p>Frequency:</p> <ul style="list-style-type: none"> - The cross-delegation agreements require the AOD's 	<p>*Costs</p> <p>Benefits: The average annual budget amount entrusted to the entity.</p>	<p>Effectiveness: Number of serious issues arising not identified through standard reporting channels</p> <p>*Efficiency Indicators:</p>

Main risks	Mitigating controls	Coverage, frequency and depth	Costs and benefits of controls	Control indicators
		of cross-delegated services to report to DG MOVE on the use of appropriations.		
As above	<p>(3) Joint Undertakings</p> <p><u>SESAR JU</u></p> <p>The following supervision mechanisms were applied:</p> <ul style="list-style-type: none"> • DG MOVE is a member of and chairs the SESAR JU Administrative Board. It therefore participates directly (in many cases with an effective veto right, particularly when acting in concert with Eurocontrol) in all the decisions affecting the budget, accounts, staff and progress of the JU. All the documents related to these issues are evaluated by DG MOVE, in cooperation with several other services to establish Commission's position in the Board. • Audit issues are also coordinated through the Permanent Audit Panel assembling all the auditing bodies of the SESAR JU, to which DG MOVE also participates. • Regular financial and technical reporting and meetings to discuss the 	<p>Coverage: 100% of the entities are monitored/supervised.</p> <p>Frequency:</p> <ul style="list-style-type: none"> - Regular Administrative Board/Governing Board meetings; - Regular reports on use of resources and performance of tasks; 	<p>*Costs</p> <p>Benefits: The average annual budget amount entrusted to the entity.</p>	<p>Effectiveness: Number of serious issues arising not identified through standard reporting channels</p> <p>*Efficiency Indicators</p>

Main risks	Mitigating controls	Coverage, frequency and depth	Costs and benefits of controls	Control indicators
	<p>progress of the technical programme.</p> <ul style="list-style-type: none"> • DG MOVE participates in the Programme Committee chaired by the JU's Executive Director. • DG MOVE regularly participates in working groups and evaluations (calls for tender, calls for proposals and staff selection) organised by the SESAR JU. <p><u>FCH JU</u></p> <ul style="list-style-type: none"> • DG RTD is responsible for this JU. • DG MOVE is a member of the Governing Board and participates in the preparation of a common Commission position on all items requiring a decision by the Board (e.g. multi-annual and annual implementation plans, budget planning and accounting systems).. 			
As above	<p>(4) Financial Instruments</p> <p><u>Marguerite Fund</u></p> <ul style="list-style-type: none"> • DG MOVE has given a cross-delegation to DG ECFIN to 	<p>Coverage: 100% of the entities are monitored/supervised.</p> <p>Frequency:</p> <p>- Regular Steering Committee</p>	<p>*Costs</p> <p>Benefits: The average annual budget amount entrusted to the entity.</p>	<p>Effectiveness: Number of serious issues arising not identified through standard reporting channels</p>

Main risks	Mitigating controls	Coverage, frequency and depth	Costs and benefits of controls	Control indicators
	<p>finance the "Marguerite Fund".</p> <ul style="list-style-type: none"> • It is managed by an external management board which makes drawdown requests for credits as required. • DG ECFIN is responsible for monitoring the management of the fund and reports regularly to DG MOVE. <p><u>Loans and Guarantees for debt</u></p> <ul style="list-style-type: none"> • This is a joint instrument by the Commission and the EIB. It is managed by the EIB which makes annual drawdown requests. • DG MOVE monitors the EIB's management of the instrument as specified in the cooperation agreement with the EIB. <p><u>Project Bond Initiative</u></p> <ul style="list-style-type: none"> • This is a joint initiative by the Commission and the EIB. It is managed by the EIB. 	<p>meetings;</p> <ul style="list-style-type: none"> - Regular reports on use of resources and performance of tasks; - Formal opinion on Annual Work Programme and Annual Activity Report 		*Efficiency Indicators
As above	<p>(5) Decentralised Agencies</p> <p><u>EASA</u></p> <p>EASA is a partially self-financed (3/4 of its budget from fees and charges from the aviation industry) decentralised agency</p>	<p>Coverage: 100% of the entities are monitored/supervised.</p> <p>Frequency:</p> <ul style="list-style-type: none"> - Regular Steering Committee meetings; 	<p>*Costs</p> <p>Benefits: The average annual budget amount entrusted to the entity.</p>	<p>Effectiveness: Number of serious issues arising not identified through standard reporting channels</p> <p>*Efficiency Indicators:</p>

Main risks	Mitigating controls	Coverage, frequency and depth	Costs and benefits of controls	Control indicators
	<p>with a clear governance set-up, documentation and procedures as required by the "Common approach to the decentralised agencies":</p> <ul style="list-style-type: none"> • These include a Management Board (where DG MOVE holds a permanent seat), a system of external and internal audits as well as procedures to combat fraud. <p><u>EMSA</u></p> <p>EMSA is a permanent EU body with legal, financial and administrative autonomy. The supervision of EMSA has taken multiple forms:</p> <ul style="list-style-type: none"> • Formal supervision mechanisms as foreseen in the EMSA regulation, including participation in EMSA's Administrative Board and the budgetary sub-committee, formal opinion and formal consultation on key documents of the Agency like the annual work programme, the multi-annual staff policy plan; • Active role of the Commission in the budgetary procedure as foreseen by the 	<ul style="list-style-type: none"> - Regular reports on use of resources and performance of tasks; - Formal opinion on Annual Work Programme and Annual Activity Report 		

Main risks	Mitigating controls	Coverage, frequency and depth	Costs and benefits of controls	Control indicators
	<p>EMSA regulation and the Financial Regulation;</p> <ul style="list-style-type: none"> • Budgetary control via the commitment and payment appropriations; • Quarterly indicators on budgetary and administrative performance of the Agency; • Regular contacts at all levels (Director-General, Director, Head of Unit, staff); • Involvement in audit and discharge procedures. <p><u>ERA</u></p> <ul style="list-style-type: none"> • Regular trimestral meetings are held with ERA to oversee their work, including work programme and outputs. • Daily contact with the Agency and the desk officers in the case of specific needs. • The Commission participates in 3 meetings a year of the Administrative Board of the Agency as well as the sub-committee on administration and financial matters. 			

Stage 4: Commission contribution: payment or suspension/interruption.

Main control objectives: Ensuring that the Commission adequately assesses the management situation at the entrusted entity, before either paying out the (next) contribution for the operational and/or operating budget of the entity, or deciding to suspend/interrupt the (next) contribution . **This is very closely linked to stage 3 above.**

Main risks	Mitigating controls	Coverage, frequency and depth	Costs and benefits of controls	Control indicators
The Commission pays out the (next) contribution to the entrusted entity, while not being aware of the management issues that may lead to financial and/or reputational damage. Bad cash forecast leading to the Commission paying too much compared to the entity's needs	See stage 3.	See stage 3.	See stage 3.	See stage 3.

Stage 5: Audit and evaluation, Discharge for Joint Undertakings and Decentralised Agencies

Main control objectives: Ensuring that assurance building information on the entrusted entity's activities is being provided through independent sources as well, which may confirm or contradict the management reporting received from the entrusted entity itself (on the 5 ICOs).

Main risks	Mitigating controls	Coverage, frequency and depth	Costs and benefits of controls	Control indicators
The Commission has not sufficient information from independent sources on the entrusted entity's management achievements, which prevents drawing conclusions on the assurance for the budget entrusted to the entity – which	(1) Executive Agencies <ul style="list-style-type: none">• The EAs are subject to audit by the Internal Audit Service of the Commission and by the European Court of Auditors and DG MOVE uses their reports as an element of the supervision of these bodies.		*Costs <u>TEN-T EA</u> The cost-benefit analysis carried out in 2013 indicated that the extended delegation of the main EU infrastructure programmes in transport, energy and ICT to INEA (ex-TEN-	Effectiveness: Assurance being provided; residual error rate within a tolerable range. *Efficiency Indicators: Note – it is not considered appropriate to separate the indicator by stage, it will be an

Main risks	Mitigating controls	Coverage, frequency and depth	Costs and benefits of controls	Control indicators
may reflect negatively on the Commission's governance reputation and quality of accountability reporting.			T EA) would make it possible to implement these programmes efficiently and at a lower cost than in the Commission. It is estimated to deliver cost-savings in the order of €54 million over the 2014-2020 period, compared to the in-house scenario. The agency is well established to manage the extension as shown by its excellent key performance indicators (average time to pay of 13 days; a rate of close to 100% of payments made on time; detected error rate below 2% for the last 3 years).	overall indicator (stages 3-5 together)
	(2) Cross-delegations <ul style="list-style-type: none"> • Being a Commission service itself, the AOD of the cross-delegated service is subject to audits by the Internal Audit Service and the Court of Auditors. 			
	(3) Joint Undertakings <u>SESAR JU</u> <ul style="list-style-type: none"> • As required by the SESAR JU founding Regulation, each three years the Commission carries out an evaluation of the functioning and the results of the JU. 			

Main risks	Mitigating controls	Coverage, frequency and depth	Costs and benefits of controls	Control indicators
	<u>FCH JU</u> <ul style="list-style-type: none"> The MOVE SIAC 2013 audit of the coordination and monitoring of the FCH related activities confirmed that proper systems and practices are in place to ensure relevant and effective monitoring and coordination of the FCH JU. 			
	(4) Financial Instruments <ul style="list-style-type: none"> Under cross-delegation arrangements or similar 			
	(5) Decentralised Agencies			

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

SESAR JU (Single European Sky Air traffic management Research Joint Undertaking)

	Requirement	Information
1	Programmes concerned	FP7 and TEN-T multiannual Programme
2	Annual budgetary amount entrusted to these bodies	<p>In 2013, DG MOVE:</p> <ul style="list-style-type: none"> paid a contribution of €42.94 million from the FP7 programme and €34.59 million from the TEN-T programme; committed € 59.88 from the FP7 programme. All funds allocated from the TEN-T programme had been committed by 2012
3	Duration of the delegation	31.12.2016 (The Commission has proposed an extension up to
4	Justification of recourse to indirect centralised management	<p>The aim of the SESAR JU is to rationalise and centralise all air traffic Management related R&D, with the full involvement of the relevant stakeholders.</p> <p>The SESAR JU is an EU body in the form of a PPP. The tasks entrusted to the JU could not have been carried out by the Commission because of the complexity of the programme and number of projects.</p>
5	Justification of the selection of the bodies (identity, selection criteria, possible indication in the legal basis etc.)	The SESAR JU was established by the Council on the basis of Article 187 of the Treaty. There are two founding mentioned in the founding Regulation (the EU, represented by the Commission, and Eurocontrol (Reg. (EC) 219/2007). All other members of the SESAR JU are selected through open competitive calls based on the criteria established in the SESAR JU Statutes.
6.	Synthetic description of the implementing tasks entrusted to these bodies	The SESAR JU is entrusted with the task to carry out and monitor all the relevant air traffic management research, development and validation activities in accordance with the European ATM Master Plan. The SESAR JU is also in charge of the maintenance of the Master Plan. For this purpose, the SESAR JU manages the FP7 and TEN-T funds allocated to them, in accordance with its financial rules and under the supervision of its Administrative Board.

FCH JU (Fuel Cells and Hydrogen Joint Undertaking)

	Requirement	Information
1	Programmes concerned	Seventh Framework Programme, in particular the Specific Programme 'Cooperation' themes for 'Energy', 'Nanosciences, Nanotechnologies, Materials and New Production Technologies', 'Environment (including Climate Change)' and 'Transport (including Aeronautics)'.
2	Annual budgetary amount entrusted to these bodies	In 2013: <ul style="list-style-type: none"> • €2.37 million was paid from <u>DG MOVE</u>'s budget⁵ • Nothing was committed from <u>DG MOVE</u>'s budget
3	Duration of the delegation	Until 31.12.2017
4	Justification of recourse to indirect centralised management	Council Regulation (EC) No 521/2008. Indirect centralised management by a Joint Undertaking in line with Article 187 of the Treaty on the Functioning of the European Union (TFEU) was selected with a view to increase the overall efficiency of research efforts and accelerate the development and deployment of fuel cells and hydrogen technologies, in the Members States and countries associated to the Seventh Framework Programme.
5	Justification of the selection of the bodies (identity, selection criteria, possible indication in the legal basis etc.)	Not applicable
6.	Synthetic description of the implementing tasks entrusted to these bodies	See Article 2 of the Council Regulation (EC) No 521/2008 ⁶ and Article 1 of its Annex ⁷ .

⁵ For the total budget entrusted to this JU, please refer to annex 6 of DG RTD's AAR 2013

⁶ Council Regulation (EC) No 521/2008 of 30.05.2008 setting up the Fuel Cells and Hydrogen Joint Undertaking, OJ L 153 of 12.06.2008

⁷ Statutes of the Fuel Cells and Hydrogen Joint Undertaking

ANNEX 7: AARs of Executive Agencies (TEN-T EA and EACI)

This Annex is presented in separate documents.

ANNEX 8: Decentralised agencies

Name	Acronym	Policy concerned	Subsidy paid in 2013 by DG MOVE
European Aviation Safety Agency	EASA	Mobility and Transport - Aviation	€35,829,562
European Maritime Safety Agency	EMSA	Mobility and Transport – Maritime	€52,854,876.91
European Railway Agency	ERA	Mobility and Transport - Rail	€25,703,799

ANNEX 9: Performance information included in evaluations

Title of the evaluation : Fitness Check on Internal Aviation Market	
ABB activity:	Inland, air and maritime transport
Type of evaluation:	Other (O): Fitness check
Summary of performance related findings and recommendations:	<p>The evaluation exercise started in January 2011 with a Fitness Check roadmap and involved five studies by an external consultant, four meetings with stakeholders with wide representation of all industry interests and of regulators and wide email and internet based consultation.</p> <p>The Aviation Fitness Check covered the following issues:</p> <ul style="list-style-type: none"> • market access (leasing, non-scheduled services and restrictions of traffic rights), • computerised reservation systems, • insurance requirements, • price transparency, • assistance to passengers affected by airline insolvency. <p>The Fitness Check has shown that regulation continues to be needed to safeguard the gains consumers and the industry realized thanks to this liberalisation. Even more so, the Fitness Check has demonstrated that the existing regulatory environment, reviewed by the exercise, broadly offers an appropriate tool to achieve this. There were no instances of excessive regulatory burden. On a few subtopics of the ones described above a need was discerned for more policy guidance and exchange of best practices. DG MOVE has started to carry this out through the Market Access Committee, which was called for a first meeting in January 2014 and through dedicated Circa Groups.</p>
Availability of the report on Europa:	http://ec.europa.eu/smart-regulation/evaluation/search/download.do?documentId=8356742

Title of the evaluation: Evaluation on the charging of heavy goods vehicles for the use of certain infrastructures (Directive 1999/62/EC, as amended)	
ABB activity:	Inland, air and maritime transport
Type of evaluation:	Regulatory instrument (R)
Summary of performance related findings and recommendations:	<p>The evaluation focussed on the effects of Directive 1999/62/EC in view of the Commission's strategy to move towards the full application of the 'user pays' and 'polluter pays' principles.</p> <p><u>Main findings:</u></p> <ul style="list-style-type: none"> • Network-wide integrated tolling systems are more efficient in changing user behaviour than vignette systems or concession schemes that only apply on specific road sections. • Toll differentiation according to the environmental performance of a vehicle (EURO class), as well as differentiation according to time of day, are efficient and effective tools. • Ideally, all vehicles should be covered. • Tolls should be collected electronically and tolling schemes should be interoperable across national borders to avoid creating new obstacles to traffic flows. • The current patchwork of charging schemes, and different technologies applied within these schemes, burden hauliers with avoidable administrative costs. • Earmarking of revenues contributes to a steady and predictable flow of revenues for financing transport infrastructure. <p><u>Conclusion / recommendations:</u></p> <ul style="list-style-type: none"> • The implementation of the "user pays" and "polluter pays" principle can provide a fair and efficient way to ensure the adequate financing of transport infrastructure, and to help attract private investments. • The current patchwork of charging systems does not allow reaping the benefits of a fully integrated Internal Market. • Member States should make use of the opportunities created by Directive 2011/76/EU. • There is a risk of toll chargers abusing their monopolistic position, especially relevant in the area of passenger cars, possibly undermining the public acceptability of road charging.
Availability of the report on Europa:	http://ec.europa.eu/transport/modes/road/road_charging/doc/swd(2013)1.pdf

Title of the evaluation: Evaluation study on Speed Limitation Devices (Directive 92/6/EEC, as amended by Directive 2002/85/EC)	
ABB activity:	Inland, air and maritime transport
Type of evaluation:	Regulatory Instrument (R)
Summary of performance related findings and recommendations:	<p>The focus of the evaluation is on road safety of heavy commercial vehicles (HCVs), including environmental and economic effects.</p> <p>Regarding relevance and effectiveness, the main impact of the Directive is estimated as 9% of reduction of fatalities on motorways where HCVs were involved.</p> <p>Regarding sustainability and efficiency of the Directive, very few implementation problems, linked to technical cost, administrative burdens and device manipulation, were identified.</p> <p>Regarding utility of the Directive, the study reiterates the complementary function of this initiative to other measures aiming at improving road safety and reducing emissions.</p> <p>Regarding EU added value of the Directive, the main argument for legislation at the EU level is to ensure a level playing field across Member States and vehicle categories.</p> <p>Recommendations of the evaluation study:</p> <ul style="list-style-type: none"> – there is no need to modify the speed limits set out in the Directive, – to improve road safety, all commercial vehicles should be equipped with an intelligent speed adaptation system which provides tactile feedback to driver ("<i>voluntary ISA</i>"), – as regards light commercial vehicles (LCVs), the study concluded that voluntary intelligent speed adaptation systems have a stronger road safety potential than speed limitation devices. Nevertheless, fitting LCVs with speed limitation devices is an effective measure to reduce emissions.
Availability of the report on Europa:	http://ec.europa.eu/smart-regulation/evaluation/search/download.do?documentId=9143677