



# Annual Activity Report 2022

I.D.E.A. - Inspire,  
Debate, Engage and  
Accelerate Action  
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## DG I.D.E.A. IN BRIEF

**I.D.E.A. (Inspire, Debate, Engage and Accelerate Action)** is the European Commission's in-house advisory service, established by a Presidential Decision on 1 December 2019<sup>1</sup>.

I.D.E.A. is placed under the direct authority of the President's Cabinet and reports directly to the President of the European Commission.

According to its mission and mandate, I.D.E.A.'s main tasks include to provide strategic, evidence-based analysis, ideas and inspiration for the core priorities of the President as laid out in her Political Guidelines, and specific, forward-looking policy advice on ongoing and future priorities; to debate and engage around new evidence-based policy alternatives in the community of think tanks, academia, research, and other institutions through active outreach; and to accelerate the conversion of these ideas and engagements into concrete action to help the Commission deliver in a fast-changing context.

I.D.E.A.'s structure is organised around the matters and priorities defined by the President in her Political Guidelines "A Union that strives for more", and consists of 5 teams:

- Geopolitics and Europe in the Global Order,
- Green Deal,
- Digital, Technology and Innovation,
- Social Market Economy, and
- The future of Europe and the EU's institutions.

In 2022, I.D.E.A. continued to support the President on the reflection, design and implementation of concrete policy initiatives, current and forthcoming, as well as the provision of policy advice of a more long-term nature. The initial agenda and strategic planning of the Service, fully aligned with the 2022 political priorities, had to be adapted to the new geopolitical context, namely impacted by **the Russian war of aggression against Ukraine**, to contribute to the effective response of the European Commission. **The long-term geopolitical, economic and social implications** for Europe and its citizens were the common thread of the major part of I.D.E.A.'s outputs all along the year.

**Supporting the President's Cabinet**, I.D.E.A. successfully completed all assignments allocated to the Service during 2022. The Service reinforced significantly its ability to analyse and anticipate trends swiftly and accurately, pointing to key matters of interest for the President and the Institution, and continuing to provide advice and reach out as necessary to the academic and think tank community on the various fields of action of the Commission. I.D.E.A.'s versatile, skilled and experienced team was definitively a key asset to follow, assess and interlink the strategic, economic, climate and technological challenges imposed by the drivers, shocks and challenges that are changing Europe's economy and shaping the new strategic realities facing Europe and its citizens.

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<sup>1</sup> P(2019) 5 of 1 December 2019, Communication from the President to the Commission: I.D.E.A. - Inspire, Debate, Engage and Accelerate Action - Mission, Tasks and Organisation Chart, amended by Decision P(2023) 1 of 24 January 2023

## EXECUTIVE SUMMARY

This annual activity report is a management report of the Head of Unit for Management and Resources, acting as Head of DG I.D.E.A., in her capacity as Authorising Officer by Delegation, to the College of Commissioners. Annual activity reports are the main instrument of management accountability within the Commission and constitute the basis on which the College takes political responsibility for the decisions it takes as well as for the coordinating, executive and management functions it exercises, as laid down in the Treaties <sup>(2)</sup>.

### A. Key results and progress towards achieving the Commission's general objectives and department's specific objectives

This section explains *what* the Service has delivered under **the general objective 7 “A modern, high-performing and sustainable European Commission”**.

In 2022, the Service continued to favour a fully coordinated and integrated approach to tackle the multi-challenges and address the opportunities caused by **the green and digital, transitions, and their impact on the economic, social and geopolitical spheres**. I.D.E.A.'s 5 policy teams and the Service's resources unit have worked in complete synergy to propose a more comprehensive approach of the policy challenges and opportunities through the delivery of numerous strategic notes and policy briefings, and comprehensive milestone “reading Packages”, at key moments in the year (Spring, Summer – ahead of the State of the Union - and end of the year),. These Packages were also an opportunity to compile and analyse contributions and ideas of external actors (in particular think-tanks, academia, and research institutes).

Throughout 2022, I.D.E.A. fed as well into the reflection of the President's Cabinet on the preparation of the **State of the Union Address**, by conducting analysis and research, and organising roundtables with external stakeholders, academics, businesses, NGOs and think tanks, among others. In this context, the Service also prepared the **2022 SOTEU Package**, whose main purpose was to analyse emerging trends, like, among others, the growing impact of foreign influence and interference, disinformation, the importance of global food security and energy supply, rising poverty inequality and the need to address urgently climate change and the increasingly fundamental new technologies, new scenarios and priorities ahead.

Moreover, I.D.E.A. continued with the delivery of the Service's bi-monthly **China Monitor**, and created two new monitors, the first one with a bi-weekly periodicity, to follow the developments linked to the war in **Ukraine, the second, the Democracy Monitor, launched in December 2022**, I.D.E.A. followed in depth the elections and post-electoral developments in the EU Members States and relevant third countries, and its findings were summarised in ad hoc policy briefs and monitoring notes, including the new, temporary, **Monitor on the French elections**. with the aim to present a monthly concise overview of

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<sup>(2)</sup> Article 17(1) of the Treaty on European Union.

most recent key developments and thinking related to democracy in Europe and globally, including trends, challenges and good and/or bad practices.

Moreover, one of the core areas of expertise of the Service being the events'organisation, I.D.E.A. played a key role in the conceptual preparation of the **International Expert Conference on the Recovery, Reconstruction and Modernisation of Ukraine**, which was co-organised by the German G7 Presidency and the European Commission and hosted in Berlin on 25 October 2022. I.D.E.A. continued to host different events and meetings, combining virtual, hybrid and physical formats, and always trying to innovate and implement efficiency gains. A recognition of the Service's expertise and efforts was the award of the 2022 EMAS 1<sup>st</sup> Prize for the organisation of large corporate events, for the organisation of the New European Bauhaus Conference in April 2021.

## A. Key performance indicators

Timeliness and relevance of advice to the President's Cabinet	No quantitative target defined	Successful completion and full satisfaction of the President's Cabinet (very positive regular feedback expressed orally during regular meetings and in e-mails).
Timeliness and relevance of evaluation of ideas and proposals for concrete follow up actions	No quantitative target defined	Alignment of outreach activities with the timeline/calendar defined in the Commission work programme. Ex ante activities to prepare for an adoption of a strategy/package of proposals/consultation etc.
Timeliness, relevance and inclusiveness of outreach activities	No quantitative target defined	Alignment of outreach activities with the timeline/calendar/ ad hoc requests defined by the President Cabinet.
Presence at all coordination meetings of the Presidential Services (Regular coordination meetings with the President's Cabinet)	100%	100%
Reply to relevant consultations to Commission DGs and Services within deadlines	100%	Timely contributions and feedback provided to relevant consultations from other Commission DGs and Services.

## **B. Key conclusions on financial management and internal control**

In line with the Commission's Internal Control Framework, I.D.E.A has assessed its internal control systems during the reporting year and has concluded that it is effective and the components and principles are present and functioning as intended.

Please refer to annual activity report section 2.1.3 for further details.

In addition, I.D.E.A. has systematically examined the available control results and indicators, as well as the observations and recommendations issued by the internal auditor and the European Court of Auditors. These elements have been assessed to determine their impact on management's assurance about the achievement of the control objectives. Please refer to Section 2.1 for further details.

In conclusion, management has reasonable assurance that, overall, suitable controls are in place and working as intended; risks are being appropriately monitored and mitigated. The Head of Unit for Management and Resources, acting as Head of DG I.D.E.A., in her capacity as Authorising Officer by Delegation, has signed the Declaration of Assurance.

### **C. Provision of information to the Commissioner(s)**

In the context of the regular meetings during the year between the DG and the President's Cabinet on management matters, the main elements of this report and assurance declaration have been brought to the attention of the President's Cabinet.




# 1. KEY RESULTS AND PROGRESS TOWARDS ACHIEVING THE COMMISSION'S GENERAL OBJECTIVES AND SPECIFIC OBJECTIVES OF THE DEPARTMENT

The presentation of DG I.D.E.A.'s outputs below is based on the definition of projects listed in the 2022 Management Plan and ad-hoc requests to the service during 2022. Given the complexity of the challenges faced in 2022, in particular in the context of the Russian war of aggression against Ukraine and its impact on the EU policy-making, as well as the nature of role of DG I.D.E.A., the management plan necessarily took into account a large degree of flexibility in order to be able to respond quickly, efficiently and to the highest quality standards to urgent requests and needs for expertise and analysis. The major part of the written contributions and outreach events are prepared proactively by the Service, agreed with the President's Cabinet. Those written contributions delivered and events organised on ad-hoc requests from the President's Cabinet are very usually finalised within short and compelling deadlines (generally one week), which requires great dexterity and agility on the part of the entire Service with very limited resources. This is in full compliance with the KPI mentioned in part B.

## Specific Objective 1.1

**To provide the President with strategic analysis and policy advice related to the political guidelines set by the Commission**

<b>General objective 7. A modern, high-performing and sustainable European Commission</b>			
<b>Specific objective 1.1: To provide the President with strategic analysis and policy advice related to the political guidelines set by the Commission</b>		<i>Related to spending programme(s) N/A</i>	
<b>Main outputs in 2022:</b>			
<b>Other important outputs</b>			
<b>Output description</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results (situation on 31/12/2022)</b>
 Contribution to the President's State of the Union speech and preparation of new initiatives for the forthcoming Commission Work Programme (with the President's Cabinet)	Quality and timeliness of support and contribution to organisation Delivery Outreach	Q2-Q3-Q4	<b>Contribution to the President's Address to the State of the European Union 2022 package (1/07/22)</b>  Policy Briefs <ul style="list-style-type: none"> <li>• Foreign influence,</li> <li>• Migration,</li> <li>• Food security,</li> <li>• Global Gateways,</li> <li>• Quo Vadis: changing geostrategic perspectives,</li> </ul>

			<ul style="list-style-type: none"> <li>• NATO Strategic Concept – analysing key challenges from an EU perspective,</li> <li>• “Re-energising” the Green Deal,</li> <li>• Green Deal: Land – a precious resource in the green transition / use of resources in the context of global fairness,</li> <li>• Accelerating the Digital Transformation: Improving Europe’s Competitive Edge in the Virtual World,</li> <li>• Crypto-currencies,</li> <li>• State of Democracy</li> <li>• Women and STEM.</li> </ul>
Ad hoc policy briefs	Quality and timeliness of support Delivery	Q1 – Q2 – Q3 – Q4	<p>Summary of the German climate plan <b>(14/01/22)</b></p> <p>The First Six Months of the Iranian Foreign Policy under Raisi <b>(20/01/22)</b></p> <p>Strategic Investments into Africa’s Digital Economy <b>(4/02/22)</b></p> <p>Social Media Platforms cracking down Russian Disinformation <b>(25/02/22)</b></p> <p>I.D.E.A. Monitor -Élections présidentielles en France / The French Presidential elections <b>Week 21-25 March (25/03/22), Week 25-29 April (22/04) and Week 16-22 May and Week 6-10 June (10/06)</b></p> <p>I.D.E.A. Easter Package <b>(08/04/22)</b></p> <p>Why the Russian (and Chinese) defence budgets are (much) higher than commonly assumed <b>(13/04/2022)</b></p>

		<p>I.D.E.A. Policy Brief - Australia Federal Elections <b>(20.05.2022)</b></p> <p>China Monitor, editions 12 to 18 <b>(from 14/01/22 until 10/06/22)</b></p> <p>Protecting Critical Infrastructures and reinforcing their resilience <b>(06/10/22)</b></p> <p>US National Security Strategy 2022 <b>(17/10/22)</b></p> <p>A Comprehensive Approach to Mental Health and Well-Being for Europe <b>(19/10/22)</b></p> <p>US Export Controls Targeting China's Chip and Semiconductor Industry <b>(21/10/22)</b></p> <p>The US Senate's National Defence Authorisation Act: Special Procurement Powers for the Pentagon <b>(26/10/22)</b></p> <p>20th National Party Congress of the Chinese Communist Party: Key Policy Implications for the EU <b>(11/11/22)</b></p> <p>The future of cross-strait relations: "lessons" from the Russian invasion of Ukraine <b>(11/11/22)</b></p> <p>A direct right of initiative for the Parliament? <b>(18/11/22)</b></p> <p>A closer look at US mid-term elections and what they mean for Europe <b>(18/11/22)</b></p> <p>China's Global Development Initiative and China's Global Security Initiative A 'BRI 2.0' in the making? <b>(25/11/22)</b></p> <p>EU-US think tank engagement <b>(30/11/22)</b></p>
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			<ol style="list-style-type: none"><li>1. Deepening strategic Transatlantic dialogue between EU and US think tanks. Thinking ahead for common and mutually reinforcing solutions</li><li>2. US think tanks and research centres that could contribute to the EU-US dialogue</li></ol> <p>Contribution to the President's participation at the WEF on cooperation in a fragmented world (<b>20/12/22</b>)</p>
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## Specific Objective 1.2

**To follow-up on the President's priorities through interdisciplinary, cross-cutting, inclusive and interactive ways of working across intellectual, policy and institutional silos**

General objective 7. A modern, high-performing and sustainable European Commission			
Specific objective 1.2: To follow-up on the President's priorities through interdisciplinary, cross-cutting, inclusive and interactive ways of working across intellectual, policy and institutional silos		Related spending programme(s) N/A	to
Main outputs in 2022:			
Other important outputs			
Output description	Indicator	Target	Latest known results (situation on 31/12/2022)
A European Green Deal	Timeliness and relevance of evaluation of ideas and proposals for concrete follow-up actions	Ongoing	
In house coordination of New European Bauhaus Project	Written inputs upon specific request of the President's Cabinet	Ongoing	Preparation and drafting of several NEB speeches  Supervising the drafting of the NEB Compass and the NEB progress report and drafting of the executive summary that were presented on the 18 <sup>th</sup> January 2023 ( <b>drafting all along 2022</b> )  Drafting of the concept of the NEBAcademy ( <b>Nov/Dez 2022</b> )
	Outreach to external experts		Regular meetings with High Level Roundtable Members and National Contact Points for the preparation: National Contact Points meeting ( <b>30/06/22</b> ) High Level Roundtable ( <b>22/11/22</b> )
	Organisation		Organisation and participation to the President's missions for:

	Active participation in events and meetings		<ul style="list-style-type: none"> <li>• Opening of the NEB festival (<b>Rome -June 2022</b>)</li> <li>• Conference “Reconstructing the future” at the Vatican (<b>June 2022</b>)</li> <li>• Conference “Bauhaus into the Woods” (<b>November 2022</b>)</li> </ul> <p>Moderation Prize Ceremony NEB Festival (<b>June 2022</b>)</p> <p>Speaker in various events:</p> <ul style="list-style-type: none"> <li>• Wood4Bauhaus Dialogue (<b>26./01/22</b>)</li> <li>• NEB at Danube (<b>09/05/22</b>)</li> <li>• BEDA Forum (<b>19/05/22</b>)</li> <li>• European Ingenieurs Congress (<b>21/06/22</b>)</li> </ul>
A Europe fit for Digital Age	<p>Timeliness and relevance of evaluation of ideas and proposals for concrete follow-up actions</p> <p>Written inputs upon specific request of the President’s Cabinet</p> <p>Outreach to external experts</p> <p>Delivery of written inputs as requested, Organisation</p> <p>Active participation in events and meetings</p>	Ongoing	<p>Main technological trends for 2022 (<b>14/01/22</b>).</p> <p>US reshaping supply chains (<b>28/01/22</b>)</p> <p>Strengthening Europe’s Digital Leadership (<b>31/01/22</b>)</p> <p>Proposal for the organisation of an event on Cryptocurrencies and Public Governance: The challenges and opportunities of a block chain-based economy (<b>13/04/22</b>)</p> <p>I.D.E.A. Strategic Note – Harnessing the Potential of Quantum Technologies (<b>9/05/22</b>)</p>
An Economy that works for People	<p>Timeliness and relevance of evaluation of ideas and proposals for concrete follow-up actions</p> <p>Variable: Written inputs</p> <p>Outreach to external experts</p>	Ongoing	<p>Launching the Reflection on Europe’s ‘New Economy’ (28/1022)</p> <p>Gender Equality and Foreign Policy (<b>18/02/22</b>)</p> <p>EUI’s State of the European Union 2022: Europe fit for next</p>

	<p>Delivery of written inputs as requested, Organisation</p> <p>Active participation in events and meetings</p>		<p>generation ? – I.D.E.A. Key Highlights <b>(10/05/22)</b></p>
<p>A stronger Europe in the World</p>	<p>Timeliness and relevance of evaluation of ideas and proposals for concrete follow-up actions</p> <p>Written inputs upon specific request of the President’s Cabinet</p> <p>Outreach to external experts</p> <p>Delivery of written inputs as requested, Organisation</p> <p>Active participation in events and meetings</p>	<p>Ongoing</p>	<p>I.D.E.A. Strategic Ukraine Monitor 1 to 14 (<b>24/02, 17/03, 23/03, 1/04, 22/04, 6/05, 10/06, July, 09/09, 30/09, 14/10, 11/11, 15/12/2022</b>)</p> <p>Uneven Face of African Tech Development (<b>14/01/22</b>)</p> <p>China’s changing role in Africa (<b>20/01/22</b>)</p> <p>China’s Common Prosperity Agenda – part I: What it means and why it matters (<b>4/02/22</b>)</p> <p>Analysis in Brief - China’s Common Prosperity Agenda – part II: How the EU can respond to China’s ‘Common Prosperity’ (<b>11/02/2022</b>)</p> <p>US Indo-Pacific Strategy (<b>16/02/22</b>)</p> <p>Strategic note - The Russian challenge to European security: A contribution to structuring the European response (<b>25/02/2022</b>)</p> <p>UKR - Main scenarios and consequences for the European and global security (<b>4/03/22</b>)</p> <p>Key takeaways of the event organised by I.D.E.A. on 28 April “Bolstering European Defence in a conflict-prone world: Closing gaps through enhanced cooperation (<b>13/04/22</b>)</p> <p>I.D.E.A. Summary note – Key messages from external experts on Defence (individual</p>

			<p>interviews conducted by I.D.E.A.) <b>(13/04/22)</b></p> <p>Key takeaways of the event organised by the School of Transnational Governance (STG) EUI – Florence on ‘A conversation with Alexander Stubb: Understanding the War in Ukraine. The EU and Global Perspectives’ (April-May 2022) <b>(13/05/22)</b></p> <p>Australian Elections <b>(20/05/22)</b></p> <p>I.D.E.A. Policy Brief - NATO Strategic Concept: an appraisal from the EU perspective <b>(17/06/22)</b></p> <p>Reconstruction and Transformation of Ukraine: the way ahead <b>(23/06/22)</b></p> <p>European Political Community:</p> <ol style="list-style-type: none"> <li>1. Security and stability</li> <li>2. Energy, climate and economy</li> <li>3. What are thinkers thinking about the European Political Community? <b>(14/10/22)</b></li> <li>4. ANNEX: What are thinkers thinking about the European Political Community? <b>(14/10/22)</b></li> </ol> <p>US National Defence Strategy (11/11/22)</p>
A new push for European democracy	Timeliness and relevance of evaluation of ideas and proposals for concrete follow-up actions Variable: Written inputs	Ongoing	I.D.E.A. Democracy Monitors <b>(22/11/22 and 16/12/22)</b>



	Outreach to external experts Delivery of written inputs as requested, Organisation Active participation in events and meetings		
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### Specific Objective 1.3

To provide the President with effective outreach to relevant stakeholders in the academic, research, think tank, and practitioner’s communities

General objective 7. A modern, high-performing and sustainable European Commission			
Specific objective 1.3: To provide the President and her Cabinet with effective outreach to relevant stakeholders in the academic, research, think tank, and practitioner’s communities		Related to spending programme(s) N/A	
Main outputs in 2021:			
External Communication Actions			
Output description	Indicator	Target	Latest known results (situation on 31/12/2022)
Policy briefings for the Cabinet of the President on relevant topics	Written inputs upon specific request of the President’s Cabinet	Q1-Q4	The US Defence Production Act, <b>(25/02/2022)</b>  Strategic Note – Potential Revision of the EU Treaties <b>(13/05/2022)</b>  Strategic Note - Alleged overburdening of SMEs in the European Union <b>(24/06/2022)</b>
Roundtables with think tanks and experts on key priorities and new initiatives for the preparation of the Commission Work Programme	Organisation, active participation, delivery Number of participants depends on nature and scope of event	ad-hoc requests of the President’s Cabinet	
Roundtables with think tanks and experts to contribute insights and solicit new ideas for the President’s State of the Union speech	Organisation, active participation, delivery Number of participants depends on nature and scope of event	ad-hoc requests of the President’s Cabinet	High Level Think Tanks Dinner <b>(6/09/22)</b> 22 participants
Outreach events linked to President’s priorities	Organisation, active participation, delivery Number of participants depends on nature and scope of event	ad-hoc requests of the President’s Cabinet	High-Level Working Dinner on 'Key issues and policy areas that will shape the EU’s agenda in 2022' <b>(31/01/22)</b> 16 participants  Bilateral outreach to experts on EU Defence <b>(6-12 April 2022)</b>

			<p>9 experts</p> <p>High-Level Policy Working Dinner - Bolstering European Defence in a conflict-prone world: Closing gaps through enhanced cooperation <b>(28/04/22)</b></p> <p>20 participants</p> <p>New European Bauhaus Festival: workshop organised by I.D.E.A. <b>(9-12 June 2022)</b></p> <p>12 experts directly invited by I.D.E.A.</p> <p>Participation in the preparation of the concept, setting and administrative support for the <b>International Expert Conference on the Recovery, Reconstruction and Modernisation of Ukraine – Berlin (25/10/22)</b></p>
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**2. MODERN AND EFFICIENT ADMINISTRATION AND INTERNAL CONTROL**

## 2.1. Financial management and internal control

Assurance is provided on the basis of an objective examination of evidence of the effectiveness of risk management, control and governance processes. This examination is carried out by management, who monitors the functioning of the internal control systems on a continuous basis, and by internal and external auditors. The results are explicitly documented and reported to the management of the Service. The following reports / documentation have been considered:

- The reports from AOSD;
- the reports on recorded exceptions, non-compliance events and any cases of 'confirmation of instructions' (Art 92.3 FR);
- the contribution by the Head of Unit in charge of Risk Management and Internal Control, including the results of internal control monitoring at DG level.

The systematic analysis of the available evidence provides sufficient guarantees as to the completeness and reliability of the information reported and results in the full coverage of the budget delegated to the Head of Unit for Management and Resources, acting as Head of I.D.E.A.

This section covers the control results and other relevant elements that support management's assurance. It is structured into 2.1.1 Control results, 2.1.2 Audit observations and recommendations, 2.1.3 Effectiveness of internal control systems, and resulting in 2.1.4 Conclusions on the assurance.

### 2.1.1. Control results

This section reports and assesses the elements identified by management which support the assurance on the achievement of the internal control objectives (ICO) <sup>(3)</sup>. The DG's assurance building and materiality criteria are outlined in annual activity report annex 5. The annual activity report annex 6 outlines the main risks together with the control processes to mitigate them and the indicators used to measure the performance of the relevant control systems.

- I.D.E.A. has a portfolio of activities that represented a very low risk in financial management. Nevertheless, the (potential) reputational risk shall always be taken into consideration as I.D.E.A operates directly under the President's authority.

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<sup>(3)</sup> 1) Effectiveness, efficiency and economy of operations; 2) reliability of reporting; 3) safeguarding of assets and information; 4) prevention, detection, correction and follow-up of fraud and irregularities; and 5) adequate management of the risks relating to the legality and regularity of the underlying transactions, taking into account the multiannual character of programmes as well as the nature of the payments (FR Art 36.2). The 2nd and/or 3rd Internal Control Objective(s) (ICO) only when applicable, given the DG's activities.

In 2022, the budget consisted only of administrative credits (**global envelope**) covering outreach activities such as conferences' organisation, reflection papers and missions. It is important to underline that the Service implemented the Commission Communication and ensuing action plan on greening the Commission, which had a side effect on the budgetary execution for mission and conference expenses representing a significant part of I.D.E.A.'s expenditure. Since the sanitary crisis, the core activities of the Service have been heavily impacted, because events are more often than in the past organised remotely or in hybrid format.

The authorised budget for 2022 was **276,800 EUR** with an important decrease compared to 2021 (441,800 EUR) due to the Commission's decision to cut its budget for missions and conferences for greening purposes. The total amount of payment appropriations made - as reflected in Annex 3 - is **17,279.27 EUR**, covering conferences' expenses occurred during 2022.

The Management and Resources Unit was responsible for the entire financial management process, with a fully centralised financial workflow model performing 100% of ex-ante control of its financial transactions. Due to the small volume of transactions, the Service did not perform ex-post control, following the assessment and conclusion that this would not be cost effective.

In line with the 2018 Financial Regulation, I.D.E.A.'s assessment for the new reporting requirement is as follows:

- Cases of "confirmation of instructions" (new FR art 92.3)
- Cases of financing not linked to costs (new FR art 125.3)
- Financial Framework Partnerships >4 years (new FR art 130.4)
- Cases of flat-rates >7% for indirect costs (new FR art 181.6)
- Cases of "Derogations from the principle of non-retroactivity of grants pursuant to Article 193 FR" (new Financial Regulation Article 193.2).

I.D.E.A. did not have such cases in 2022.

## **1. Effectiveness of controls**

### a) Legality and regularity of the transactions

I.D.E.A. uses internal control processes to ensure sound management of risks relating to the legality and regularity of the underlying transactions it is responsible for, taking into account the multiannual character of programmes and the nature of the payments concerned.

I.D.E.A., whose risk profile is very low in term of financial management, has updated its internal control procedures to ensure the adequate management of the risks relating to the legality and regularity of its financial transactions taking into account the nature of the payments concerned.

In 2022 the Service had a very low budget execution , which impacted the overall balance between the cost of control and the legality and regularity of financial transactions. The greening of the Commission and the post-covid situation, especially for the organisation of events, are the main drivers for this low payment execution. The residual error is definitely not exceeding 2% of the total payment budget, as foreseen in the annex 5 (materiality criteria).

The Management and Resources Unit was performing **100% of ex-ante controls** for the financial transactions and the public procurement procedures which guarantees a low risk of error.

-I.D.E.A. is therefore able to conclude that there are no indications that procurement procedures and payment transactions were illegal and irregular.

I.D.E.A.'s portfolio consists of segments with a relatively low error rate, as the core activities for budget execution are mainly linked to the organisation of events using Corporate Framework Contracts.

Based on all the above, I.D.E.A. presents in the following Table X an estimation of the risk at payment and risk at closure for the expenditure managed during the reporting year:

Table X: Estimated risk at payment and at closure (amounts in EUR)  
 The full detailed version of the table is provided in annex 9.

DG I.D.E.A.	Payments made	Relevant expenditure	Estimated risk (error rate %) at payment		Estimated future corrections and deductions		Estimated risk (error rate %) at closure	
	- EUR	EUR	EUR	%	EUR	%	EUR	%
Administrative Expenditure	17,279.27 EUR	17,279.27 EUR	86.40	0.5%	0	0%	86.40 EUR	0.5%
<b>DG I.D.E.A. total</b>	<b>17,279.27 EUR</b>	<b>17,279.27 EUR</b>	<b>86.40 EUR</b>	<b>0.5%</b>	<b>0 EUR</b>	<b>0%</b>	<b>86.40 EUR</b>	<b>0.5%</b>

DG I.D.E.A.'s portfolio consists of segments with a relatively low error rate, ie 0.5 %.

The low volume of expenditure will not be subsequently subject to ex-post controls.

The 2022 estimated overall risk at payment expenditure equals to EUR 86.40, which is the AOD's best conservative estimate of the amount of relevant expenditure during the year, not in conformity with the contractual and regulatory provisions applicable at the time the payment was made. This expenditure will subsequently not be subject to ex-post controls

The conservatively estimated future corrections and deductions for 2022 expenditure amount is EUR 0 (for more details see Annex 7).

The difference between those two amounts results in the estimated risk at closure of 86.40 EUR <sup>(4)</sup>. There is no change in the estimated risk compared to 2021.

In addition, I.D.E.A. has put in place an effective mechanism for correcting errors, through ex-ante controls, resulting in preventive measures. Please take note that the table below is not applicable to I.D.E.A. in 2022, because there were no preventive measures.

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<sup>(4)</sup> This is the AOD's best, conservative estimation of the expenditure authorised during the year that would remain not in conformity of applicable regulatory and contractual provisions by the end of implementation of the programme.



		Preventive Measures (m EUR)	Corrective measures (m EUR)
<b>Implemented by the Member States</b>			
	<i>of which from Member States controls</i>		
	<i>of which from EU controls</i>		
<b>Implemented by the Commission</b>			
	<i>of which from Member States controls</i>		
	<i>of which from EU controls</i>		
<b>I.D.E.A. total</b>			

On the basis of the available information, I.D.E.A. has reasonable assurance regarding the legality and regularity of its transactions.

For an overview at Commission level, the departments' estimated overall risk at payment, estimated future corrections and risk at closure are consolidated in the AMPR.

#### b) Fraud prevention, detection and correction

I.D.E.A. observed and implemented the anti-fraud strategy of its predecessor, the EPSC since 2019. **In 2022**, I.D.E.A. has developed and implemented its own anti-fraud strategy on the basis of the methodology provided by OLAF. It will only be subject to intermediate updates, if additional actions are identified. It was last updated on **26/08/2022**. Its implementation is being monitored and reported to the management when necessary, and at least once a year. All necessary actions, except actions 2, 5 and 9, have been implemented. The implementation of the missing actions is in progress; their completion is expected for the second half of 2023.

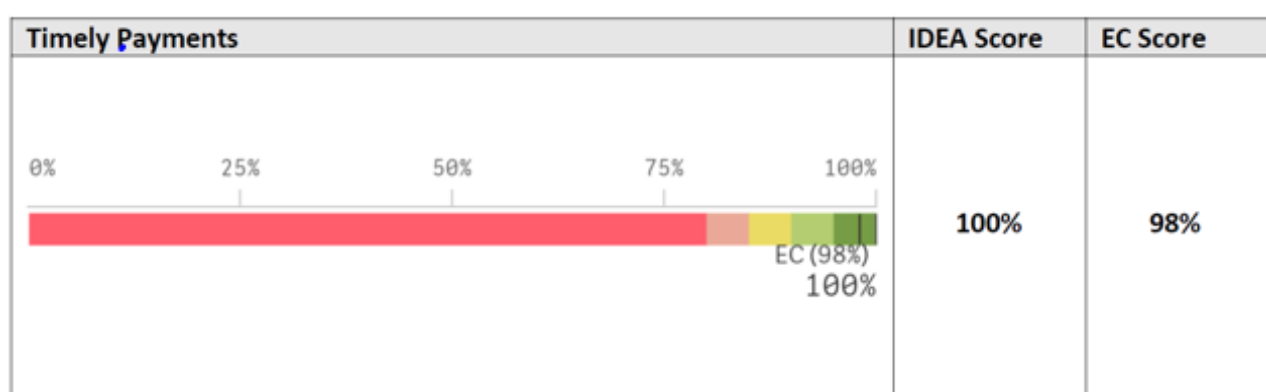
I.D.E.A. contributed also to the Commission anti-fraud strategy and had no financial recommendations from OLAF to follow up. The results achieved during the year thanks to the anti-fraud measures in place can be summarised as follows: all internal procedures were completed, OLAF correspondent for the Service was nominated, Fraud risk was included in the scope of the Risk Management Exercise, Ethics and Cyber security trainings were mandatory for all new comers and staff members.

On the basis of the available information, I.D.E.A. has reasonable assurance that the anti-fraud measures in place are effective.

## 2. Efficiency of controls

With respect to efficiency, only one main indicator is relevant: **time to pay**. The financial scorecard shows 100% for the timely payments (see below), which demonstrates the good monitoring of the financial transactions. It is important to underline that the greening of the Commission and the post-covid situation affected the I.D.E.A.'s volume of transactions, because the main spending activity of the Service remains the event's organisation.

The other two efficiency indicators (time-to-inform and time-to-grant (Art 194.2 FR)) are not applicable to I.D.E.A., given that the Service is not managing grants or/and programmes.



## 3. Economy of controls

- I.D.E.A. is a non-spending service applying a cost of control indicator linked mainly to ex-ante verification and public procurement procedures as described in the Annex 7. Because of the very low volume of transactions in 2022, the overall cost of control is equal to 7.850 euro (= 0.05 FTE). It represents a ratio of 45.43 %, which is the minimum cost to maintain a quality control.

As already mentioned in the 2022 Management Plan, due to the specificities of the Service, it is particularly difficult to apply the overall estimated cost of control based on FTE. The volume of transactions and the total of paid appropriations **substantially vary from year to year**, due to the format change of outreach events, which are more frequently hybrid. To take a concrete point of comparison, the 2021 overall estimated cost of control represented a ratio of 9.97%, which demonstrates the difficulty of using such a benchmark.

As already mentioned in the past, the quantifiable benefits are very difficult to evaluate and are more of qualitative nature due to the closeness of the service to the President's Cabinet and the potential risk of reputational damage.

#### **4. Conclusion on the cost-effectiveness of controls**

Based on the most relevant key indicators and control results, I.D.E.A. has assessed the effectiveness, efficiency and economy of its control system and reached a positive conclusion on the cost-effectiveness of the controls for which it is responsible.

##### **2.1.2. Audit observations and recommendations**

This section sets out the observations, opinions and conclusions reported by auditors – including the limited conclusion of the Internal Auditor on the state of internal control. Summaries of the management measures taken in response to the audit recommendations are also included, together with an assessment of the likely material impact of the findings on the achievement of the internal control objectives, and therefore on management's assurance.

“In its annual report concerning the financial year of 2022, the European Court of Auditors did not state any observations or recommendations in its section on Heading 5 (Administration) that related to I.D.E.A.”

“The European Court of Auditors did not issue any special reports in 2022 that concerned DG I.D.E.A.”

The Internal Audit Service (IAS) did not perform any audit work in the entity over the last 5 years (i.e. period 2018-2022). Consequently, there are no elements to report for the 2022 AAR.

##### **2.1.3. Assessment of the effectiveness of internal control systems**

The Commission has adopted an Internal Control Framework based on international good practice, to ensure the achievement of its policy and management objectives. Compliance with the internal control framework is a compulsory requirement.

I.D.E.A. uses the organisational structure and the internal control systems suited to achieving its policy and internal control objectives in accordance with the internal control principles and has due regard to the risks associated with the environment in which it operates.

It is very important to emphasise that the internal control system put in place is relevant and adapted to the atypical profile of the Service, which employs a small number of people to date. It also takes into account the limited resources of the Service and pays a particular attention to the cost-effectiveness of the overall internal control system. The dissemination of information and communication with staff is ensured through weekly meetings organised at Service's level, teams' and unit's level as well as sectorial level (HR, Finance, etc....), which are also recorded through the drafting of operational conclusions. The main processes and procedures fully updated in 2022 are available in the collaborative tools managed and used by the Service to share relevant information.

In order to evaluate the effectiveness of its internal control system, an assessment was carried out following the methodology described in the “Implementation guide of the Internal Control Framework of the Commission”. The evidence required to assess the effectiveness of the internal control system has been gathered from management knowledge gained through daily operations<sup>5</sup> as well as monthly meetings following up internal control progresses, analysis of the register of exceptions, non-compliance events recorded during the year and risk assessment. For the year 2022 the majority of exceptions<sup>6</sup> recorded were mainly due to the organisation at last minutes of high-level roundtables and dinners, that requested some flexibility for the travel arrangements of moderators/speakers participating in the smooth running of the I.D.E.A. outreach events. Nevertheless none of these exceptions had serious financial impact. They have therefore no consequences for the overall conclusions.

I.D.E.A. has assessed its internal control system during the reporting year and has put in place mitigating actions for its internal control follow up tailor made to its very small size. They are discussed monthly in management meetings and adjusted, when proved necessary, through action plans and adequate internal trainings. Therefore, - I.D.E.A. has concluded that it is effective and the components and principles are present and functioning as intended. .

#### 2.1.4. Conclusions on the assurance

I.D.E.A. has put in place controls and procedures tailor- made to its low risk profile in finance by taking into consideration the balance between efficiency and cost of control. Due to the small size and the working methods of the Service, mitigation actions are mainly implemented through internal communication, for example during all-staff meetings or unit meetings, and through participation to corporate trainings or presentations adapted to the specificities of the Service.

Based on the elements reported in the sub-sections 2.1.1 (control results), 2.1.2 (Audit observations and recommendations) and 2.1.3 (Assessment of the effectiveness of internal control systems), which all reached a positive conclusion, management has reasonable assurance that, overall, suitable controls are in place and working as intended; risks are being appropriately monitored and mitigated; and necessary improvements and reinforcements are being implemented. The Head of Unit for Management and Resources, in her capacity as Authorising Officer by Delegation, has signed the Declaration of Assurance.

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<sup>5</sup> Data extracted from the ex-ante control put in place, in particular for the financial management

<sup>6</sup> 9 recordings of exception in total with only 1 minor non-compliant event

### 2.1.5. Declaration of Assurance

*I, the undersigned,*

*Acting Director-General of I.D.E.A.*

*In my capacity as authorising officer by delegation.*

*Declare that the information contained in this report gives a true and fair view*

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

*This reasonable assurance is based on my own judgement and on the information at my disposal, such as the results of the self-assessment, ex-post controls.*

*Confirm that I am not aware of anything not reported here which could harm the interests of the institution .*

*Place: Brussels,*

*(e-signature)*

*Sonia Vila Núñez*

## 2.2. Modern and efficient administration – other aspects

This section describes the progress made on aspects contributing to transforming the Commission into a modern and efficient administration, as presented in I.D.E.A.'s Strategic Plan 2020-2024 and Management Plan 2021.

As intended, I.D.E.A. has continued to set the service, to reinforce the team competence and enhance a diverse and inclusive workplace, and has implemented the Communication and Action Plan on the Greening of the Commission.

In 2022, the Service has consolidated his organisational capacities by paying a particular attention, among others, to:

- The continuation of the process to reinforce and/or complete the different teams,
- The development of a detailed competency mapping, in addition to the local HR Strategy, linking efficiently staff's skills to the needs, objectives and priorities of the Service,
- The update of the administrative guidelines and financial procedures in the context of the evolving activities of the Service to build an organisational know-how accessible to all staff members,
- The delivery of I.D.E.A. outputs in the context of the main general objective **“A modern, high-performing and sustainable European Commission”** by reflecting on our corporate and/or specific training needs,

The consideration of inclusive measures for people in the organisation of conferences and events (which I.D.E.A. will strive to make accessible to people with audio-visual impairment) as well as in the preparation of the Service publications have been followed.

The internal communication has continued to play a crucial role in the delivery of I.D.E.A.'s objectives and the development and engagement of staff. The management has optimised the regular staff meetings, unit/sectorial meetings and policy brainstormings, established in 2021, to provide advice and support quickly, and in the best possible way, in the delivery of the updated priorities of the President's Cabinet.

I.D.E.A. has step up its efforts in 2022 to improve the way **data, information and knowledge are managed**, reinforcing the **digital skills** of its staff and deploying numerous digital solutions, always in full compliance with its data protection obligations. Furthermore, the Service has put in place proportionate actions to its small size regarding the institution's collective efforts **to reduce its environmental impact**.

The Service's **local anti-fraud strategy** was finalised in 2022, with the main goal to develop an anti-fraud culture in I.D.E.A., which was successfully implemented through an e-survey focusing on fraud risk and a presentation of results to staff members.

I.D.E.A. has established an internal control system tailored to its particular characteristics and circumstances. The effective functioning of the service's internal control system is assessed on an ongoing basis throughout the year and is subject to a specific annual assessment covering all internal control principles.

### 2.2.1. Human resource management

I.D.E.A. ensures the effective and efficient management of its human resources while delivers on priorities set out in its management plan. There is a continuous check on its working priority areas assuring that its staff has the appropriate skills based on the on-going development of a competency map linked to the objectives of the DG.

During 2022, I.D.E.A. developed further its team, complementing its expertise. The staff is highly committed, motivated, and extremely engaged and flexible, always ready to react quickly to the President's Cabinet requests to comply with the Commission's priorities. To deliver, while being agile and fast, the DG has put in place an efficient two-way internal communication interaction between staff and management, in the current hybrid-working environment, making an efficient use of digital collaborative tools.

I.D.E.A. focus on the acquisition of the set(s) of skills required by the new working arrangements, by, among others, developing a talent management and learning & development strategy, assuring that staff is well equipped to deliver on political and operational priorities, while considering its career development. I.D.E.A. supports AD women for potential managerial careers facilitating participation in the corporate trainings for better management female talent development.

Giving that the idiosyncrasy of the DG, staff received regular awareness raising actions on ethics.

### 2.2.2. Digital transformation and information management

Due to the small size of the organisation, **I.D.E.A. does not own any IT tools or databases and does not have a budget for digital solutions.** The Service relies on the Secretariat-General, which is its provider for IT solutions. In 2022, I.D.E.A. has continued to follow the guidance of and cooperate closely with the Secretariat-General to optimise its corporate processes, when necessary.

Building on the principles identified by the European Commission Digital Strategy, in 2022 I.D.E.A. has optimised its corporate processes and implemented solutions such as the qualified electronic signature for its Purchase Orders and Contracts. The service promoted the use of the e-signatory for the financial management.

With the objective to foster the transition to a digitally agile and flexible service, I.D.E.A. has continued improving and reinforcing the service's management and staff's **awareness on the way data, information and knowledge are managed.** It was mainly implemented by assessing in a continuous way its working methods to embed modern knowledge management and enhance digital collaborative solutions.

#### **Data protection**

I.D.E.A. paid a lot of attention to the treatment of its data, information to ensure compliance with data protection rules and principles, ensuring full respect of Regulation (EU) 2018/1725. Awareness-raising and training activities were organised for new staff members.



### 2.2.3. Sound environmental management

The service, located in **Berlaymont**, followed the Eco-Management and Audit Scheme (EMAS) rules applicable to the building.

The service and its EMAS Correspondent communicated and promoted the EMAS corporate campaigns to all staff members, identifying as well actions that could be implemented at local level to reduce the service's environmental impact, but no specific awareness actions was organised at the DG level.

I.D.E.A. followed the corporate rules regarding teleworking and hybrid working, missions and meetings. Both the continuation of the public health protection measures, and the positive lessons learnt during the pandemic in terms of organisation of meetings and events continued influencing positively all the EMAS 2022 outputs' indicators. In this regard, the Service has continued exploring the optimisation of virtual events and meetings by setting up a fully equipped meeting room with videoconferencing facilities.

Furthermore, the Service has enhanced its efforts and continued to reduce the use of paper and go paperless, among others by implementing the use of the electronic signature in the workflows of its financial files. Finally, in the field of waste management, I.D.E.A. has continued its efforts to improve waste sorting.

### 2.2.4. Examples of economy and efficiency

#### **Paperless circuits for financial transactions:**

In 2022, I.D.E.A.'s financial team has finalised its set of internal procedures for the creation of financial transactions and put in place paperless workflows for commitments and payments by combining the use of Ares and ABAC Workflow. The 2022 financial transactions were in majority implemented through paperless circuits.

#### **Use of internal resources for the layout of deliverables**

Policy briefs, reflection papers as well as I.D.E.A.'s Easter and end-of-year reflection packages are part of the main delivery outputs of the Service for the President's Cabinet. In line with the general objective of increasing the efficiency of resources and activities, the Service struggles to offer the best information in the best possible conditions, and, with an increasing number of outputs in 2022, formatting and editing notes and reports have become a very important part of the Service's day-to-day business. In this sense, I.D.E.A.'s events and assistant's teams are reinforcing their skills for the smooth running of these activities, including by continue developing IT graphic design tools and options. to support the 5 thematic teams and provide an original and quality layout of I.D.E.A.'s deliverables.

### **3. RECOVERY AND RESILIENCE FACILITY**

Not applicable for I.D.E.A.

