



Annual Activity Report 2020

Annexes

OFFICE FOR INFRASTRUCTURE AND LOGISTICS
IN LUXEMBOURG

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ANNEX 1: Statement of the Head of Unit in charge of Risk Management and Internal Control

I declare that in accordance with the Commission's communication on the internal control framework¹, I have reported my advice and recommendations on the overall state of internal control in OIL to the acting Head of Service.

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

Luxembourg, 5 May 2021

Signed

Xavier GILQUIN
Head of Unit
Finance - Procurement – Reporting

¹ C(2017)2373 of 19.04.2017.

ANNEX 2: Performance tables

Corporate impact indicators related to general objective 7: A modern, high performing and sustainable European Commission

General objective 7: A modern, high performing and sustainable European Commission			
Impact indicator 1: Image of the European Union			
Explanation: This indicator is based on the question ‘In general, does the EU conjure up for you a very positive, fairly positive, neutral, fairly negative or negative image?’ The indicator gives the share of positive and fairly positive views on this question.			
Source of the data: Standard Eurobarometer 93			
Baseline (2019)	Latest known value (2020)	Interim Milestone (2022)	Target (2024)
43% (EU27)	40% (EU27)	Increase	Increase
Impact indicator 2: Staff engagement index			
Explanation: Staff engagement measures staff’s emotional, cognitive and physical connection to the job, organisation and the people within it.			
Source of the data: European Commission			
Baseline/latest known value (2018)	Interim Milestone (2022)	Target (2024)	
69%	Increase	Increase	
Impact indicator 3: Percentage of female representation in management in the Commission			
Explanation: This indicator gives the percentage of female representation at middle and senior management level in the European Commission.			
Source of the data: Directorate General Human Resources			
Baseline (2019)	Latest known value (2020)	Interim Milestone (2022)	Target (2024)
40.5%	42,79%	Increase	50%
4. Impact indicator: Environmental performance in the Commission			
Explanation: This indicator looks at percentage reductions compared to 2014 levels. It gives the weighted average for eight Commission sites participating in the Eco-Management and Audit Scheme (EMAS) on specific core parameters. The sites are Commission buildings in Brussels and Luxembourg, as well as JRC sites Geel (Belgium), Petten (the Netherlands), Seville (Spain), Karlsruhe (Germany), and Ispra (Italy), along with DG SANTE at Grange (Ireland).			

Source of data: [Environmental Statement 2019 results \(pg. 22\)](#)

Baseline (2018)	Latest known value (2019)	Interim milestone (2020)	Target (2024)
Energy consumption of buildings (MWh / person): -8.8%	-8.2% (2020 target met)	-5.2%	Achieve greater reduction
Water use (m ³ / person): -9.5%	-25% (2020 target met)	-5.4%	Achieve greater reduction
Office paper consumption (sheets / person / day): -32%	-37% (2020 target met)	-34%	Achieve greater reduction
CO2 emissions from buildings (tonnes / person): -24%	-22% (2020 target met)	-5.1%	Achieve greater reduction
Waste generation (tonnes / person): -15%	-17% (2020 target met)	-9.7%	Achieve greater reduction

PART 1. Delivering on the Commission’s priorities

1.A Appropriate and satisfactory building and office space management

Building management

Strategic plan 2020-2024 result indicators

<p>Specific objective 1: The Commission's buildings and infrastructures in Luxembourg are in line with the Commission policy in the building sector and with guidelines referring to the modernisation of the Commission and facing security threats, while taking care of the financial interests of the Commission]</p>			
<p>Result indicator: Publications Office’s moving operation to be completed within deadlines and budget Source of data: OIL</p>			
<p>Baseline (2019)</p>	<p>Interim Milestone (2023)</p>	<p>Target (2024)</p>	<p>Latest known results (2020)</p>
Preparatory works	Completed	Completed	Ongoing
<p>Result indicator: JMO2 phase 1 moving operation to be completed within deadlines and budget Source of data: OIL</p>			
<p>Baseline (2019)</p>	<p>Interim Milestone (2022)</p>	<p>Target (2024)</p>	<p>Latest known results (2020)</p>
Excavation works	Concrete structure completed	Completed	Ongoing although some delay related to the Covid-19 crisis is expected (not quantified yet) in the construction and delivery

Result indicator: JM02 phase 2 in progress within deadlines and budget			
Source of data: OIL			
Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
Excavation works	Concrete structure completed	Completed	Ongoing although some delay related to the Covid-19 crisis is expected (not quantified yet) in the construction and delivery
Result indicator: Construction of a new inter-institutional Children’s Centre (CPE VI) in the Kirchberg district (in replacement of CPE I and possibly CPE II) within deadlines and budget			
Source of data: OIL			
Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
Project under preparation	Excavation works ²	Construction works ongoing	Ongoing discussions with DG BUDG in order to define capacity, areas and budget
Result indicator: Commission’s real estate portfolio and surface allocation in line with “The Workplace of the Future” communication – “new ways of working”-related projects implemented			
Source of data: OIL			
Baseline (2020)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
Pilot experience for DIGIT (Helios/ex-Drosbach)	Implemented in 1 ‘big’ DG	Implemented for new buildings	Pilot experience finalised. Further refurbishment works for DIGIT ongoing (completion planned in Q1-2021)

² Likely to be postponed further to the COVID-19 crisis

Management plan 2020 expected outputs

Main outputs in 2020:			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
Transformation of the Fischer building into an inter-institutional training centre	Completion	Third quarter 2020	Completed
Construction of JMO 2 building	Progress on the planning of the construction phase	Building structure works in progress	Building structure works in progress
Construction project of a new CPE VI building	Financial file to be submitted ³	Pre-information of the Budgetary Authority and project preparation ongoing	Ongoing discussions with DG BUDG in order to define capacity, areas and budget
Data Centre space	Windhof: Contract amendment signed for duration extension	Informal agreement with the owner of the data centre	The owner is currently analysing DIGIT's needs - Signature in 2021
GEPI software: waste management module	Module is operational	End of 2020	Q2 2021

³In parallel final technical specifications agreed with the *Administration des Bâtiments Publics*

Office space management

Strategic plan 2020-2024 result indicators

Specific objective 2: Good quality office space and related services are provided in Commission buildings in Luxembourg			
Result indicator: Satisfaction with office general quality in Luxembourg			
Source of data: HR Staff Opinion Survey on the services provided by the administrative services: PMO, OIB and OIL			
Baseline (2017 – latest year available)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
72%	Positive trend	Continue positive trend	72% in 2017. Survey not organised in 2020
Result indicator: Satisfaction with office cleaning in Luxembourg			
Source of data: HR Staff Opinion Survey on the services provided by the administrative services: PMO, OIB and OIL			
Baseline (2017 – latest year available)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
69%	Positive trend	Continue positive trend	69% in 2017. Survey not organised in 2020

Management plan 2020 expected outputs

Main outputs in 2020:			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
EUFO: executions of renovation works	EUFO roof works – phase 1	Start of works end 2020	Start of works 2 nd quarter 2021 ⁴
HELIOS: executions of transformation works	Transformation of HELIOS A0 floor	Start of works 3 rd quarter 2020.	Completed in October 2020

⁴ The postponement is related to several administrative reasons, including delay in other procedures, extension of the deadline for submitting tenders following a request from a tenderer for a translation into English, and evaluation more complex than initially foreseen.

1.B Provision of performant, secure and sustainable logistics-related services

Health and safety at work

Strategic plan 2020-2024 result indicators

Specific objective 3: Office space respects the Health and Safety Rules applicable to the Commission sites in Luxembourg and OIL's service-oriented culture is enhanced			
Result indicator: EC staff trained in first aid (Percentage of total EC staff)			
Source of data: OIL			
Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
5.7%	≥ 5%	6%	5.2%
Result indicator: EC staff trained as fire warden (Percentage of total EC staff)			
Source of data: OIL			
Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
7.9%	8%	8%	7.1% ⁵
Result indicator: Average number of evacuation exercises per building per year			
Source of data: OIL			
Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
1 exercise in each administrative building. 2 exercises for each CPE building	1 exercise in each administrative building. 2 exercises for each CPE building	1 exercise in each administrative building. 2 exercises for each CPE building	none ⁶
Result indicator: Number of information initiatives on health and safety subjects per year			
Source of data: OIL			
Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
1	1	2	0 ⁷

⁵ Training could not be provided in 2020 and not suitable for e-learning

⁶ Evacuation exercises could not take place, as an insufficient number of staff was present in the Commission buildings

⁷ No specific action undertaken due to the pandemic

Result indicator: Work accident statistics (excluding while commuting) ⁸			
Source of data: OIL			
Baseline (2020)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
Tf ⁹ = 2.034 Tg ¹⁰ = 0.026	Decreasing trend	Decreasing trend	Tf = 0.5414 Tg = 0.0020 ¹¹

Management plan 2020 expected outputs

Main outputs in 2020:			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
EC staff trained as first aider	Percentage of EC staff trained as first aider	≥ 5%	5,2%
EC staff trained as fire warden	Percentage of EC staff trained as fire warden	8%	7,1 ⁵ %
Evacuation exercises	Average number of evacuation exercises per building per year	1 exercise in each administrative building. 2 exercises for each CPE building	0 ⁶
Workplace risk analysis	Posts analysed as a fraction of total posts.	1/3 of all posts analysed	31% ¹²

⁸ Excluding accidents while commuting – see detailed definition in [OIL's Strategic Plan 2020-2024](#) (page 33)

⁹ The frequency rate (Tf) is the ratio between the total number of accidents (at the workplace) resulting in death or total incapacity for at least one day (excluding the day of the accident) and the number of hours of exposure to risk, multiplied by 1,000,000.

¹⁰ The actual severity rate (Tg) is the ratio between the number of calendar days actually lost as a result of workplace accidents (at the workplace) and the number of hours of exposure to risk, multiplied by 1,000.

¹¹ No accidents, if any have occurred, during the teleworking are taken into account

¹² Not all risk assessment exercises related to workplaces, typically involving on the spot visits and observation of staff at work, could be carried out as planned. Five out of existing 16 types of posts were analysed: educators, CPE - nurse, CPE - LPT, CPE - administrative post and psych-pedagogue post. Analysis completed although final results were not published end-2020.

Environmental actions

Strategic plan 2020-2024 result indicators

Specific objective 4: Reduction of the Commission’s carbon and ecological footprint in Luxembourg consistent with the objectives of the EU green deal, notably a climate-neutral Commission by 2030			
Result indicator: EMAS-registered buildings (number)			
Source of data: Annual "Environmental Statement"			
Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
14 out of 18	15 out of 18 (with Fischer)	All buildings that will be kept in the mid and long-term	14 out of 18
Result indicator: Environmental performance in the Commission			
Source of data: Annual "Environmental Statement"			
Baseline (2018 – latest full year available) ¹³	Interim Milestone (2022) to revise after approval of new 2030 objectives	Target (2024) to revise after approval of new 2030 objectives	Latest known results (31/12/2019 ¹⁴)
Energy consumption of buildings (MWh / person): 11,75	10,54	9,98	11,50
Water use (m3 / person): 13,63	13,50	12,79	12,42
Office paper consumption (sheets / person / day): 11	15	14	10
CO2 emissions from buildings (tonnes / person): 1,33	0,94	0,89	1,26
Waste generation (tonnes / person): 0,135			

¹³ Some of the values indicated below have been revised since the publication of the 2020-2024 Strategic plan

¹⁴ Latest verified data. EMAS verification will be done in June 2021 to verify data for 2020.

	0,128	0,122	0,13
Result indicator: Percentage of sorted waste			
Source of data: Annual "Environmental Statement"			
Baseline (2018 – latest full year available)	Interim Milestone <small>Error! Bookmark not defined.</small> (2022)	Target (2024)	Latest known results (31/12/2019 ¹⁴)
57	60	65	64,2
Result indicator: Transport services average real CO2 emissions			
Source of data: Annual "Environmental Statement"			
Baseline (2018 – latest full year available)		Target (2024)	Latest known results (31/12/2019 ¹⁴)
251		220	247
Result indicator: Sustainable transport - % of electric and plug-in-hybrid vehicles in the official vehicle fleet			
Source of data: OIL.01			
Baseline (2020)	Interim Milestone <small>Error! Bookmark not defined.</small> (2022)	Target (2024)	Latest known results (2020)
45%	56%	80%	45%
Result indicator: Reduction of the number of car park spaces in Luxembourg			
Source of data: OIL			
Baseline (2019)		Target (2024 – post JMO2 removal)	Latest known results (2020)
2,850		2,000	2,850 (no change until the Publications Office move)
Result indicator: Green Public Procurement criteria in contracts			
Source of data: OIL.06			
Baseline (2019)	Interim Milestone <small>Error! Bookmark not defined.</small> (2022)	Target (2024)	Latest known results (2020)
100%	100%	100%	100%
Result indicator: New environmental friendly projects offered by the catering service			
Source of data: OIL.04			

Baseline (2019)	Interim Milestone <small>Error! Bookmark not defined.</small> (2022)	Target (2024)	Latest known results (2020)
1 (Ecobox system)	At least one new project implemented each year	At least one new project implemented each year	Completed (Ecobox implemented in all canteens)

Management plan 2020 expected outputs

Main outputs in 2020:			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
Implementation of the future Action plan for the greening of the Commission – i.e. the actions to be completed in 2020 where OIL is involved. ¹⁵	Percentage of actions implemented	100%	OIL contributed to the elaboration of the draft action plan.
EMAS registered buildings	Number of EMAS-registered buildings	Helios (ex-Drosbach) Wing E-2 to be added	14/18 (Drosbach Wing E-2 added)
Environmental performance in the Commission	Energy saving measures during the holidays	To be implemented	Implemented
Sorted waste	Percentage of sorted waste	Higher than 57% (2018 baseline)	64,2% (end 2019)
Transport services average real CO2 emissions	CO2 emissions of car fleet. (gram / km (actual and not manufacturer's))	Lower than 251 (2018 baseline)	247 (end 2019)
Public transport subsidy for cross-border staff	Implementation of new scheme	Completed	Completed
Organisation and/or participation in soft	Number of campaigns	1	1

¹⁵ The Action plan for the greening was not approved yet.

mobility campaigns			
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Environmental performance in the Commission buildings in Luxembourg			Latest known results (31/12/2019 ¹⁶)
Baseline (2018) ¹³	Energy consumption of buildings (MWh / person): 11,75	Achieve greater reduction	11,50
	Water use (m3 / person): 13,63	Achieve greater reduction	12,42
	Office paper consumption (sheets / person / day): 11	Achieve greater reduction	10
	CO ₂ emissions from buildings (tonnes / person): 1,33	Achieve greater reduction	1,26
	Waste generation (tonnes / person): 0,135	Achieve greater reduction	0,13

Logistics services

Strategic plan 2020-2024 result indicators

Specific objective 5: The best working conditions are provided through the good quality of logistics services while ensuring their sound financial management			
Result indicator: Number of postal delivery rounds per day in line with decreasing volume of mail			
Source of data: OIL			
Baseline (2020)	Interim Milestone (2021)	Target (2024)	Latest known results (2020)
2	1	1	2 (although special arrangements were implemented due to the COVID-19 crisis)

¹⁶ Latest verified data. EMAS verification will be done in June 2021 to verify data for 2020.

<p>Result indicator: Commission staff satisfaction rate with the quality of office furniture and supplies</p> <p>Source of data: HR Staff Opinion Survey on the services provided by the administrative services: PMO, OIB and OIL</p>			
<p>Baseline (2017 – latest year available)</p>	<p>Interim Milestone (2022)</p>	<p>Target (2024)</p>	<p>Latest known results (2020)</p>
66%	Positive trend over the period	Continued positive trend	66% in 2017. Survey not organised in 2020
<p>Result indicator: Commission staff satisfaction rate with moving of furniture, boxes and belongings</p> <p>Source of data: HR Staff Opinion Survey on the services provided by the administrative services: PMO, OIB and OIL "</p>			
<p>Baseline (2017 – latest year available)</p>	<p>Interim Milestone^{Error!} Bookmark not defined. (2022)</p>	<p>Target (2024)</p>	<p>Latest known results (2020)</p>
75%	Positive trend over the period	Continued positive trend	75% in 2017. Survey not organised in 2020

Management plan 2020 expected outputs: no specific output was identified.

1.C Provision of performant social services and infrastructures

Catering

Strategic plan 2020-2024 result indicators

Specific objective 6: To offer catering services (Restaurants, canteens, and cafeterias facilities) corresponding to the needs of the staff working in Luxembourg, taking into account the effective use of resources and integrating the requirements of EMAS and the Green deal			
Result indicator: Commission staff satisfaction rate with the provision of catering services Source of data: HR Staff Opinion Survey on the services provided by the administrative services: PMO, OIB and OIL			
Baseline (2017 – latest year available)	Interim Milestone (2021-22)	Target (2024)	Latest known results (2020)
Cafeterias: 41%	Positive trend over the period	Continued positive trend	See results in 2017. No survey was organised in 2019.
Self-service restaurants: 38%	Positive trend over the period	Continued positive trend	
Restaurant Foyer européen: 72%	Positive trend over the period	Continued positive trend	
Result indicator: Number of meals sold Source of data: OIL			
Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
1,600	1550	1,500	1,662 (until 15/03/2020); 198 for Phase 0 ¹⁷ 241 for Phase 1
Result indicator: Occupancy rate at the Foyer européen – Number of meetings held Source of data: OIL "			
Baseline (2019)	Interim Milestone ^{Error!} Bookmark not defined.	Target (2024)	Latest known results

¹⁷ Phase 0: Teleworking as a rule; Phase 1: Cautious first lifting of confinement; Phase 2: Progressive deconfinement; Phase 3: "New normal": general deconfinement

	(2022)		(2020)
180	220	270	21 (until 13/02/2020) 17 for Phase 1 ¹⁷

Management plan 2020 expected outputs

Main outputs in 2020:			
Output description	Indicator	Target¹⁸	Latest known results (situation on 31/12/2020)
Catering services in canteens and cafeterias	Daily average of meals sold in canteens and cafeterias	1,500	1,662 (until 15/03/2020); 198 for Phase 0 ¹⁷ 241 for Phase 1
New software for cash management.	Software is operational and staff is trained	Implementation	Postponed to Q4-2021 ¹⁹
Promotional actions and events in canteens and cafeterias	Number of actions	10	5
Meetings/seminars held at the <i>Foyer européen</i>	Number of meetings	120	21 (until 13/02/2020) 17 for Phase 1 ¹⁷

Childcare infrastructure

Strategic plan 2020-2024 result indicators

Specific objective 7: Appropriate child-care infrastructures and good quality, attractive and up-to-date services are offered to staff working in Luxembourg.			
Result indicator: Overall satisfaction of parents with childcare facilities as per CPE survey			
Source of data: OIL CPE Satisfaction Survey			
Baseline (2019)	Interim Milestone (2021-22)	Target (2024)	Latest known results (2020)
82%	Positive trend over the	Continued positive	82% in 2019. No

¹⁸ Initial targets revised further to the COVID-19 crisis

¹⁹ The technical specifications were published in 2020 but no offers were received.

	period	trend	survey was organised in 2020.
Result indicator: : Occupancy rate at the CPE			
Source of data: OIL			
Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
99%	<100% (Keep the percentage over the period)	<100% (Keep the percentage over the period)	All school children have been accepted (except for some children of priority 3 – one parent working less than halftime), a short waiting list exists for the kindergarten section in Kirchberg
Result indicator: Percentage of educational staff having completed the compulsory training programme			
Source of data: OIL/HR			
Baseline (2019)	Interim Milestone ^{Error!} Bookmark not defined. (2022)	Target (2024)	Latest known results (2020)
n/a	75%	90%	The organisation of compulsory trainings was interrupted due to the COVID-19 crisis

Management plan 2020 expected outputs

Main outputs in 2020:			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
Sustainable solution for the capacity issue.	Concrete actions to increase or maintain capacity	No child on waiting list ²⁰	Short waiting list for the kindergarten section in Kirchberg (and some children

²⁰ Initial targets revised further to the COVID-19 crisis

			of priority 3 – one parent working less than halftime)
Financial situation stable	CPE financial accounts ²¹	Balanced budget	Provisional loss assessed. Measures taken at the interinstitutional level.
IT management application for childcare infrastructure - Synergies study between OIL and OIB	All 'MUST' functionalities of OIL have been developed for the new common IT application: eKidWeb.	Implementation in 2021	Ongoing

²¹Label of indicator revised compared to Management Plan 2020

ANNEX 3: Draft annual accounts and financial reports

Annex 3 Financial Reports - DG OIL - Financial Year 2020

Table 1: Commitments

Table 2: Payments

Table 3: Commitments to be settled

Table 4: Balance Sheet

Table 5: Statement of Financial Performance

Table 5 Bis: Off Balance Sheet

Table 6: Average Payment Times

Table 7: Income

Table 8: Recovery of undue Payments

Table 9: Ageing Balance of Recovery Orders

Table 10: Waivers of Recovery Orders

Table 11: Negotiated Procedures

Table 12: Summary of Procedures

Table 13: Building Contracts

Table 14: Contracts declared Secret

Table 15: FPA duration exceeds 4 years

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

Additional comments

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

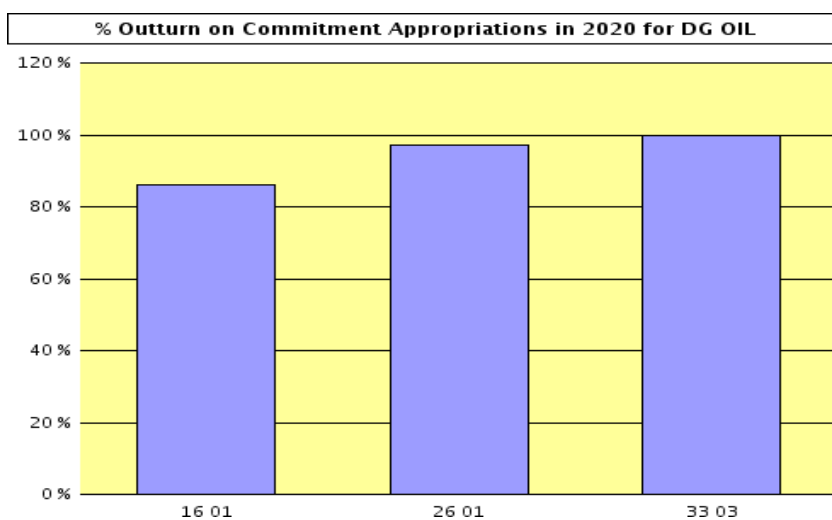
TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2020 (in Mio €) for DG OIL

			Commitment appropriations	Commitments made	%
			1	2	3=2/1
Title 16 Communication					
16	16 01	Administrative expenditure of the 'Communication' policy area	1,08	0,93	86,18 %
Total Title 16			1,08	0,93	86,18 %
Title 26 Commission's administration					
26	26 01	Administrative expenditure of the 'Commission's administration' policy area	149,20	144,71	96,99 %
Total Title 26			149,20	144,71	96,99 %
Title 33 Justice and consumers					
33	33 03	Justice	0,51	0,51	100,00 %
Total Title 33			0,51	0,51	100,00 %
Total DG OIL			150,79	146,15	96,93 %

* 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 reconciled table below includes the appropriations for the catering activities (in Mio €)

	Commitment appropriations authorised	Commitments made
Total OIL TABLE 1	150,79	146,15
Catering appropriations	2,83	2,83
General total	153,62	148,98

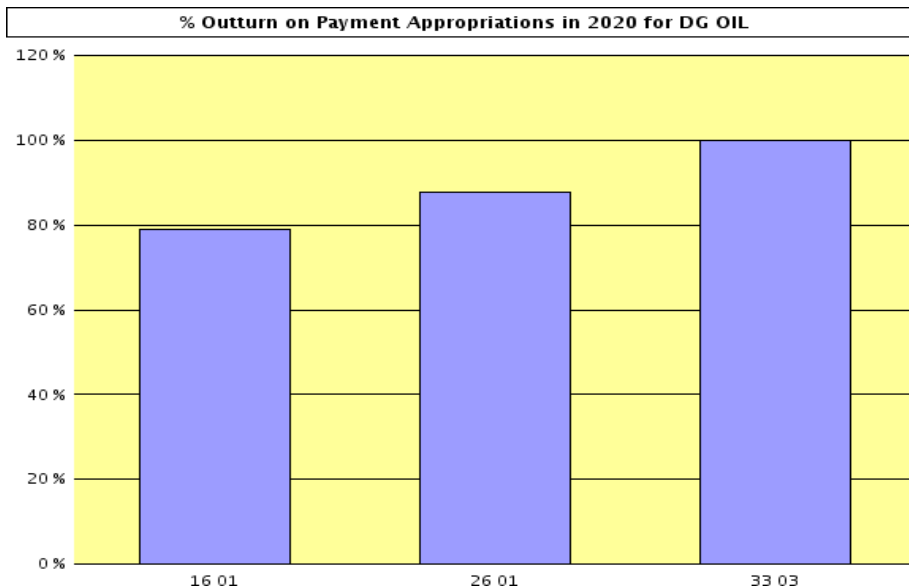


Note: The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS in 2020 (in Mio €) for DG OIL					
			Payment appropriations authorised *	Payments made	%
			1	2	3=2/1
Title 16 Communication					
16	16 01	Administrative expenditure of the 'Communication' policy area	1,16	0,92	79,10 %
Total Title 16			1,16	0,92	79,10%
Title 26 Commission's administration					
26	26 01	Administrative expenditure of the 'Commission's administration' policy area	159,51	140,02	87,78 %
Total Title 26			159,51	140,02	87,78%
Title 33 Justice and consumers					
33	33 03	Justice	0,16	0,16	100,00 %
Total Title 33			0,16	0,16	100,00%
Total DG OIL			160,83	141,10	87,73 %

* 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 reconciled table below includes the payment for the catering activities (in Mio €)		
	Payment appropriations authorised	Payments made
Total OIL TABLE 1	160,83	141,10
Catering appropriations	2,83	2,83
General total	163,66	143,93



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 31/12/2020 (in Mio €) for DG OIL									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2019	Total of commitments to be settled at end of financial year 2020	Total of commitments to be settled at end of financial year 2019
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
16	16 01	Administrative expenditure of the 'Communication' policy area	0,93	0,85	0,07	7,82%	0,00	0,07	0,08
Total Title 16			0,93	0,85	0,07	7,82%	0,00	0,07	0,08

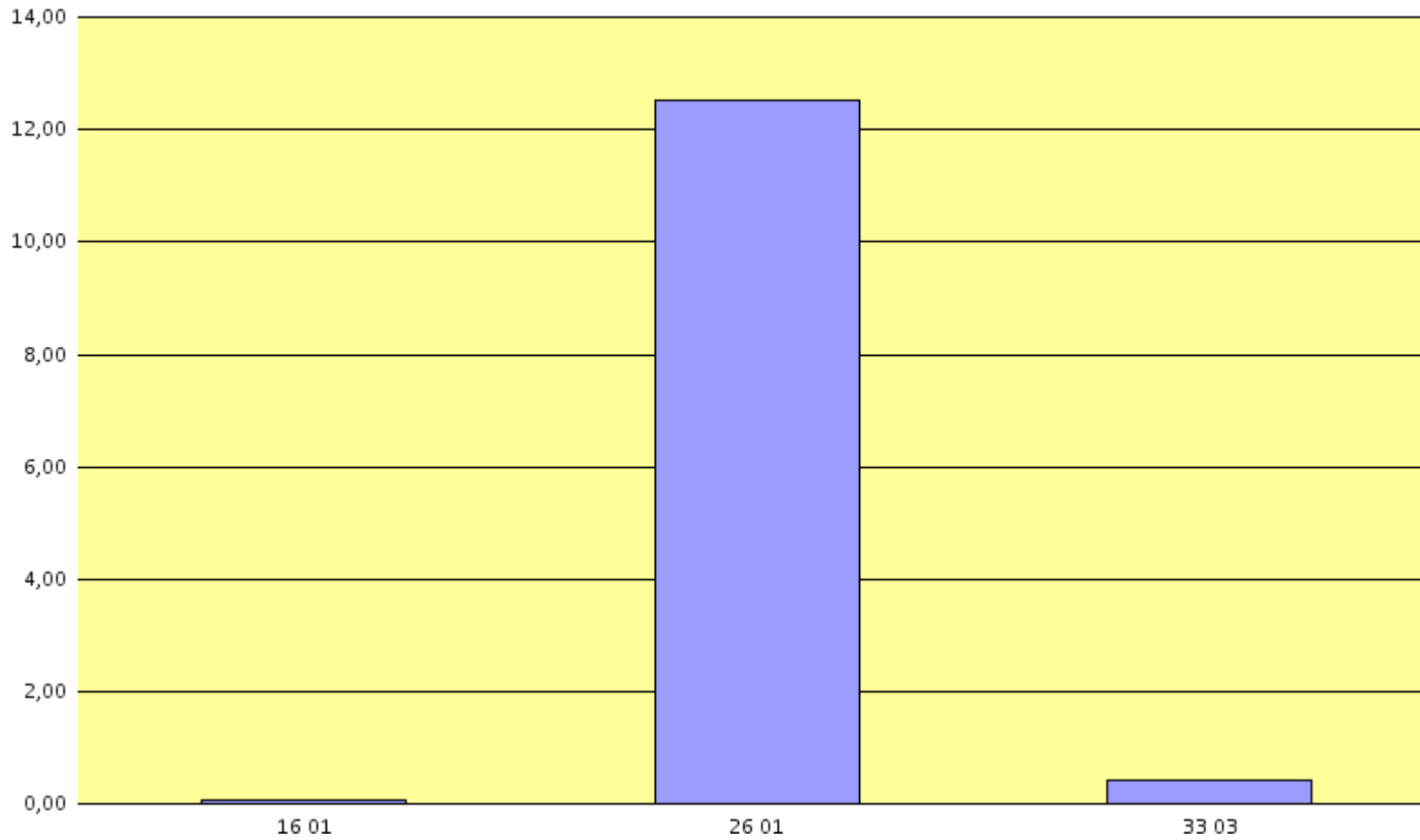
TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for DG OIL									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2019	Total of commitments to be settled at end of financial year 2020	Total of commitments to be settled at end of financial year 2019
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
26	26 01	Administrative expenditure of the 'Commission's administration' policy area	144,71	132,22	12,50	8,64%	0,04	12,53	11,54
Total Title 26			144,71	132,22	12,50	8,64%	0,04	12,53	11,54

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for DG OIL									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2019	Total of commitments to be settled at end of financial year 2020	Total of commitments to be settled at end of financial year 2019
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
33	33 03	Justice	0,51	0,09	0,42	82,14%	0,00	0,42	0,07
Total Title 33			0,51	0,09	0,42	82,14%	0,00	0,42	0,07

Total for DG OIL			146,15	133,16	12,99	8,89 %	0,04	13,03	11,69
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Note: The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Breakdown of Commitments Remaining to be Settled (in Mio EUR) at 31/12/2019 for DG OIL



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

TABLE 4: BALANCE SHEET for DG OIL

BALANCE SHEET	2020	2019
A.I. NON CURRENT ASSETS	188.626.565,43	152.166.303
A.I.1. Intangible Assets	349.948,76	380.345,03
A.I.2. Property, Plant and Equipment	188.276.616,67	151.785.957,97
A.II. CURRENT ASSETS	6.978.556,92	6.508.334,55
A.II.3. Curr Exch Receiv & Non-Ex Recoverables	6.601.071,45	5.754.040,54
A.II.6. Cash and Cash Equivalents	377.485,47	754.294,01
ASSETS	195.605.122,35	158.674.637,55
P.I. NON CURRENT LIABILITIES	-95.229.658,67	-100.359.428,21
P.I.3. Non-Current Financial Liabilities	-95.229.658,67	-100.359.428,21
P.II. CURRENT LIABILITIES	-5.831.318,48	-5.602.433,47
P.II.2. Current Provisions	-311.000,00	-323.000,00
P.II.3. Current Financial Liabilities	-4.866.960,09	-4.475.121,96
P.II.4. Current Payables	-653.358,39	-804.311,51
P.II.5. Current Accrued Charges & Defrd Income	0,00	0,00
LIABILITIES	-101.060.977,15	-105.961.861,68
NET ASSETS (ASSETS less LIABILITIES)	94.544.145,2	52.712.775,87
P.III.2. Accumulated Surplus/Deficit	722.151.775,62	637.015.254,94
Non-allocated central (surplus)/deficit*	-816.695.920,82	-689.728.030,81
TOTAL DG OIL	0,00	0,00

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

It 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

TABLE 5: STATEMENT OF FINANCIAL PERFORMANCE for DG OIL

STATEMENT OF FINANCIAL PERFORMANCE	2020	2019
II.1 REVENUES	-13.490.021,66	-20.851.060,28
II.1.1. NON-EXCHANGE REVENUES	0	
II.1.1.6. OTHER NON-EXCHANGE REVENUES	0,00	
II.1.2. EXCHANGE REVENUES	-13.490.021,66	-20.851.060,28
II.1.2.2. OTHER EXCHANGE REVENUE	-13.490.021,66	-20.851.060,28
II.2. EXPENSES	108.004.499,92	105.987.580,96
II.2. EXPENSES	108.004.499,92	105.987.580,96
II.2.10. OTHER EXPENSES	89.496.763,16	86.668.342,77
II.2.6. STAFF AND PENSION COSTS	12.924.557,73	13.513.648,57
II.2.8. FINANCE COSTS	5.583.179,03	5.805.589,62
STATEMENT OF FINANCIAL PERFORMANCE	94.514.478,26	85.136.520,68

Explanatory Notes (facultative):

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

It 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

TABLE 5bis: OFF BALANCE SHEET for DG OIL

OFF BALANCE	2020	2019
OB.1. Contingent Assets	224.203	224.203
GR for performance	224.203,00	224.203,00
OB.3. Other Significant Disclosures	-598.171.776,85	-666.853.286,58
OB.3.3.7.Other contractual commitments	-354.442.612,57	-384.952.287,55
OB.3.5. Operating lease commitments	-243.729.164,28	-281.900.999,03
OB.4. Balancing Accounts	597.947.573,85	666.629.083,58
OB.4. Balancing Accounts	597.947.573,85	666.629.083,58
OFF BALANCE	0,00	0,00

Explanatory Notes (facultative):

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

It 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

TABLE 6: AVERAGE PAYMENT TIMES in 2020 for OIL

Legal Times									
Maximum Payment Time (Days)	Total Number of Payments	Nbr of Payments within Time Limit	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)	Late Payments Amount	Percentage
30	3523	3410	96,79 %	16,51	113	3,21 %	53,42	713.802,86	1 %
45	66	66	100,00 %	17,8				0	0 %
60	29	29	100,00 %	21,48				0	0 %

Total Number of Payments	3618	3505	96,88 %		113	3,12 %		713.802,86	1 %
Average Net Payment Time	17,73			16,58			53,42		
Average Gross Payment Time	18,2			16,8			61,65		

Suspensions							
Average Report Approval Suspension Days	Average Payment Suspension Days	Number of Suspended Payments	% of Total Number	Total Number of Payments	Amount of Suspended Payments	% of Total Amount	Total Paid Amount
0	37	46	1,27 %	3618	960.860,00	0,68 %	141.099.082,57

Late Interest paid in 2020			
DG	GL Account	Description	Amount (Eur)
OIL	65010100	Interest on late payment of charges New FR	732,89
			732,89

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

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 2020 for DG OIL

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	
50	PROCEEDS FROM THE SALE OF MOVABLE AND IMMOVABLE PROPERTY	51.295,15	31.635,00	82.930,15	19.479,15	31.635,00	51.114,15	31.816,00
51	PROCEEDS FROM LETTING AND HIRING	5.280.441,91	3.988.669,00	9.269.110,91	1.196.314,91	3.988.669,00	5.184.983,91	4.084.127,00
55	REVENUE FROM THE PROCEEDS OF SERVICES SUPPLIED AND WORK CARRIED OUT	2.644.210,48	1.242.277,00	3.886.487,48	371.579,61	1.242.277,00	1.613.856,61	2.272.630,87
57	OTHER CONTRIBUTIONS AND REFUNDS IN CONNECTION WITH THE ADMINISTRATIVE OPERATION OF THE INSTITUTION	2.716.006,77	549.530,66	3.265.537,43	2.590.905,74	409.487,27	3.000.393,01	265.144,42
58	MISCELLANEOUS COMPENSATION	8.594,76	0,00	8.594,76	2.418,95	0,00	2.418,95	6.175,81
Total DG OIL		10.700.549,07	5.812.111,66	16.512.660,73	4.180.698,36	5.672.068,27	9.852.766,63	6.659.894,1

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

TABLE 8: RECOVERY OF PAYMENTS in 2020 for DG OIL

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
No Link			411	10.397.062,68		
Sub-Total			411	10.397.062,68		

EXPENSES BUDGET	Irregularity		OLAF Notified		Total undue payments recovered		Total transactions in recovery context (incl. non-qualified)		% Qualified/Total RC	
	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount
INCOME LINES IN INVOICES										
NON ELIGIBLE IN COST CLAIMS										
CREDIT NOTES							185	2.894.349,15		
Sub-Total							185	2.894.349,15		
GRAND TOTAL							596	13.291.411,83		

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 for DG OIL

	Number at 01/01/2020	Number at 31/12/2020	Evolution	Open Amount (Eur) at 01/01/2020	Open Amount (Eur) at 31/12/2020	Evolution
2016	1	1	0,00 %	140.043,39	140.043,39	0,00 %
2019	43		-100,00 %	5.672.068,27		-100,00 %
2020		43			6.519.850,71	
	44	44	0,00 %	5.812.111,66	6.659.894,10	14,59 %

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

TABLE 11: Negotiated Procedures in 2020 for DG OIL**Internal Procedures > € 60,000**

Negotiated Procedure Legal base	Number of Procedures	Amount (€)
Annex 1 - 11.1 (b) - Artistic/technical reasons or exclusive rights or technical monopoly/captive market	3	510.976,99
Total	3	510.976,99

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

TABLE 12: Summary of Procedures in 2020 for DG OIL**Internal Procedures > € 60,000**

Procedure Legal base	Number of Procedures	Amount (€)
Negotiated procedure middle value contract (Annex 1 - 14.2)	5	666.700,00
Negotiated procedure without prior publication (Annex 1 - 11.1)	3	510.976,99
Negotiated Procedure without publication of a contract notice Art. 126 IR	1	114.020,49
Open procedure (FR 164 (1)(a))	8	67.138.000,00
Total	17	68.429.697,48

Additional Comments:

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

TABLE 13: BUILDING CONTRACTS in 2020 for DG OIL

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

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

TABLE 14: CONTRACTS DECLARED SECRET in 2020 for DG OIL

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

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

TABLE 15: FPA duration exceeds 4 years - DG

None of your FPA (if any) exceeds 4 years

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

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

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

ANNEX 4: Financial Scorecard

DG OIL

Annex 4 of each Commission service summarises the annual result of the standard financial indicators measurement. Annexed to the Annual Activity Report 2020, 6 standard financial indicators are presented below, each with its objective, category, definition, and result for the Commission service and for the EC as a whole (for benchmarking purposes)²²:

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

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


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

²² If the EC service did not perform any transaction in the area measured by the indicator or the information is not available in the central financial system, the indicator is not calculated (i.e. displayed as “-”) in this Annex.

Indicator	CA Implementation
Category	Efficiency Controls / Budget
Objective	Ensure efficient use of commitment appropriations
Result	<p>DG OIL achieved 100% compared to the EC result of 99%</p> <p>The chart displays a scale from 0% to 100% in 20% increments. A red bar extends to the 100% mark. A green segment is located between approximately 85% and 99%, with a label 'EC (99%)' at its end. The remaining portion of the bar from 99% to 100% is colored red.</p>
Comment	
Definition	<p>Formula: Value A / Value B</p> <ul style="list-style-type: none"> - Value A: Committed L1 Accepted Amount + Direct Committed L2 Accepted Amount (Eur) - Value B: Credit Accepted Com Amount (Eur) <p>Scope:</p> <p>Commitments on all relevant Fund Sources, except for:</p> <ul style="list-style-type: none"> - Internal assigned revenue in first year (C4) - Internal assigned revenue from lettings and sale of buildings and lands (CL) - Repaid advances (structural funds) (C6) - External assigned revenue except for EFTA (FCA, FRT, PO, RO, TCA, TF5, TFC)

Indicator	PA Implementation
Category	Efficiency Controls / Budget
Objective	Ensure efficient use of payment appropriations
Result	<p>DG OIL achieved 71% compared to the EC result of 99%</p> <p>0% 20% 40% 60% 80% 100%</p> <p>71% EC (99%)</p>
Comment	<p>Execution on payment appropriations expiring in 2020 was largely due to the fact that budgetary commitments for expenditure related to buildings in Luxembourg were kept at a conservatively high level, in anticipation of final invoicing for 2019 (energy, for example). OIL continues its effort to make precise estimates and decommit any unused budgetary appropriations.</p>
Definition	<p>Formula: Value A / Value B</p> <ul style="list-style-type: none"> - Value A: Payment Accepted Amount (Eur) - Value B: Credit Accepted Pay Amount (Eur) <p>Scope:</p> <p>Payments on all relevant Fund Sources, except for:</p> <ul style="list-style-type: none"> - Internal assigned revenue in first year (C4) - Internal assigned revenue from lettings and sale of buildings and lands (CL) - Repaid advances (structural funds) (C6) - External assigned revenue except for EFTA (FCA, FRT, PO, RO, TCA, TF5, TFC) <p>Payments stemming from C1, C5, E0 outstanding commitments on the non-staff budget positions that will be carried-forward as C8 to the next financial year</p>

Indicator	CA Forecast Implementation
Category	Efficiency Controls / Budget
Objective	Ensure the cumulative alignment of the commitment implementation with the commitment forecast in a financial year
Result	<p>DG OIL achieved 65% compared to the EC result of 98%</p> <p>0% 20% 40% 60% 80% 100%</p> <p>65% EC (98%)</p>
Comment	The framework contract for the future Jean Monnet 2 building includes an option for advanced payments. The annual amount of these payments is not known in advance but is made available to OIL via an ad-hoc budgetary re-allocation at EC level only in the last quarter of the year, on top of OIL's initial budget. When this amount is substantial enough, as was the case in 2020, the actual levels of budgetary execution deviate significantly from the forecast based on the monthly consumption of the initial OIL budget.
Definition	<p>Formula: $Value A / Value B^{*,**}$</p> <ul style="list-style-type: none"> - Value A: Committed L1 Accepted Amount + Direct Committed L2 Accepted Amount (Eur) - Value B: Commitment Forecast Amount (Eur) <p><i>*if Value A / Value B between 100 and 200% then the result indicator will be equal to $1 - (ABS(Value B - Value A) / Value B)$</i></p> <p><i>**if Value A / Value B > 200 % then the result indicator will be equal to 0%</i></p> <p>Scope:</p> <ul style="list-style-type: none"> - Commitments on all relevant Fund Sources - Commitment Forecast Amount (Eur) from the most up to date forecast version (Initial Mar-Aug, Revised Sep-Dec)

Indicator	<u>PA Forecast Implementation</u>
Category	Efficiency Controls / Budget
Objective	Ensure the cumulative alignment of the payment implementation with the payment forecast in a financial year
Result	<p>DG OIL achieved 80% compared to the EC result of 99%</p> 
Comment	The framework contract for the future Jean Monnet 2 building includes an option for advanced payments. The annual amount of these payments is not known in advance but is made available to OIL via an ad-hoc budgetary re-allocation at EC level only in the last quarter of the year, on top of OIL's initial budget. When this amount is substantial enough, as was the case in 2020, the actual levels of budgetary execution deviate significantly from the forecast based on the monthly consumption of the initial OIL budget.
Definition	<p>Formula: Value A / Value B**,**</p> <ul style="list-style-type: none"> - Value A: Payment Accepted Amount (Eur) - Value B: Payment Forecast Amount (Eur) <p><i>**if Value A / Value B between 100 and 200% then the result indicator will be equal to 1 - (ABS(Value B - Value A) / Value B)</i></p> <p><i>**if Value A / Value B > 200 % then the result indicator will be equal to 0%</i></p> <p>Scope:</p> <ul style="list-style-type: none"> - Payments on all relevant Fund Sources - Payment Forecast Amount (Eur) from the most up to date forecast version (Initial Mar-Aug, Revised Sep-Dec)

Indicator	<u>Global Commitment Absorption</u>
Category	Efficiency Controls / Absorption
Objective	Ensure efficient use of already earmarked commitment appropriations (at L1 level)
Result	<p>DG OIL achieved 99% compared to the EC result of 98%</p> <p>0% 20% 40% 60% 80% 100%</p> <p>EC (98%) 99%</p>
Comment	
Definition	<p>Formula:</p> <ul style="list-style-type: none"> - Value A: Com L1 Consumption amount (Eur) - Value B: Com L1 Initial amount (Eur) + Com L1 Complementary Amount (Eur) + (Com L1 Decommitment Amount (Eur) on all Fund Sources except for C8 and C9) <p>Scope:</p> <ul style="list-style-type: none"> - Com L1 with FDC ILC date from 01/01 to 31/12 of the current year - No movements to the Com L1 Consumption amount (Eur) after the FDC ILC date is taken into account (Generally decommitments of L2 which decrease the Com L1 consumption) <p>Remark: Due to technical limitation, the indicator does not take into account the Com L1 Consumption between the FDC ILC date and the FA FDI allowed as an exception in the external actions for Com L1 of type GF, i.e. with Financing Agreement, under the FR2018 Article 114.2. As a result, the actual Indicator score may be slightly higher than the one reported for DGs using the GF commitments.</p>

Indicator	<u>Timely Payments</u>
Category	Efficiency Controls / Timeliness
Objective	Ensure efficient processing of payments within the legal deadlines
Result	<p>DG OIL achieved 99% compared to the EC result of 99%</p>
Comment	The evolution of the "Timely payments" indicator in OIL over the last three years indicates a slight efficiency gain from 98% to 99% timely payments and proves that OIL's financial circuit is functioning effectively, although a marginal improvement from 99% to 100% is still possible in the future.
Definition	<p>Formula: Value A / Value B</p> <ul style="list-style-type: none"> - Value A: Payment Accepted Amount (Eur) in time <ul style="list-style-type: none"> o In Time: Payment Bank Value Date < = Payment legal deadline - Value B: Payment Accepted Amount (Eur) <p>Scope:</p> <ul style="list-style-type: none"> - Payments made in the current year - Payments valid for payment statistics (DWH Flag "Payment Time Status OK?" = "Y")

ANNEX 5: Materiality criteria

1. Qualitative criteria

The qualitative criteria OIL used to establish that it had no reservations relate to any factual event or significant weaknesses linked to the use of resources, sound financial management or legality and regularity of underlying transactions, which might:

- Harm the image and reputation of the Commission,
- Entail legal liability for the Commission,
- Relate to serious errors in the Office's internal control system.

Significant occurrence of errors in the underlying transactions (legality and regularity)	Ex post controls and audits did not point out any major system weaknesses with financial impact.
Significant control system weaknesses	<p>In order to assess the significance of any weaknesses, the following factors have been taken into account by the Office:</p> <ul style="list-style-type: none"> • the nature and scope of the weakness; • the duration of the weakness; • the existence of compensatory measures (mitigating controls which reduce the impact of the weakness); • the existence of effective corrective actions to correct the weaknesses (action plans and financial corrections) which have had a measurable impact. <p>No significant control weaknesses have been identified for 2020.</p>
Non application of one or more internal control principles	The assessment of the functioning of internal control at OIL does not reveal any issues which have an impact on the declaration of assurance.
Insufficient evidence from internal control systems or audit coverage	In addition to ex-post controls and audits, OIL's exception register, AOSD reports and supervision tools ensure the extensive coverage of the activities of the Office.
Critical issues outlined by the European Court of Auditors or the Internal Audit Service or	There were no critical issues outlined by the European Court of Auditors or the Internal Audit Service or OLAF in 2020 and no critical issues pending from earlier years.

OLAF	<p>OIL continues to collaborate with DG HR, DG BUDG and OIB on the implementation of the recommendations from the European Court of Auditors 2018 special report on the Efficiency of EU spending on office accommodation.</p> <p>In 2020, this essentially concerned the presentation of the buildings portfolio data in the annual reporting to the Budgetary Authority in order to ensure comparability of information.</p> <p>As regards IAS audits from previous years, the Office has only one open recommendation, concerning an in-depth analysis of sickness absences at Office level. The implementation of this recommendation, qualified as important, is ongoing, and is expected to be carried out by end June 2021. Concerning the 2019 IAS limited review on the effective implementation of the Internal Control Framework in OIL, the two recommendations issued, both qualified as important, were implemented in 2020.</p>
Significant reputational events	<p>There were no significant reputational events for OIL in 2020. To arrive at this conclusion OIL considered the following three factors:</p> <ul style="list-style-type: none"> • The nature of the impact on reputation • The breadth of awareness of the event • The duration of impact on reputation
Litigations/potential litigations	<p>No litigations or potential litigations corresponding to the materiality criteria set up by the Commission.</p>

2. Quantitative criteria

In line with the guidelines annexed to Communication COM(2003) 28 of 21 January 2003, the Office considered that the materiality of any reservation should be subject, in quantitative terms, to a threshold of 2% of the authorised payments of the reporting year of the ABB activity concerned.

Since 2019²³, a 'de minimis' threshold for financial reservations has been introduced. Quantified AAR reservations related to residual error rates above the 2% materiality threshold, are deemed not substantial for segments representing less than 5% of a DG's total payments and with a financial impact below EUR 5 million. In such cases, quantified reservations are no longer needed.

²³ Agreement of the Corporate Management Board of 30/4/2019.

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

The Office for Infrastructure and Logistics in Luxembourg manages exclusively administrative expenditure in the direct management mode. Procurement mainly relates to three types of contracts: service, supply and works contracts. Contracts duration: generally, framework contracts are signed for a period of 4 years, whilst direct contracts cover a longer time span (generally five years).

I. Procurement

Stage 1

A. Planning of procurement

Main control objectives: Effectiveness, efficiency and economy, legality and regularity (compliance).

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (the three E's)
Needs not well defined (operationally and economically) and decision to procure inappropriate to meet the operational objectives Discontinuation of the services provided due to a late contracting (poor planning and organisation of the	Planning of procedures is regularly reviewed and discussed at management meetings, degrees of priority are defined for tenders to be launched and adjustments to the planning made if necessary. All elements of tender procedures to be launched (technical specifications, selection and award criteria, estimated amount of the market) are systematically approved by the (sub) delegated authorising Officer and checked by at least 2 people in the Finance	Coverage All key procurement procedures (> 135.000 € and/or having significant impact on the objectives of OIL) are approved at management level Depth (intensity) 100% of the forecasted procurements > 135.000 € are justified in a note addressed by the AOS to the Finance Unit.	Effectiveness: - Regular monitoring of procurement procedures and delays indicators - MP objectives followed through several indicators - Budget reporting - Number of projected tenders cancelled - Number of contracts discontinued due to lack of use (poor planning). Benefits : - reliable procurement planning avoids gaps in business continuity (nq) - rejection of unjustified purchases (nq) - avoiding double calls for tender procedures by

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (the three E's)
procurement procedure)	<p>unit, in close cooperation with the operational units.</p> <p>The current coordination with other institutions and Commission's services at the GTA0 (Groupe Technique Appels d'Offres) enables synergies by sharing procedures and helps to bring relevant adjustments to the overall planning.</p>		<p>coordination with other Commission departments and EU institutions (GTA0)(nq).</p> <p>Efficiency: - Average cost per tender.</p> <p>Economy (costs): - Cost of staff involved in operational and procurement units.</p> <p>(q: quantified; nq: not quantified)</p>

B. Needs assessment and definition of needs

Main control objectives: Effectiveness, efficiency and economy, legality and regularity (compliance with FR and Vade-mecum on procurement).

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (the three E's)
<p>The best offers are not submitted due to the poor definition of the tender specifications.</p> <p>Procurement needs for complex works and services designed in a way that does not facilitate the management of the contract.</p> <p>Insufficient number of tenderers or candidates responding to calls for tenders.</p> <p>Risk of discontinued services resulting from procurement procedure.</p>	<p>Procurement procedures, at the exception of buildings procedures, are conducted by the central procurement sector for consistency with the FR and for quality revision of the tender documents.</p> <p>All the specifications are verified so as to avoid technical requirements drafted in a too restrictive way.</p> <p>a) Application of best practice by obtaining technical specifications for identical calls for tenders from other DGs and/or other institutions.</p> <p>b) Controls by AOSD (supervision and approval of specifications within the operational units)</p> <p>c) Additional supervisory verification by the finance unit (sector Contracts and Calls for Tenders mainly), in close cooperation with the operational units).</p> <p>For low value markets, more suppliers than required by the norms are consulted.</p> <p>For all new calls for tenders, tender</p>	<p>Coverage Procurement procedures conducted by central procurement sector</p> <p>Tender specifications submitted by the operational units entirely checked.</p> <p>Depth (intensity): Determined by the amount and/or the impact on the operational objectives pursued.</p>	<p>Effectiveness: - - Number of procedures and contracts signed - Number of 'open' or procedures where only one or no offers were received. - Number of negative GAMA opinions - Recommendations from ECA, IAS - Register of exceptions - Anti fraud indicators (e.g. OLAF or IDOC investigations opened).</p> <p>Benefits :</p> <p>- Increased competition and value for money (q) - legal certainty (nq) - litigations avoided (nq) - risk of cancellation of a tender limited (nq).</p> <p>Efficiency: - Estimated average cost of a procurement procedure.</p> <p>Economy (costs): - Estimation of cost of staff involved from operational units and procurement sector.</p> <p>(q: quantified; nq: not quantified)</p>

	documents are actively revised to simplify them. For markets requiring publication in the OJ and for which proximity is a selection criteria, tender notices give rise to adequate publicity in the neighbouring region's press.		
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C. Selection of the offer and evaluation

Main control objectives: Effectiveness, efficiency and economy; Legality and regularity (compliance with FR and Vade-mecum on procurement); Fraud prevention and detection.

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (the three E's)
<p>The most economically advantageous offer not being selected, due to a biased, inaccurate or unfair evaluation process.</p> <p>Risk of fraud, unequal treatment of tenderers, legal action, financial penalties or bad</p>	<p>For all tenders above 135.000 €, opening and evaluation committees are systematically appointed and include an external member from other DGs or institutions.</p> <p>Members of opening and evaluation committees sign a declaration of absence of conflict of interest and are aware of their obligations and are reminded by the finance unit of the key procedural steps, in order to</p>	<p>Coverage :</p> <ul style="list-style-type: none"> - All procurement procedures, whatever their amount, are verified from a technical and procedural angle. -Risk based sampling combined with random sampling done by the GAMA group. 	<p>Effectiveness:</p> <ul style="list-style-type: none"> - Procurement reporting (status of procedures, - Number of unsuccessful procurement procedures - Number of negative GAMA opinions - Register of exceptions - Anti fraud indicators - Number of 'valid' complaints or litigation cases filed. <p>Benefits :</p> <ul style="list-style-type: none"> - Increased legal certainty (nq); - Compliance with FR and vade-mecum on procurement (nq); - Difference between the most onerous offer and the

<p>reputation resulting from unethical behaviour, breach of confidentiality rules or non-compliance rules with the procurement rules.</p>	<p>reduce the risk of contest by tenderers; systematic measures are being taken to ensure confidentiality as to on-going procedures, including for low value procurement.</p> <p>Evaluation is based exclusively on the criteria set out in the tender specifications.</p> <p>Compulsory trainings for staff involved in procurement.</p> <p>Central services are consulted for advice, including the legal service if necessary.</p> <p>Tenders above 135.000 € are notified to GAMA. After sampling or on request of the authorizing officer the consultative GAMA committee provides an opinion as to the compliance with FR.</p>	<p>Depth (intensity) : All underlying documentation is checked.</p>	<p>selected one (q)</p> <ul style="list-style-type: none"> - Potential irregularities/ inefficiencies prevented (nq) - Risk of fraud or litigation reduced (nq). <p>Efficiency:</p> <ul style="list-style-type: none"> - Average cost of a tendering procedure. - Recommendations from ECA, IAS. <p>Economy (costs):</p> <ul style="list-style-type: none"> - OIL is a member of the GAMA group (2 people – part of their time) - Participation in the meeting of officers from operational and procurement units for sampled files. <p>(q: quantified; nq: not quantified)</p>
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Stage 2 – Financial transactions

Expenditure implementation (commitment, validation authorisation and payment of expenditure)

Main control objectives: Ensuring that the implementation of the contract is in compliance with the signed contract; legality and regularity (compliance with FR), fraud prevention and detection, safeguarding of assets

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (the three E's)
<p>The products, services/works foreseen are not, totally or partially, provided in accordance with the technical description and requirements foreseen in the contract (L&R and SFM).</p> <p>Inefficient management of funds (SFM) including late reinforcement of existing budgetary commitment.</p> <p>Inaccurate reporting leading to wrong management decisions.</p>	<p>All transactions (payments and commitments) are controlled based on financial procedures in place.</p> <p>Delegations of powers (AOSD, CAF ...) are documented and updated.</p> <p>Operational and financial checks are performed in accordance with the financial circuits (four eyes principles). Specialized training sessions are organized to reinforce the quality of financial files.</p> <p>OIL applies additional guidelines to support the CAF process including quality checks for the most complex contracts.</p>	<p>Coverage All transactions (payments and commitments) are controlled based on financial procedures in place.</p> <p>Depth (intensity) Determined by the amount and/or impact on the operational objectives (complexity of services, studies or works, technical equipment, received etc...) as defined in the risk register.</p>	<p>Effectiveness:</p> <ul style="list-style-type: none"> - % of payments handled outside contractual delays - Value of late interest payments - Average time to pay - Budget reporting - ECA's DAS recommendations - IAS recommendations - % of a posteriori payments - AOSD reports. <p>Benefits:</p> <ul style="list-style-type: none"> - Errors, frauds and potential litigations prevented or minimized (nq) - Sound financial management and respect of contractual deadlines (q) - Accounting errors identified and corrected at an early stage (q). <p>Efficiency:</p> <ul style="list-style-type: none"> - Time-to-payment - Late interest payment and damages paid (by the Commission).

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (the three E's)
	Controls embedded in the IT applications (ABAC SAM) for budgetary commitments		Economy (costs): - estimation of cost of staff involved. (q: quantified; nq: not quantified)
Safeguarding of assets not properly ensured (lost, stolen or written off)	Regular tracking exercises. Supplementary controls are embedded in the IT application (ABAC SAM) for assets. Accounting controls on assets.	Coverage: all assets checked every three years (3 yearly inventory), based on the inventory regulation (Règlement d'inventaire). Depth (intensity) : Include access to underlying documentation.	Effectiveness: - Percentage of non-located assets. Benefits: - EC property safeguarded (nq). Efficiency: - Tracking rate. Economy (costs): - estimation of cost of staff involved (Part of the time of GBIs in the Commission + The team responsible for the inventory + The accounting staff). (q: quantified; nq: not quantified)

Stage 3 - Supervisory measures

Main control objectives: legality and regularity (FR, ICF...), detection and correction of weaknesses

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (the three E's)
<p>Reliability of reporting not ensured (decisions made on the basis of erroneous information and data).</p> <p>Sound financial management aspects not adequately monitored.</p> <p>Internal control systems not well defined or applied (internal control framework not correctly implemented): risks not well identified and/or correctly managed.</p> <p>Risk of litigations and reputational damage due to non-compliance with rules in force (FR, accounting).</p> <p>Risks of errors not prevented, detected or corrected by ex-ante control.</p>	<p>Supervisory checks on the management of contracts and related financial transactions by quality cells, under the supervision of AOS.</p> <p>AOSD reports issued every six months, including SFM aspects: financial data submitted by the financial unit and controls by financial correspondents.</p> <p>Register of exceptions, open audit recommendations are analysed, registered and actions taken to address weaknesses.</p> <p>Internal procedures regularly updated.</p> <p>Compliance with Internal Control Framework monitored regularly, risk management performed and risk register implemented (mitigating measures).</p>	<p>Coverage Any item or transaction (if applicable).</p> <p>Depth (intensity): Controls foreseen in the instructions from central services or in the decision of creation of the Offices (governance aspects).</p>	<p>Effectiveness:</p> <ul style="list-style-type: none"> - % of AOSD reports awaited - % of audit recommendations implemented on time - % of a posteriori payments - Number of IC principles not fully compliant or ineffective - Anti fraud indicators (e.g. OLAF or IDOC investigations opened) - Risk assessment results and related mitigated actions. <p>Benefits:</p> <ul style="list-style-type: none"> - issues are addressed and followed-up (nq); - Processes and procedures improved (nq); - Continuous improvement of the internal control system (nq); - Contributes to the reasonable assurance (nq); - Issues are followed up and addressed (nq); - Processes and procedures improved (nq); - Amounts detected associated with fraud & error (q); - Deterrents & systematic weaknesses corrected (nq). <p>Efficiency:</p> <ul style="list-style-type: none"> - Costs of the ex post controls and supervisory measures with respect to the 'benefits'; - Average cost of an ex-post control. <p>Economy (costs):</p>

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (the three E's)
	<p>Antifraud strategy and related anti-fraud controls.</p> <p>Quality of reporting assessed (feedback from management board and Commissioner analysed and correction done if needed) three times per year: MAPF, MP, AAR mid-term review.</p>		<p>- Estimation of cost of staff involved</p> <p>(q: quantified; nq: not quantified).</p>

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (the three E's)
<p>Risk of litigations and reputational damage due to non-compliance with rules in force (FR, accounting)</p> <p>Risks of errors not prevented, detected or corrected by ex-ante control</p>	<p>Ex post controls cover a representative sample of financial transactions and purchasing procedures.</p>	<p>Coverage Two samples selected by ex post, one risk based (50%) and one random (50%)</p> <p>Depth: Look for any systemic problem in the purchasing procedure and in the financial transaction procedure</p>	<p>Effectiveness: - Number of significant errors highlighted by EPC (errors at level 5)</p> <p>Benefits: - Correction of errors and continuous improvement of the internal control system (nq); - Deterrent & systematic weaknesses corrected (nq); - Operational and financial objectives attained, instructions and policies set up by central services adequately followed, sound internal control environment.</p> <p>Efficiency: - % of the execution of the annual ex post control programme -% of errors vs total checked.</p> <p>Economy (costs): - Estimation of cost of staff involved (mainly management staff).</p> <p>(q: quantified; nq: not quantified)</p>

II. Revenues

Due to the nature of its activities and its interinstitutional role, the Office recovers allocated revenue either from other institutions/equivalent bodies or from the users of various services. The types of revenue are generated through the sub-letting of property, the provision of office supplies and furniture, catering services, the Interinstitutional Children's Centre (CPE) and the Fitness Centre.

Stage 1. Planning

Main control objectives: Effectiveness, efficiency and economy, legality and regularity (compliance)

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (the three E's)
<p>Recognition of the revenues is not done at the right moment (e.g. when they become due, when the ownership is transferred, when they become certain) or not for the right amount.</p> <p>Failure to notify the debtor through a pre-information letter or dispute from the debtor of the pre-information letter.</p> <p>Failure/ oversight to initiate the Recovery Order transaction.</p>	<p>Follow up of the recoveries for the interinstitutional budget (CPE and Foyer) and CAS subventions.</p> <p>Separate circuit and controls implemented for the catering activities – Delegated accountant, OSCAR and CIEL software.</p> <p>Timely and accurate follow up of the SLAs and contracts which give rights to recoveries.</p>	<p>Coverage All recovery orders or recoveries for catering activities.</p> <p>Depth (intensity) : Intensive controls including check of underlying documentation.</p>	<p>Effectiveness: - Regular monitoring of the cashing of the recoveries; - Budget reporting.</p> <p>Benefits: - Exhaustiveness of recoveries (q); - Less revenues cashed in with delays (q); - Error and fraud minimized (nq).</p> <p>Efficiency: - MP objectives followed through several indicators.</p> <p>Economy (costs): - Estimation of cost of staff involved in the recovery of revenue.</p> <p>(q: quantified; nq: not quantified)</p>

Stage 2 - Financial transactions

Main control objectives: Ensuring that the implementation of the contract is compliant with the signed contract; legality and regularity (compliance with FR and with the contract signed), fraud prevention and detection, safeguarding of assets

Effectiveness, efficiency and economy, legality and regularity (compliance with FR)

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (the three E's)
<p>Risk that counterparties pay or do not pay in time</p> <p>Risk of bad reputation due to non-compliance with rules in force (FR, accounting)</p> <p>Risk of mismanagement of cash income (specifically for catering activities)</p>	<p>Budget reporting includes revenue operations.</p> <p>A specific procedure for the recovery orders, encompassing all the specific cases managed by OIL: same level of controls and reporting as for expenditure.</p> <p>Recovery orders delays are followed up, on the basis of BO reports and quarterly reporting.</p> <p>Recovery orders exceptions kept in the register of exceptions.</p> <p>AOSD reports on financial matters include Recovery Orders.</p> <p>Specific procedures for the management and reporting of cash processes.</p> <p>Offsetting of unpaid recoveries with the amounts of invoices to be paid.</p>	<p>Coverage All recovery orders or recoveries for catering activities.</p> <p>Depth (intensity) : Intensive controls including check of underlying documentation.</p>	<p>Effectiveness:</p> <ul style="list-style-type: none"> - Amount of revenue generated - Reports by the catering controller - ECA and IAS audit recommendations - Register of exceptions - AOSD reports. <p>Benefits:</p> <ul style="list-style-type: none"> - Maximisation of amount of the revenue generated (q) - Less revenues cashed in with delays (q) - Error and fraud minimized (nq). <p>Efficiency:</p> <ul style="list-style-type: none"> - Percentage of outstanding recovery orders - Error detected by ex post control on the revenue operations. <p>Economy (costs):</p> <ul style="list-style-type: none"> - Estimation of cost of staff involved in the recovery of revenue. <p>(q: quantified; nq: not quantified)</p>

Stage 3. Supervisory measures

Main control objectives: legality and regularity (FR, ICF), detection and correction of weaknesses

Main risks It may happen (again) that..	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (the three E's)
<p>The ex-ante controls fail to prevent, detect and correct negligence, irregularities, errors, losses or attempted fraud.</p>	<p>Ex-post control strategy (“surveillance” performed by independent staff not involved in the operational and financial circuits): carry out desk-reviews of a representative sample of operations to determine effectiveness of ex-ante controls (+ consider ex-post findings for feedback and improving the ex-ante controls)</p> <p>Recommended: to be able to serve multiple purposes (e.g. overall assurance, largest corrections), consider having at least 2 segments in the sampling, respectively random/representative and risk-based (for ‘complex’ transactions)</p> <p>If error rate over tolerable threshold, control a risk-based</p>	<p>Coverage:</p> <ul style="list-style-type: none"> • Representative sample: random sample sufficiently representative to draw valid management conclusions • Risk-based sample, determined in accordance with the selected risk criteria, aimed to maximise error correction (either higher amounts or expected error rate). <p>Depth:</p> <p>Desk review of all underlying elements and documents.</p>	<p>Effectiveness:</p> <ul style="list-style-type: none"> - % of the execution of the annual ex post control programme - number of significant errors highlighted by EPC (errors at level S). <p>Benefits:</p> <ul style="list-style-type: none"> - Budget value of the errors, detected by the supervisors, which have actually been corrected. <p>Efficiency:</p> <ul style="list-style-type: none"> - % of errors vs total checked. <p>Economy (costs):</p> <ul style="list-style-type: none"> - Estimation of cost of staff involved in the supervision strategy (which may include missions and/or contracted services). <p>(q: quantified; nq: not quantified)</p>

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (the three E's)
	sample to lower the residual error rate below the tolerable threshold.		

ANNEX 7: Specific annexes related to "Financial Management"

PART 2.1 Financial management and internal control – additional information

Budget implementation tasks entrusted to other services and entities

The activities concerned by a co-delegation mechanism were recurrent tasks delegated to PMO²⁴ for the payment of salaries and missions. In addition, OIL co-delegated to DG HR the budget for the interim staff (excluding budget for CPE and catering interim staff, which is managed by OIL) and training, and to DIGIT the budget for the IT infrastructure and ICT support.

Moreover, OIL gave a co-delegation to OIB in the context of the synergies and efficiencies projects OIL-OIB, in particular for the development of the eKidWeb application. A cross sub-delegation was given to PMO for the payment of mobility subsidies to staff.

Other co-delegation mechanisms are in place with DG COMM, OP, PMO and EPSO for the management of the buildings and maintenance.

Another co-delegation was received from DG JUST for the preparatory steps in order to ensure a timely operational functioning of EPPO in its premises in Luxembourg.

Main financial data - Administrative expenditure and revenue

The sources of OIL's budget were:

- budget appropriations (own credits and co-delegated or sub-delegated credits) [type C1;C8;E0];
- appropriations from internally assigned revenue: recovery orders from services provided to other Commission services and other institutions [type C4, C5];
- Appropriations from externally assigned revenue: parental contributions to the CPE [type R0]. Due to the COVID-19 health crisis and subsequent teleworking context, this revenue marked a substantial decrease in 2020. Despite OIL's efforts to rationalise costs in the new setting, the EU institutions were asked to partially compensate the loss of revenue by an additional ad-hoc contribution;
- Revenue from the catering activity, including at the Foyer européen. Due to the COVID-19 health crisis and subsequent teleworking context, the latter revenue marked a substantial decrease in 2020. Despite OIL's efforts to rationalise costs in the new setting, the Commission had to partially compensate the loss of catering revenue by an additional ad-hoc budgetary allocation.

²⁴ Office for the Administration and Payment of Individual Entitlements.

Ex-post controls – details

A. Procurement – administrative expenditure

The results of the ex-post controls of procurement-administrative expenditure are summarised in the following table:

OIL	Payments made (2020; €)	Average Error Rate (weighted AER; %)	Estimated overall amount at risk at payment (FY; €)	Average Recoveries and Corrections (<i>adjusted</i> ARC; %)	Estimated future corrections (2020; €)	Estimated overall amount at risk <i>at closure</i> (€)
Procurement	144 307 780 ²⁵	0,5	721 539	0	0	721 539

B. Revenue

The results of the ex-post controls of revenue are summarised in the following table:

OIL	Revenue made (2020; €)	Average Error Rate (weighted AER; %)	Estimated overall amount at risk at payment (FY; €)	Average Recoveries and Corrections (<i>adjusted</i> ARC; %)	Estimated future corrections (2020; €)	Estimated overall amount at risk <i>at closure</i> (€)
Revenue	12 687 369 ²⁶	0	0	0	0	0

Efficiency = the Time-to-... indicators and other efficiency indicators - details

- OIL Payment Time Statistics

The evolution of the “Timely payments” indicator for OIL over the last three years is available in the table “Time-to-pay indicators (2018 – 2020)” below:

Year	Total number of payments	On-time payments (% of total payment amounts)
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²⁵ This amount is comprised of: 141 098 881 € (“OUTTURN ON PAYMENT APPROPRIATIONS in 2020 for DG OIL”, Annex 3, Table 2) and 3 211 413,95 € revenue from the catering activity managed by OIL

²⁶ This amount is comprised of: 9 852 766,63 € “Revenue and income cashed from, Total” (Annex 3, table 7) and 2 834 602,41 € revenue from the catering activity managed by OIL.

2018	4908	98%
2019	4445	98%
2020	3616	99%

Table: Time-to-pay indicators (2018 – 2020).

Other efficiency aspects

OIL continued to work on improving the efficiency of its financial circuits in 2020. The new Business Objects (BO) reports facilitated reporting by authorising officers by sub-delegation (AOSDs), providing useful information to the members of OIL's internal financial correspondent network.

Specific year-end monitoring of financial transactions was enhanced based on the experience gained in the past years. Furthermore, OIL continued to work closely with DG BUDG for the improvement of financial information systems and data quality.

Economy = the estimated cost of controls - details

Procurement – administrative expenditure

OIL's public procurement controls are implemented to ensure that tendering and awarding procedures and subsequent administrative follow-up and payment transactions fully comply with applicable rules and provide reasonable assurance to the competent Authorising Officers. Moreover, OIL participates in the inter-service group on public procurement (GAMA). In 2020, OIL submitted seven procurement dossiers to the GAMA, out of which two were selected for analysis. Both files received a positive opinion.

Revenue

The use of specialised software enables the efficient management of revenues from catering activities: CIEL for accounting and OSCAR for cash and inventory management.

The electronic sending of debit notes to parents of children at the CPE and to other EU institutions continued in 2020.

No case of forced recovery was registered in 2020. The forced recovery case registered in OIL in 2016 (failure of a contractor to carry out the works entrusted through a contract) is followed up closely in cooperation with the Legal Service.

The ageing balance of recovery orders (ROs) indicates a relative increase of major overdue items pending at year-end (see Annex 3, Table 9). The difference between the open amount at 1 January 2020 and the open amount at 31 December 2020 mainly comes from the fact that OIL issued an important number of recovery orders for large amounts at the end of December 2020, in an effort to collect as quickly as possible contributions to the CPE and *the Foyer européen* activities from the other EU institutions. As a result, the amount

open at the end of 2020 is larger than at the beginning of the year, but as it is payable in early 2021, it does not point to a deficiency.

Table Y - Overview of DG's/EA's estimated cost of controls at Commission (EC) level:

NB. The absolute values are presented in million EUR.

Title of the Relevant Control System (RCS)	Ex ante controls			Ex post controls			Total**	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	EC total costs	related funds managed/concerned*	Ratio (%)** (a)/(b)	EC total costs	total value verified and/or audited	Ratio (%) (d)/(e)	EC total estimated cost of controls (a)+(d)	Ratio (%)* (g)/(b)
1. Procurement	2,55	146,15	1,75%	0,09	57,46	0,16%	2,64	1,81%
2. Revenue	0,38	13,06	2,91%	0,02	7,34	0,30%	0,40	3,08%
OVERALL total estimated cost of control at EC level	2,93	159,21	1,84%	0,11	64,80	0,17%	3,04	1,91%

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

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

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

Specific objective 9: The authorising officer by delegation has reasonable assurance that resources have been used in accordance with the principles of sound financial management, and that cost-effective controls are in place which give the necessary guarantees concerning the legality and regularity of underlying transactions

Result indicator: Estimated risk at closure

Explanation: This indicator is the best, conservative estimation of the expenditure authorised during the year, which would be still in breach of applicable regulatory and contractual provisions, in value terms. It is calculated by subtracting the estimated future corrections from the estimated overall risk at payment. The indicator is expressed in % of the relevant expenditure (or revenue).

Source of data: OIL ex post control report

Baseline (2019)	Target (2024)	Latest known results (2020)
0,5%	≤ 0,5%	0,5%

Result indicator: Detected error rate

Explanation: This indicator measures the error rate detected by OIL’s ex post controller. It is calculated as a ratio between the amount of the detected error divided by the total amount of the relevant expenditure (or revenue) controlled.

Source of data: OIL ex post control report

Baseline (2019)	Target (2024)	Latest known results (2020)
0,5%	≤ 0,5%	0,5%

Result indicator: Overall cost of controls (%)

Explanation: This indicator measures OIL’s control effort during the ex-ante and ex post control stages. It is calculated as a ratio between the total cost of ex ante and ex post controls divided by the total amount of the relevant expenditure (or revenue) controlled.

Source of data: Document “Cumulative cost of controls OIL 2019”

Baseline (2019)	Target (2024)	Latest known results (2020)
2,38%	2,5%	1,91%

Result indicator: 3-year rolling inventory control of items – percentage of scanned items vs. theoretical inventory (furniture and equipment)

Explanation: This indicator measures the percentage of assets found during the scanning exercises compared to the theoretical inventory.

Source of data: OIL.03 – Inventory team – file “Statistiques par bâtiment”

Baseline (2020)	Target (2023 ²⁷)	Latest known results (2020)
90%	93%	92,2%

Management plan 2020 expected outputs

Main outputs in 2020:			
Output	Indicator	Target	Latest known results (situation on 31/12/2020)
Carry out the regular program of annual ex-post controls.	Number of reports	2 per year	2
Reliability of the accounts.	Accounting Observation Letter from ECA.	0	0
Closing of outstanding audit recommendations.	Number of recommendations still open after deadlines agreed with the auditing entity.	0	0
Strengthen procurement through participation in GAMA ²⁸ .	Number of negative opinions from GAMA.	0	0
Effective controls: Legal and regular transactions	Detected error rate	≤ 0,5% of relevant expenditure	0,5%
	Estimated risk at closure	≤ 0,5% of relevant expenditure	0,5%
Efficient controls	Budget execution rate	≥ 93% of payment appropriations	100%

²⁷ The target year corresponds to a complete 3-year inventory cycle. The intermediate target value for 2024 will be adapted in the 2024 management plan, taking into account the results of the 2021-2023 inventory cycle.

²⁸ GAMA = "Groupe d'analyse des marchés administratifs".

Efficient controls	Time-to-pay	97% of number of payments	97%
Efficient controls	Time-to-procure	9 months	6 months
Economical controls	Overall estimated cost of controls	2,5% of funds managed	1,91%
Awareness-raising sessions regarding internal control and risk management in OIL.	Number of sessions organised	2	0 ²⁹

Fraud risk management – additional information

Fraud prevention, detection and correction

The three objectives of OIL's new anti-fraud strategy 2020-2022 are to:

- Further fraud-proof OIL's internal procedures and monitor their effectiveness and efficiency in the prevention, detection, and reparation of fraud;
- Raise the level of fraud awareness, including about professional ethics, by training actions and relevant internal communication to OIL staff; and
- Maintain and develop an efficient collaboration in the domain of fraud prevention and detection with the European Public Prosecutor's Office (EPPO), the European Anti-Fraud Office (OLAF), the Investigation and Disciplinary Office of the Commission (IDOC) as well as with other Commission services, including via the Fraud Prevention and Detection Network (FPD Net).

As regards other actions in the fraud risk management area, OIL's annual risk management exercise included the assessment of fraud risks and the adoption of appropriate measures in order to mitigate them.

In the field of fraud awareness raising, two specific training sessions for newly arrived staff were organised via videoconference software and voting application, because of the COVID-19 health crisis. Four news articles regarding fraud prevention and detection subjects were published on the My OIL website.

OIL also participated and provided input when necessary in the meetings of the Fraud Prevention and Detection Network (FPD Net) - CAFS action plan measure n° 10.

Strategic plan 2020-2024 result indicators

²⁹ No session was organised because of the COVID-19 crisis, which did not allow for on-site sessions. Internal communication actions on this subject, in a format suited for teleworking, will be organised in 2021.

Specific objective 10: The risk of fraud is minimised through the application of effective anti-fraud measures and the implementation of the Commission Anti-Fraud Strategy aimed at the prevention, detection and correction³⁰ of fraud

Result indicator: Implementation of the actions included in OIL's anti-fraud strategy over the whole strategic plan lifecycle (2020-2024)

Explanation: This indicator measures the percentage of actions from OIL's Anti-Fraud Strategy that are implemented in time.

Source of data: OIL's annual activity report, OIL's anti-fraud strategy, OLAF reporting

Baseline (2019)	Target (2024)	Latest known results (2020)
n/a ³¹	100% of action points implemented on time	100%

Result indicator: Fraud awareness-raising among target populations (number of training sessions organised for OIL staff)

Explanation: This indicator measures the intensity of fraud awareness-raising activities at OIL.

Source of data: OIL's annual activity report

Baseline (2019)	Target (2024)	Latest known results (2020)
2/year	2/year	2/year

Management plan 2020 expected outputs

Main outputs in 2020:			
Output	Indicator	Target	Latest known results (situation on 31/12/2020)
Finalise OIL's Anti-Fraud Strategy (AFS) 2020 – 2022	OIL AFS approved by management	June 2020	June 2020
Organise training sessions for newcomers on	Number of training sessions	2/year	2/year

³⁰ Correction of fraud is an umbrella term, which notably refers to the recovery of amounts unduly spent and to administrative sanctions.

³¹ OIL's new anti-fraud strategy, based on the methodology provided by OLAF, was adopted in June 2020.

specific ethics issues relevant for OIL			
Raise fraud awareness of OIL staff through specific information about anti-fraud activities and documents published on OIL's intranet (ad-hoc news, OLAF and IDOC annual reports, other anti-fraud documents)	Number of fraud-awareness news items published	3/year	4/year
Participate in FPD Net subgroups – in particular in the subgroup on Internal Fraud, where OIL is enlisted	Number of meetings attended	2/year	OIL participated in 4 plenary meetings of the FPD Net. No FPD Net subgroup meetings were organised in 2020.
Reporting on the follow-up of the financial recommendations issued by OLAF	Percentage of OLAF financial recommendations followed-up	100%	n/a OIL did not receive any financial or administrative recommendations from OLAF.

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

Not applicable.

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

PART 2.2 Modern and efficient administration – additional information

2.2.1 Human resource management

Strategic plan 2020-2024 result indicators

Specific objective 8: OIL employs a competent and engaged workforce and contributes to gender equality at all levels of management to effectively deliver on the Commission's priorities and core business		
Result indicator: Number and percentage of first female appointments to middle management positions. Source of data: DG HR.C2		
Baseline (2019)	Target (31/12/2022) ³²	Latest known results (2020)
3 43%	1 first female appointment to middle management	0 first female appointments to middle management (0% of all appointments)
Result indicator: OIL staff engagement index Source of data: Commission staff survey [DG HR]		
Baseline (2018)	Target (2024)	Latest known results (2021)
61%	63%	68% (source: Pulse Survey 13+14)
Result indicator: Percentage of positive answers to the Staff survey question “I achieve a good balance between my work life and my private life” Source of data: OIL		
Baseline (2018)	Target (2024)	Latest known results (/)
72%	75%	No data (no update Staff survey)

³²

The target will be revised and extended for the period 2023-2024 by January 2023.

Management plan 2020 expected outputs

Main outputs in 2020:			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
Replace CPE interim staff by contract agents	Progress made with selection and recruitment	Selection interviews started	Interviews to start in February 2021
Work environment enabling staff to perform optimally	Percentage of positive answers to the Staff survey question "I achieve a good balance between my work life and my private life"	73%	No data (no update Staff survey)
Gender balance in middle management	Ratio: number of women middle managers / total number of middle managers	43%	33%
Engaged staff	OIL staff engagement index	63%	68%

Internal communication activities - details

In the framework of the main activities presented in main part of the report, the following actions were implemented in 2020:

- Communication campaigns: the activities offered at the Foyer européen, the catering service's new offers, organisation of soft mobility actions, EMAS initiatives, video 'Vis ma vie d'éducatrice', virtual visits of the CPE, mini website SAM-ABAC, re-inscriptions for the CPE, photos of a Lithuanian exposition at the Foyer;
- Development of OIL's intranet (MyOIL): video and photos for the reopening of the Foyer européen;
- Videos and other communication material related to corporate communication activities, in particular to the COVID-19 developments: several interviews with John Ryan, Director in DG SANTE, People behind priorities: united against COVID-19);

- Participation in meetings and working groups on the subject of internal communication: CN Network, Europa forum, MyIntracomm forum.

OIL also contributed to the implementation of corporate initiatives such as DG HR's Simpler, Smarter Together initiative, the Fit@Work strategy, Staff Matters Portal, and the Luxweb site.

2.2.2 Digital transformation and information management – additional information

OIL contributed to the Commission's digital transformation and information management by implementing the relevant decisions and initiatives stemming from the Commission's digital strategy and the Commission's 2020-2021 work programme on data, information and knowledge management.

As regards digital transformation, in addition to the main actions presented in main part of the report, the following actions were implemented:

- implementation during December 2020 of EU Sign in OIL;
- implementation of 25 new cash registers for the catering unit (OIL.04). Further to an unsuccessful call for tenders in 2020, a new call for tenders is planned to be launched in 2021 with a common solution, the back-office (currently Ideolys) and the cash-register, with a new higher budget of approximately 300 000 €;
- cooperation with OIB on the applications SYSDRINK/PRESTO for a common business case in order to find the best common IT solution to replace the two current applications. In 2020, a study to find and compare IT solutions has been initiated; in 2021, this study will continue with the analysis of the Pixier solution, and a common business need study has to be done;

As regards OIL's Data Protection Coordinator (DPC), in line with applicable provisions, OIL will ensure that the DPC has consolidated expertise in data protection and is provided with the necessary support and resources, with a clear reporting line to senior management. The DPC shall undergo appropriate training and will be supported by continuous (self) education in the field of data protection. Finally, the DPC will take part in the Network of the Data Protection Coordinators, chaired by the Data Protection Officer, and other relevant meetings.

Strategic plan 2020-2024 result indicators

Specific objective 11: OIL is using innovative, trusted digital solutions for better policy shaping, information management and administrative processes to forge a truly digitally transformed, user-focused and data-driven Commission.			
Result indicator: Degree of implementation of the digital strategy principles by the most important IT solutions ³³			
Source of data: Unit OIL.02			
Baseline (2019)	Interim milestone (2022)	Target (2024)	Latest known results (2020)
GEPI 50%	68%	86%	60%
eKidWeb 50%	64%	82%	55%
Logipax 50%	73%	77%	50%
Result indicator: Percentage of OIL's key data assets for which corporate principles for data governance have been implemented			
Source of data: Unit OIL.02			
Baseline (2019)	Interim milestone (2022)	Target (2024)	Latest known results (2020)
33%	50%	74%	40%
Result indicator: Percentage of staff attending awareness-raising activities on data protection compliance			
Source of data: Data protection coordinator responsible for OIL			
Baseline (2019)	Interim milestone (2022)	Target (2024)	Latest known results (2020)
5%	50%	100%	25%

³³ The European Commission Digital Strategy (C(2018)7118) calls on Commission services to digitally transform their business processes by developing new innovative digital solutions or make evolve the existing ones in line with the principles of the strategy. At the beginning of the year N+1, the Solution Owner and IT Investments Team will assess the progress made based on the proposed modernisation plan. For each of the 3 solutions, a table will reflect – per principle – the progress achieved during the last year.

Management plan 2020 expected outputs

Main outputs in 2020:			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
GEPI software: activation of the waste management module	Module activated	Q4 2020	Q2 - 2021 ³⁴
GEPI software: activation of the intervention request module	Module activated	Q4 2020	Q1 -2021 ³³
Implementation of LOGIPAX software for the transport service	Software implemented	End 2020	Q1 - 2021 ³⁵
Conversion of OIL "legacy" notifications into records	Conversion rate (%)	100%	100%
Implementation in OIL of MS Teams as a first component of Microsoft 365	Software implemented	Q4 2020	Q3 - 2021 ³⁶

³⁴ The activation of the module was delayed because the contractor in charge was unable to deliver in time the migration project linked to the same application and unable to correct the last errors in time due to the COVID-19 pandemic.

³⁵ The implementation by the contractor to use EU Login takes much longer than expected.

³⁶ The implementation was postponed in order to focus on the capabilities of all operational units to telework.

2.2.3 Sound environmental management – additional information

Strategic plan 2020-2024 result indicators

Specific objective 12: OIL takes full account of its environmental impact in all its actions and actively promotes measures to reduce the related day-to-day impact of the administration and its work.		
Result indicator: Number of OIL Staff General Assemblies (GAs) where at least one “Sound environmental management” topic is discussed		
Source of data: Unit OIL.02		
Baseline (2019)	Target (2024)	Latest known results (2020)
2	2	0 ³⁷
Result indicator: Number of EMAS training actions dedicated to specific groups of OIL staff such as educators, drivers, catering staff etc.		
Source of data: Unit OIL.01		
Baseline (2019)	Target (2024)	Latest known results (2020)
1 group trained per year	1 group trained per year	1 (drivers)

³⁷ Due to the COVID-19 health crisis, no OIL Staff General Assembly (GA) was organised in 2020.

Management plan 2020 expected outputs

Main outputs in 2020:			
Output description	Indicator	Target	Latest known results (31/12/2020)
Raise awareness of OIL staff as regards sound environmental management via all communication means available, such as My OIL website, plasma screens.	Number of awareness campaigns	≥1	≥1 ³⁸
Organise specific EMAS training sessions dedicated to educators at the childcare facilities (CPE)	Number of training sessions	1	0 ³⁹
A formal EMAS management review (OIL EMAS committee) meeting is organised at least once a year	Number of meetings	≥1	1

³⁸ 17 different messages regarding sound environmental management were published in 2020.

³⁹ Postponed due to the COVID-19 health crisis.

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

Not applicable.

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

Not applicable.

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

Not applicable.