



# **2015 Annual Activity Report**

**DG BUDGET**

**ANNEXES**

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# **ANNEX 1: STATEMENT OF THE RESOURCES DIRECTOR**

***"I declare that in accordance with the Commission's communication on clarification of the responsibilities of the key actors in the domain of internal audit and internal control in the Commission<sup>1</sup>, I have reported my advice and recommendations to the Director-General on the overall state of internal control in the DG.***

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

***Brussels, 21 March 2016***

**(signed)**

**Daniela Gheorghe**

**Resources Director of DG Budget**

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

## ANNEX 2: HUMAN AND FINANCIAL RESOURCES

Human Resources by ABB activity				
Code ABB Activity	ABB Activity	Establishment Plan posts	External Personnel*	Total
27 01 12	Accountancy	176	23	199
27 02	Budget implementation, control and discharge	74	9	83
27 AWBL-01	Promotion of good financial management	62	6	68
27 AWBL-02	Management of the Directorate-General for the Budget	21	8	29
27 AWBL-03	Financial framework and budgetary procedure	67	5	72
27 AWBL-04	Policy strategy and coordination for the Directorate-General for the Budget	21	3	24
<b>Total</b>		<b>421</b>	<b>54</b>	<b>475</b>

\*External personnel does not include 'prestataires de service' but does include CA and END

Implementation of decentralised administrative appropriations of the Global envelope as of 31/12/2014 (excluding contributions from Agencies and other institutions)				
	credits	commitments	payments	% execution
<b>27.010211.00</b> <i>mother line</i>	6.247.307			
<b>27.010211.00.01.10</b> <i>missions</i>		304.500	237.503	
<b>27.010211.00.01.30</b> <i>representation expenses</i>		799	799	
<b>27.010211.00.02.20</b> <i>meetings</i>	9.700	12.764	2.996	
<b>27.010211.00.02.40</b> <i>conferences</i>		95.270	94.561	
<b>27.010211.00.03</b> <i>committees</i>		62.000	45.654	
<b>27.010211.00.04</b> <i>studies</i>				
<b>27.010211.00.05</b> <i>IT</i>	830.000	6.441.115	3.568.223	
<b>27.010211.00.06</b> <i>training</i>		122.362	70.118	
<b>Total</b>	<b>7.087.007</b>	<b>7.038.810</b>	<b>4.019.855</b>	<b>99,32%</b>
<b>Commission average:</b>				<b>99,40%</b>

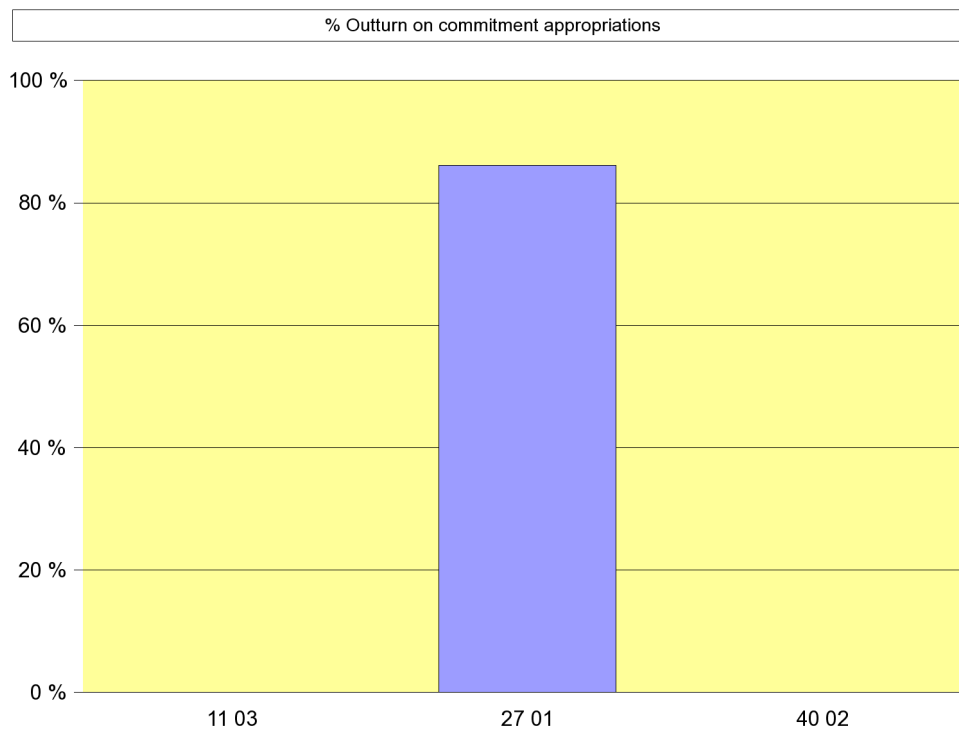
**ANNEX 3: DRAFT ANNUAL ACCOUNTS AND FINANCIAL REPORTS**

**Annex 3 Financial Reports - DG BUDG - Financial Year 2015****Table 1 : Commitments****Table 2 : Payments****Table 3 : Commitments to be settled****Table 4 : Balance Sheet****Table 5 : Statement of Financial Performance****Table 6 : Average Payment Times****Table 7 : Income****Table 8 : Recovery of undue Payments****Table 9 : Ageing Balance of Recovery Orders****Table 10 : Waivers of Recovery Orders****Table 11 : Negotiated Procedures (excluding Building Contracts)****Table 12 : Summary of Procedures (excluding Building Contracts)****Table 13 : Building Contracts****Table 14 : Contracts declared Secret**

## Additional comments

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2015 (in Mio €)					
			Commitment appropriations authorised	Commitments made	%
			1	2	3=2/1
Title 27 Budget					
27	27 01	Administrative expenditure of the 'Budget' policy area	14,17	12,21	86,16 %
<b>Total Title 27</b>			14,17	12,21	86,16%
Title 40 Reserves					
40	40 02	Reserves for financial interventions	338,86	0	0,00 %
<b>Total Title 40</b>			338,86	0	0,00%
<b>Total DG BUDG</b>			353,02	12,21	3,46 %

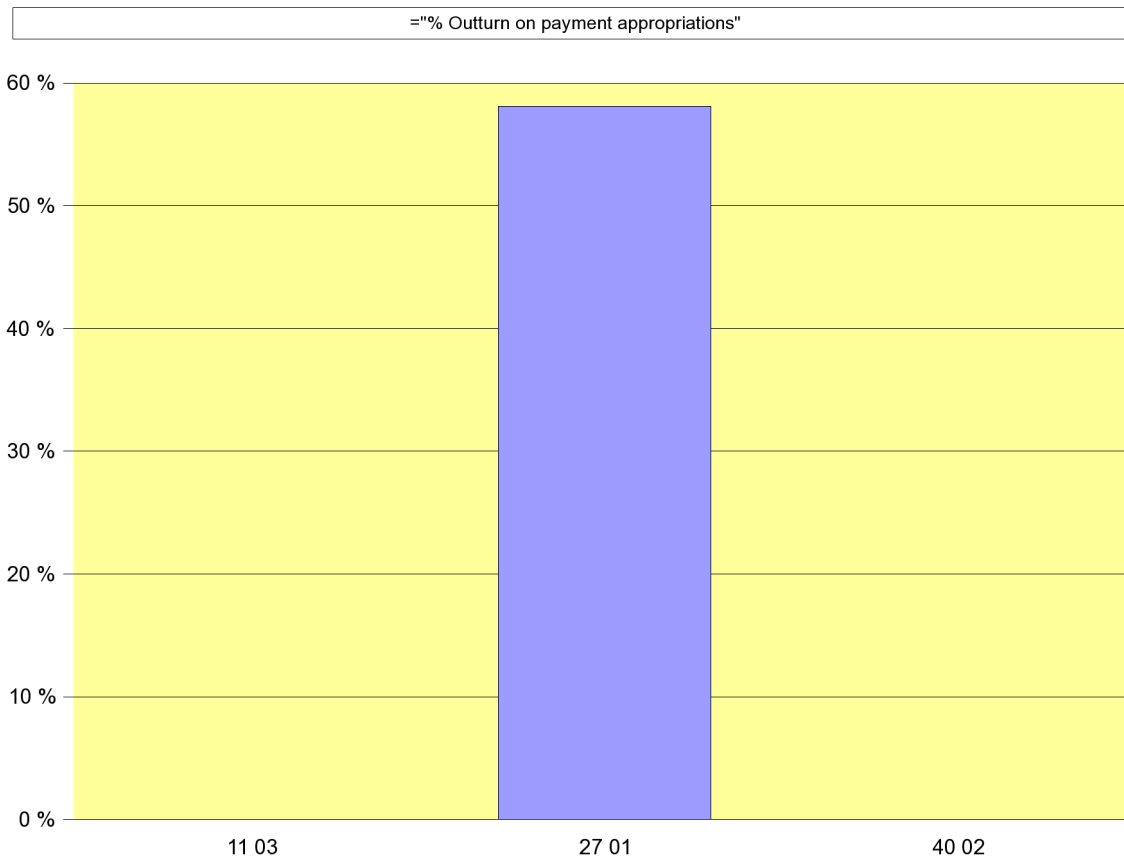
\* Commitment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous commitment appropriations for the period (e.g. internal and external assigned revenue).



**TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS IN 2015 (in Mio €)**

Chapter			Payment appropriations authorised *	Payments made	%
			1	2	3=2/1
<b>Title 27 Budget</b>					
27	27 01	Administrative expenditure of the 'Budget' policy area	19,84	11,53	58,12 %
<b>Total Title 27</b>			19,84	11,53	58,12%
<b>Title 40 Reserves</b>					
40	40 02	Reserves for financial interventions	0,36	0	0,00 %
<b>Total Title 40</b>			0,36	0	0,00%
<b>Total DG BUDG</b>			20,19	11,53	57,09 %

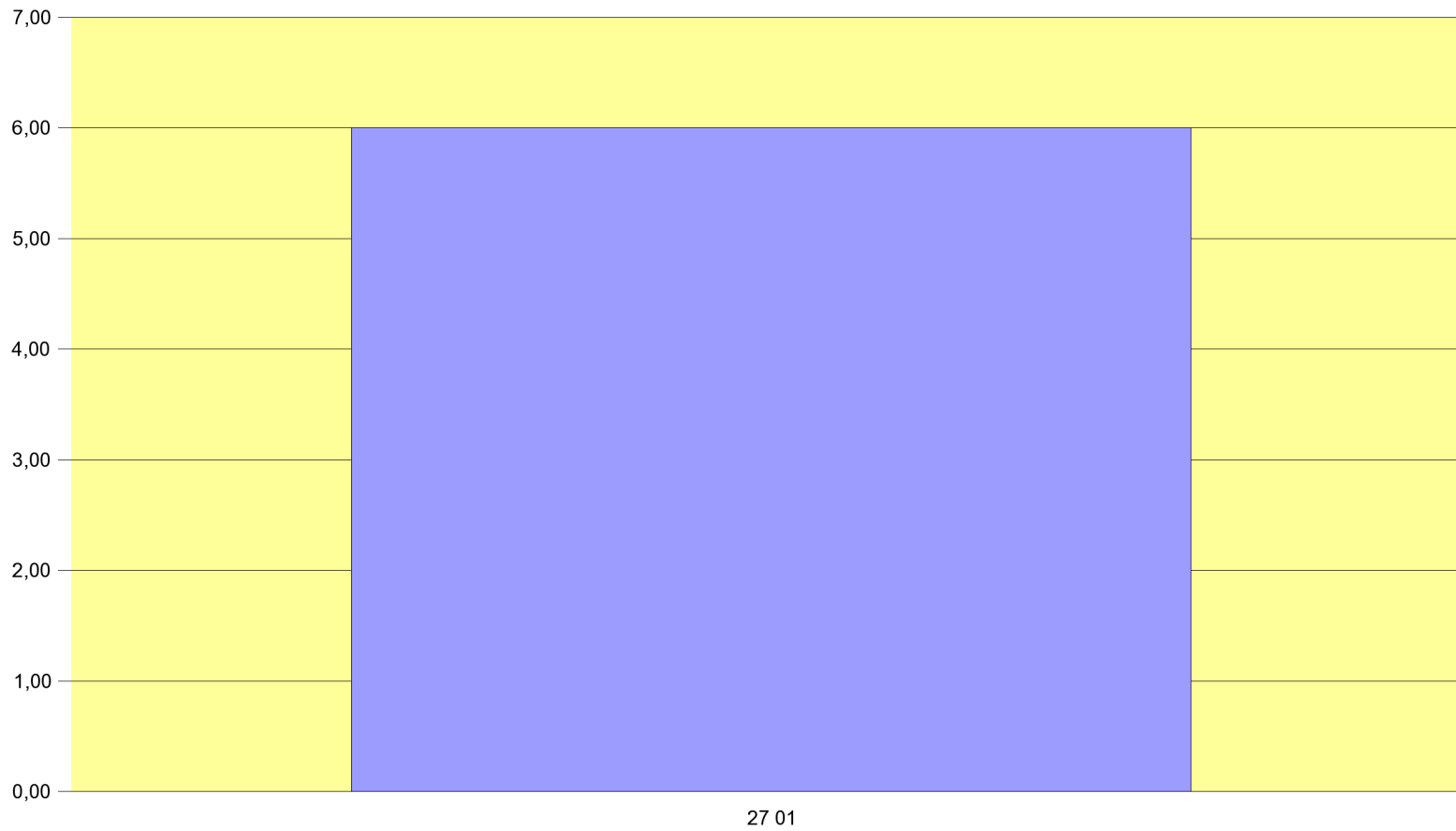
\* Payment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous payment appropriations for the period (e.g. internal and external assigned revenue).



<b>TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2015 (in Mio €)</b>									
<b>Chapter</b>			2015 Commitments to be settled				Commitments to be settled from financial years previous to 2015	Total of commitments to be settled at end of financial year 2015 (incl corrections)	Total of commitments to be settled at end of financial year 2014(incl. corrections)
			Commitments 2015	Payments 2015	RAL 2015	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
<b>Title 27 : Budget</b>									
27	27 01	Administrative expenditure of the 'Budget' policy area	12,21	6,20	6	49,17 %	0,00	6,00	5,67
<b>Total Title 27</b>			12,21	6,20	6	49,17%	0	6	5,67
<b>Total DG BUDG</b>			12,21	6,20	6	49,17 %	0	6	5,67

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)"



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

**TABLE 4 : BALANCE SHEET**

<b>BALANCE SHEET</b>	<b>2015</b>	<b>2014</b>
<b>A.I. NON CURRENT ASSETS</b>	0	0
A.I.1. Intangible Assets	0,00	0,00
A.I.2. Property, plant and equipment	0,00	0,00
<b>A.II. CURRENT ASSETS</b>	<b>20.204.477.498,53</b>	<b>20.415.727.797,49</b>
A.II.3. Current Financial Assets	-29.746.105,42	-49.131.305,98
A.II.4. Exchange Receivables	231.784.682,93	264.662.778,44
A.II.5. Non-Exchange Receivables	871.286.288,59	5.545.548.318,75
A.II.7. Cash and Cash Equivalents	19.131.152.632,43	14.654.648.006,28
<b>ASSETS</b>	<b>20.204.477.498,53</b>	<b>20.415.727.797,49</b>
<b>P.I. NET ASSETS/LIABILITIES</b>	<b>-57.124.663</b>	<b>-57.124.663</b>
P.I.1. Reserves	-57.124.663,00	-57.124.663,00
<b>P.II. NON CURRENT LIABILITIES</b>	<b>2.732.651.990,31</b>	<b>3.227.119.183,01</b>
P.II.3. Long-term financial liabilities	2.732.651.990,31	3.227.119.183,01
<b>P.III. CURRENT LIABILITIES</b>	<b>-9.947.502.296,97</b>	<b>-5.298.733.555,06</b>
P.III.2. Short-term provisions	0,00	0,00
P.III.3. Short-term financial liabilities	29.746.105,42	49.131.305,98
P.III.4. Accounts Payable	-9.074.244.840,36	-5.229.638.568,50
P.III.5. Accrued charges and deferred incom	-903.003.562,03	-118.226.292,54
<b>LIABILITIES</b>	<b>-7.271.974.969,66</b>	<b>-2.128.739.035,05</b>
<b>NET ASSETS (ASSETS less LIABILITIES)</b>	<b>12.932.502.528,87</b>	<b>18.286.988.762,44</b>
P.I.2. Accumulated Surplus / Deficit	-272.362.481.093,97	-136.180.113.543,73
Non-allocated central (surplus)/deficit*	259.429.978.565,1	117.893.124.781,29
<b>TOTAL</b>	<b>0,00</b>	<b>0,00</b>

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

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

**TABLE 5 : STATEMENT OF FINANCIAL PERFORMANCE**

<b>STATEMENT OF FINANCIAL PERFORMANCE</b>	<b>2015</b>	<b>2014</b>
<b>II.1 REVENUES</b>	<b>-131.047.794.908,96</b>	<b>-138.074.876.637,34</b>
II.1.1. NON-EXCHANGE REVENUES	-131.007.461.414,66	-137.682.204.749,43
II.1.1.1. GNI RESOURCES	-95.354.738.202,21	-104.688.295.603,83
II.1.1.2. TRADITIONAL OWN RESOURCE	-18.649.177.384,15	-17.136.945.999,81
II.1.1.3. VAT	-18.328.410.458,43	-17.461.727.915,66
II.1.1.6. OTHER NON-EXCHANGE REVENUE	1.324.864.630,13	1.604.764.769,87
II.1.2. EXCHANGE REVENUES	-40.333.494,3	-392.671.887,91
II.1.2.1. FINANCIAL INCOME	-36.619.880,85	-389.342.743,08
II.1.2.2. OTHER EXCHANGE REVENUE	-3.713.613,45	-3.329.144,83
<b>II.2. EXPENSES</b>	<b>10.651.786,39</b>	<b>439.467.186,91</b>
II.2. EXPENSES	10.651.786,39	439.467.186,91
II.2.10. OTHER EXPENSES	10.389.854,10	9.889.616,16
II.2.2. EXP IMPLEMENT BY COMMISS&EX.AC	0,00	28.600.000,00
II.2.8. FINANCE COSTS	261.932,29	400.977.570,75
<b>STATEMENT OF FINANCIAL PERFORMANCE</b>	<b>-131.037.143.122,57</b>	<b>-137.635.409.450,43</b>

*Explanatory Notes (facultative):*

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

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

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

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

Legal Times							
Maximum Payment Time (Days)	Total Number of Payments	Nbr of Payments within Time Limit	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)
30	658	654	99,39 %	13,8	4	0,61 %	136,75
60	1	1	100,00 %	5			

<b>Total Number of Payments</b>	<b>659</b>	<b>655</b>	<b>99,39 %</b>		<b>4</b>	<b>0,61 %</b>	
<b>Average Payment Time</b>	<b>14,54</b>			<b>13,79</b>			<b>136,75</b>

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

<b>Total Number of Payments</b>				
<b>Average Payment Time</b>				

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	53	13	1,97 %	659	372.019,82	2,64 %	14.076.546,12

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

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

**TABLE 7 : SITUATION ON REVENUE AND INCOME IN 2015**

Chapter	Revenue and income recognized			Revenue and income cashed from			Outstanding balance	
	Current year RO	Carried over RO	Total	Current Year RO	Carried over RO	Total		
	1	2	3=1+2	4	5	6=4+5		
11	LEVIES AND OTHER DUTIES PROVIDED FOR UNDER THE COMMON ORGANISATION OF THE MARKETS IN SUGAR (ARTICLE 2(1)(A) OF DECISION 2007/436/EC, EURATOM)	123.717.167,37	0	123.717.167,37	123.717.167,37	0	123.717.167,37	0
12	CUSTOMS DUTIES AND OTHER DUTIES REFERRED TO IN ARTICLE 2(1)(A) OF DECISION 2007/436/EC, EURATOM	18.602.077.811,11	32.261.216,15	18.634.339.027,26	18.597.476.238,79	9.160.531,87	18.606.636.770,66	27.702.256,6
13	OWN RESOURCES ACCRUING FROM VALUE ADDED TAX PURSUANT TO ARTICLE 2(1)(B) OF DECISION 2007/436/EC, EURATOM	18.268.893.143,27	0	18.268.893.143,27	18.268.893.143,27	0	18.268.893.143,27	0
14	OWN RESOURCES BASED ON GROSS NATIONAL INCOME PURSUANT TO ARTICLE 2 (1)(C) OF DECISION 2007/436/EC, EURATOM	94.008.966.506,53	0	94.008.966.506,53	94.008.966.506,53	0	94.008.966.506,53	0
15	CORRECTION OF BUDGETARY IMBALANCES	-270.185.340,24	0	-270.185.340,24	-270.185.340,24	0	-270.185.340,24	0
30	DELEGATIONS	1.434.557.707,74	0	1.434.557.707,74	1.434.557.707,74	0	1.434.557.707,74	0
31	BALANCES AND ADJUSTMENT OF BALANCES BASED ON VAT FOR THE PREVIOUS FINANCIAL YEARS AS A RESULT OF THE APPLICATION OF ARTICLE 10(4), (5) AND (8) OF REGULATION (EC, EURATOM) NO 1150/2000	23.538.409,31	-205.468.832,88	-181.930.423,57	23.538.409,31	-205.468.832,88	-181.930.423,57	0
32	BALANCES AND ADJUSTMENTS OF BALANCES BASED ON GROSS NATIONAL INCOME/ PRODUCT FOR THE PREVIOUS FINANCIAL YEARS AS A RESULT OF THE APPLICATION OF ARTICLE 10(6), (7) AND (8) OF REGULATION (EC, EURATOM) NO 1150/2000	1.345.771.695,68	5.612.708.376,77	6.958.480.072,45	1.345.771.695,68	5.612.708.376,77	6.958.480.072,45	0

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**TABLE 7 : SITUATION ON REVENUE AND INCOME IN 2015**

Chapter	Revenue and income recognized			Revenue and income cashed from			Outstanding balance	
	Current year RO	Carried over RO	Total	Current Year RO	Carried over RO	Total		
	1	2	3=1+2	4	5	6=4+5		7=3-6
34	ADJUSTMENT RELATING TO THE NON-PARTICIPATION OF CERTAIN MEMBER STATES IN CERTAIN POLICIES IN THE AREA OF FREEDOM, SECURITY AND JUSTICE	-7.041.092,78	0	-7.041.092,78	-7.041.092,78	0	-7.041.092,78	0
35	RESULT OF THE DEFINITIVE CALCULATION OF THE FINANCING OF THE CORRECTION OF BUDGETARY IMBALANCES FOR THE UNITED KINGDOM	-27.203.917,64	0	-27.203.917,64	-27.203.917,64	0	-27.203.917,64	0
36	RESULT OF INTERMEDIATE UPDATES OF THE CALCULATION OF THE FINANCING OF THE CORRECTION OF BUDGETARY IMBALANCES FOR THE UNITED KINGDOM	-145.657.209,6	0	-145.657.209,6	-145.657.209,6	0	-145.657.209,6	0
40	MISCELLANEOUS TAXES AND DEDUCTIONS	71.230.000	6.888.074,76	78.118.074,76	58.094.353,34	6.888.074,76	64.982.428,1	13.135.646,66
52	REVENUE FROM INVESTMENTS OR LOANS GRANTED, BANK AND OTHER INTEREST	-30.653,76	0	-30.653,76	-30.653,76	0	-30.653,76	0
57	OTHER CONTRIBUTIONS AND REFUNDS IN CONNECTION WITH THE ADMINISTRATIVE OPERATION OF THE INSTITUTION	3.045.056,8	0	3.045.056,8	3.033.923,8	0	3.033.923,8	11.133
63	CONTRIBUTIONS UNDER SPECIFIC AGREEMENTS	391.831.061	178.751	392.009.812	391.831.061	178.751	392.009.812	0
70	INTEREST ON LATE PAYMENTS	106.157.179,16	13.000.611,57	119.157.790,73	97.372.277,78	11.677.147,33	109.049.425,11	10.108.365,62
90	MISCELLANEOUS REVENUE	747.893,91	0	747.893,91	747.893,91	0	747.893,91	0
<b>Total DG BUDG</b>		<b>133.930.415.417,86</b>	<b>5.459.568.197,37</b>	<b>139.389.983.615,23</b>	<b>133.903.882.164,5</b>	<b>5.435.144.048,85</b>	<b>139.339.026.213,35</b>	<b>50.957.401,88</b>

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

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

INCOME BUDGET RECOVERY ORDERS ISSUED IN 2015	Total undue payments recovered		Total transactions in recovery context (incl. non-qualified)		% Qualified/Total RC	
	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount
Year of Origin (commitment)						
<b>2014</b>			1	86,73		
<b>No Link</b>			56	74.225.333,61		
<b>Sub-Total</b>			<b>57</b>	<b>74.225.420,34</b>		

EXPENSES BUDGET	Error		Irregularity		OLAF Notified		Total undue payments recovered		Total transactions in recovery context (incl. non-qualified)		% Qualified/Total RC	
	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount
INCOME LINES IN INVOICES												
NON ELIGIBLE IN COST CLAIMS												
CREDIT NOTES									19	771.304,42		
<b>Sub-Total</b>									<b>19</b>	<b>771.304,42</b>		
<b>GRAND TOTAL</b>									<b>76</b>	<b>74.996.724,76</b>		

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

**TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2015 FOR BUDG**

	Number at 01/01/2015	Number at 31/12/2015	Evolution	Open Amount (Eur) at 01/01/2015	Open Amount (Eur) at 31/12/2015	Evolution
2002	1		-100,00 %	384.046,08		-100,00 %
2004	3	3	0,00 %	654.391,65	654.391,65	0,00 %
2009	1	1	0,00 %	1.590.232,13	1.590.232,13	0,00 %
2010	3	3	0,00 %	1.984.701,32	1.984.701,32	0,00 %
2011	3	2	-33,33 %	399.506,61	399.446,61	-0,02 %
2012	12	9	-25,00 %	14.258.618,39	14.367.869,17	0,77 %
2013	9	5	-44,44 %	1.023.052,71	701.908,36	-31,39 %
2014	110	22	-80,00 %	5.439.864.845,56	4.551.201,69	-99,92 %
2015		103			27.916.477,22	
	142	148	4,23 %	5.460.159.394,45	52.166.228,15	-99,04 %

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

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**TABLE 10 : RECOVERY ORDER WAIVERS IN 2015 >= EUR 100.000**

	<b>Waiver Central Key</b>	<b>Linked RO Central Key</b>	<b>RO Accepted Amount (Eur)</b>	<b>LE Account Group</b>	<b>Commission Decision</b>	<b>Comments</b>

<b>Total DG</b>	
-----------------	--

<b>Number of RO waivers</b>	
-----------------------------	--

*Justifications:*

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**TABLE 11 : CENSUS OF NEGOTIATED PROCEDURES - DG BUDG - 2015****Procurement > EUR 60,000**

<b>Negotiated Procedure Legal base</b>	<b>Number of Procedures</b>	<b>Amount (€)</b>
Art. 134.1(b)	1	68.397.000,00
<b>Total</b>	<b>1</b>	<b>68.397.000,00</b>

**TABLE 12 : SUMMARY OF PROCEDURES OF DG BUDG EXCLUDING BUILDING CONTRACTS**

<b>Internal Procedures &gt; € 60,000</b>			
	<b>Procedure Type</b>	<b>Count</b>	<b>Amount (€)</b>
Proced ures >	Exceptional Negotiated Procedure without publication of a contract notice (Art. 134 RAP)	1	68.397.000,00
	Open Procedure (Art. 127.2 RAP)	3	42.817.900,00
	<b>TOTAL</b>	<b>4</b>	<b>111.214.900,00</b>

**Additional comments**

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**TABLE 13 : BUILDING CONTRACTS**

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

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

**No data to be reported**

**TABLE 14 : CONTRACTS DECLARED SECRET**

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

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

**No data to be reported**

## ANNEX 4: MATERIALITY CRITERIA

The activities of BUDG can lead to four types of reservations:

- ❖ Materiality criteria related to the **budget executed by BUDG** itself. As the budget managed directly by BUDG is rather limited, the main control indicators are based on results of ex ante controls, exception reporting, work done by the IAC, and feedback from the annual internal control review. Taking into account the low total amount of credits executed, reservations will be made if the residual risk of error on legality and regularity of the underlying transactions is higher than 2 %. In addition to the management of own credits, BUDG also covers horizontal financial activities such as treasury, guarantees such as those related to competition fines and VAT reimbursement. As these transactions are not directly linked to expenses, reservations will be made if fraud during the processing of these transactions in BUDG has been observed.
- ❖ As regards revenue financial operations relating to the collection and making available of **own resources**, BUDG analyses the systems set up by Member States and assesses whether they provide reliable assurance as regards the accuracy of the information provided and the legality and regularity of these operations. In case BUDG determines that it cannot rely on some of these systems for assurance purposes, it would qualify its annual Declaration of Assurance in case the amount of revenue concerned has the potential to exceed 1 % of the total relevant resource-segment (i.e. TOR, or VAT/GNI -based own resources).
- ❖ Materiality criteria related to **systemic responsibilities for BUDG**. BUDG has the responsibility at Commission level for: securing of resources needed to implement the European Union's policies; the management of the budgetary regulatory framework; the implementation of the budget in compliance with the rules; the preparation of the annual accounts of the institutions; and the contributing to sound financial management in Commission departments. Beyond its own operational responsibilities, it is a horizontal department operating as a service provider and thus also bears responsibility for the development and quality of the relevant processes. BUDG would consider making a reputational reservation (see below) if the review of the relevant processes, including those related to the Accountants responsibilities, identifies important weaknesses in the implementation of the underlying systems and tools or, in case of major changes, if the evidence on the outcome of the change was not yet available.
- ❖ Materiality criteria related to **reputation issues**. In line with the Commission's instructions, a combined or separate reputational reservation will be made for events that could cause serious damage (in terms of 'duration' + 'scope' of political/press/citizen attention) to the Commission's image due, for example, to financial fraud inside BUDG or serious breaches on provisions of the Treaty, linked to BUDG's activities.

# ANNEX 5: INTERNAL CONTROL TEMPLATE(S) FOR BUDGET IMPLEMENTATION (ICTS) TOR, VAT and GNI

## A –MS statements and collection of resources

**Main control objectives:** Timely and accurate collection of Own Resources from Member States

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage frequency and depth	How to estimate the costs <sup>2</sup> and benefits of controls	Possible control indicators
<p><b>Member States do not provide the corresponding underlying data</b></p> <p><b>Member States (MS) not paying amounts of Own Resources due or not paying them promptly.</b></p> <p><i>(This risk is common to all three resources. BUDG monitors receipt of timely and full making available of resources)</i></p>	Calculation of the amounts requested in the monthly call for funds (VAT, GNI and corrections)	Exhaustive control (100 %)	<p><b>Costs:</b> estimation of cost of staff involved</p> <p><b>Benefits:</b> Timely and comprehensive collection of Own Resources, considered free from material error (n.q)</p>	<p><b>Effectiveness:</b> % of national contributions and TOR amounts reported in the A statements made available timely</p> <p>Number of accounting documents generated for actual/potential corrective payments by Member States of principal or interest<sup>3</sup></p>
	Control of the TOR statements and introduction of information in the unit's database			
	Control of receipt of VAT annual statements and entry of the data to the relevant data base	100 % of MS contributions		
	Follow-up of related payments by using information received from the treasury: control of the correct amount and the respect of the due date. Delays in paying own resources give rise to payment of interest by the MS concerned.	100 % of standing amounts are followed- up		
	Immediate reminders for the outstanding payments are sent, supported with contacts at high level.			Number of open infringement files and their annual variation
	Infringement procedures are			

<sup>2</sup> **Costs of controls:** For estimation purposes 1 HC= 1 FTE reflecting therefore a maximum amount of cost of controls. Estimation on resources is only available in Head Count units. FTE correspondence is not available for BUDG and it is not considered cost-effective to obtain (no impact on the conclusion of the assessment).

<sup>3</sup> Number generated by all control activities covering TOR.

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage frequency and depth	How to estimate the costs <sup>2</sup> and benefits of controls	Possible control indicators
	launched when necessary.			Number of Commission infringement decisions taken (Art. 258 TFEU)
	Communication of elements that are considered relevant for units in charge of control of own resources (enrolment due to a specific demand resulting from a control report) in line with the internal rules.	100 % of relevant elements identified		<b>Efficiency/Cost-effectiveness:</b> Proportion of overall cost of controls over total value of contributions dully collected and on time
	Contacts with MS aimed at preventing the risk materialising and to anticipate information on a possible delay on payments.	In case there is information suggesting Member States might delay payments.		
	Pre and post-event reminders (VAT)	100 % of MS		

## **B – Verification of TOR collected and VAT OR base calculation by MS/ Calculation of GNI contributions (4)**

**Main control objectives:** Obtain assurance on:

- a) The key procedures and systems in each MS that ensure correct and timely collection and making available of TOR.
- b) The data on which VAT and GNI OR contributions are calculated has been correctly compiled by Member States (including scrutiny of the adequacy of relevant systems and procedures)

<b>Main risks It may happen (again) that...</b>	<b>Mitigating controls</b>	<b>How to determine coverage frequency and depth</b>	<b>How to estimate the costs<sup>5</sup> and benefits of controls</b>	<b>Possible control indicators</b>
<b>Irregularities/errors in MS systems and/or statements might remain undetected and funds not duly collected. (TOR)</b>	On-the-spot TOR inspections in Member States according to an annual programme, covering risk based selected customs areas and Member States' TOR accounting (A and B accounts).	Risk based annual inspection programme	<b>Costs:</b> estimation of cost of staff involved and travel and subsistence budget for on the spot controls.	<b>Effectiveness:</b> Complete and timely implementation and reporting of TOR inspections in accordance with the annual programme
	<b>Economical operators are not providing complete and correct customs declarations reducing the amount of import duties payable and, consequently the TOR available to the EU budget</b>	Inspections are specially focused on Member States control systems and risk assessment for the performance of these controls.	<b>Benefits:</b> Reasonable assurance can be given the on compliance of total value of TOR collected with relevant regulation (q.)	Timely assessment of Member States' write-off reports for irrecoverable amounts of TOR and of individual cases of financial responsibility.
	A database is maintained with reported cases of irregularities and fraud (it serves as an input to risk-based analysis of inspection programmes)		Continuous improvement of MS internal control systems for TOR collection for instance by providing common audit tools. (n.q.)	<b>Efficiency/Cost-effectiveness:</b> Proportion of overall cost of controls over total value of TOR collected and/ or over the total amount of errors detected and recovered from MS.
	Assessment of Member States' write-off reports	100 % of Write- Off reports communicated via the WOMIS IT application	Amounts of TOR corrected and recovered from MS derived from irregularities detected by controls (q.)	

<sup>4</sup> Verification of the underlying data for GNI OR is managed by ESTAT with BUDG managing and undertaking only those aspects directly applicable to budget accounting. BUDG draws assurance of the correctness of the underlying data by attending GNI Committee meetings so as to be informed about the content and results of the verification programme operated by ESTAT. In order to present the whole control activity performed on GNI data at Commission level, and purely for information purposes, the [Internal Control Template of controls performed by ESTAT has been included](#).

<sup>5</sup> **Costs of controls:** For estimation purposes 1 HC= 1 FTE reflecting therefore a maximum amount of cost of controls. Estimation on resources is only available in Head Count units. FTE correspondence is not available for BUDG and it is not considered cost-effective to obtain (no impact on the conclusion of the assessment).

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage frequency and depth	How to estimate the costs <sup>5</sup> and benefits of controls	Possible control indicators
	Follow-up of individual cases of financial responsibility	100 % of cases detected		
<p><b>Member States may not have compiled their annual VAT statements in compliance with the legal requirements leading to incorrect VAT OR contributions being collected.</b></p> <p><b>Time-bar may be activated before statements are subject to verification</b></p>	<p>Annual programme of on-the-spot inspections (in conjunction with ESTAT for some areas) ensuring that every annual VAT statement furnished by every Member State is subject to checks on its accuracy and completeness.</p> <p>Annual programmes assembled on basis of risk of statements going out of time.</p>	Annual programmes of inspections covering 100 % of statements for all Member States over a 2 to 3 year cycle	<p><b>Costs:</b> estimation of cost of staff involved and travel and subsistence budget for on the spot controls.</p> <p><b>Benefits:</b> Obtain reasonable assurance that total value of VAT OR collected has been calculated on compliant VAT OR bases (q.).</p> <p>Provide reassurance to Member States that all are measured against the legal standard (n.q)</p>	<p><b>Effectiveness:</b> Complete and on time implementation of agreed programme of inspections throughout the cycle.</p> <p>Number of statements not subject to verification prior to becoming time-barred</p>
<p><b>Incorrect amounts of VAT own resources being obtained because Member States fail to enact EU VAT legislation correctly</b></p>	Scrutiny of infringement action taken by TAXUD to identify and follow-up all cases with the potential to affect the VAT base.	100 % of infringements are analysed and followed up if considered relevant to VAT OR.	<p>Deter non-compliant behaviour and motivate Member States to fulfil obligations (n.q)</p> <p>Fulfilment of Commission legal obligation under Regulation 1553/89 (n.q)</p> <p>Ensure compliance of MS regulations on VAT with EU Regulation. (n.q.)</p>	<p><b>Efficiency/Cost-effectiveness:</b></p> <p>Proportion of overall cost of controls over total value of VAT resources collected compliant with regulations.</p>
<p><b>Incorrect GNI contributions are calculated because of poor data from Member States</b></p>	Member State provision of GNI data is subject to a peer-review system in the GNI Committee supplemented by <a href="#">ESTAT verification</a> programme ensuring that data furnished by Member States is comparable, reliable and exhaustive.	Number of GNI committees organised ( twice a year)	<p><b>Costs:</b> Estimation of cost of staff involved and travel and subsistence budget for on the spot controls.</p>	<p><b>Effectiveness:</b></p> <p>See indicators reported by ESTAT in the <a href="#">ICT on the verification of GNI data</a></p>

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage frequency and depth	How to estimate the costs <sup>5</sup> and benefits of controls	Possible control indicators
<p><b>Incorrect GNI contributions are calculated because ESTAT provides BUDG with incorrect GNI OR data (B2)</b></p> <p><i>(GNI resource is the balancing resource and therefore there is no question of a shortfall in receipts but merely in the question of properly allocating their distribution across the MS)</i></p>	<p>MOU between ESTAT and BUDG covering respective, roles, parameters for setting reservations and flows of information.</p> <p>Information received from GNI Committee and via digest from ESTAT – reconciliation possible.</p>		<p><b>Benefits</b> Correct and compliant distribution of Member States share of GNI is calculated (n.q.)</p>	<p><b>Efficiency/ Cost-effectiveness:</b></p> <p>Compliant distribution of GNI achieved with a reasonable cost.</p>

### C – Follow-up of verification results

**Main control objectives:** Ensure that results from inspections are implemented (Funds recovered, corrections made, infringements initiated ...)

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage frequency and depth	How to estimate the costs <sup>6</sup> and benefits of controls	Possible control indicators
<b>Anomalies identified might not be explained or resolved.</b>	Following up financial consequences of TOR control activity: on the spot inspections, assessment of Member States Write-Off reports and of individual cases of financial responsibility.	100 % of irregularities detected , MS write-off reports and individual cases of financial responsibility	<p><b>Costs:</b> estimation of costs of staff involved</p> <p><b>Benefits:</b> Financial irregularities detected are corrected / recovered (q.)</p> <p>Deficiencies (administrative, legal and financial) detected in Member States local systems and procedures are corrected (n.q)</p>	<p><b>Effectiveness:</b> % of financial irregularities followed up via recovery orders created and paid (TOR)</p> <p><b>Efficiency/Cost-effectiveness:</b> Proportion of VAT reservations in place for more than 5 years.</p> <p>% of VAT and TOR reports presented at first available ACOR meeting.</p> <p>Proportion of overall cost of controls over total TOR/ VAT resources collected compliant with regulations and/ or over TOR irregularities recovered</p>
	Submit TOR and VAT inspection reports to ACOR for scrutiny and discussion in Committee	100 % of TOR and VAT inspection reports presented at ACOR	<p><b>Costs:</b> estimation of cost of staff involved</p> <p><b>Benefits:</b> Provide transparency of the control activity and assurance to Member States of equal measurement against agreed standards and equal treatment when performing controls.</p> <p>Areas for improvement detected are shared with all Member States (n.q.)</p>	
	Follow up of apparent VAT anomalies and identified infringements via notification of reservations and monitoring progress until the reservation can be lifted and any necessary corrective action taken (	100 % of reservations are followed-up	<p><b>Costs:</b> estimation of cost of staff involved.</p> <p><b>Benefits:</b> Amounts to be verified don't became time-barred (n.q)</p>	

<sup>6</sup> **Costs of controls:** For estimation purposes 1 HC= 1 FTE reflecting therefore a maximum amount of cost of controls. Estimation on resources is only available in Head Count units. FTE correspondence is not available for BUDG and it is not considered cost-effective to obtain (no impact on the conclusion of the assessment).

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage frequency and depth	How to estimate the costs <sup>6</sup> and benefits of controls	Possible control indicators
	<p>follow-up database)</p> <hr/> <p>Initiate infringements procedures against non-compliant Member States</p> <hr/> <p>Follow-up of TOR findings made by the ECA during its audits in Member States</p>	<p>100 % of applicable cases</p> <hr/> <p>100 % of findings followed-up</p>	<p><b>Costs:</b> estimation of cost of staff involved.</p> <p><b>Benefits:</b> Ensure compliance with Own Resources EU regulation(n.q)</p> <p>Provide legal clarity on the application and interpretation of the legal framework for Traditional Own resources (case law) (n.q)</p> <hr/> <p><b>Costs:</b> estimation of cost of staff involved.</p> <p><b>Benefits:</b> Ensure implementation of corrective/remedial action to resolve detected shortcomings and the recovery of amounts related to the errors detected (n.q)</p>	
<p><b>GNI irregularities/potential irregularities detected are not properly followed- up because no reservation is set</b></p>	<p>Guidelines agreed by ESTAT and BUDG on the correct use of GNI reservations (annex of MOU between the two DG').</p>	<p>100 % of reservations requested by ESTAT are properly and timely notified to MS</p>	<p><b>Costs:</b> estimation of cost of staff involved.</p> <p><b>Benefits:</b> GNI data used for own resources calculation is correct and necessary corrective action is not time-barred.</p>	<p><b>Effectiveness:</b> Percentage of communications from ESTAT regarding setting, lifting or varying GNI processed within 4 working weeks</p> <p><b>Efficiency/Cost-effectiveness:</b> Compliant and timely management of GNI reservations achieved with a reasonable cost.</p>

## 2- UK correction calculation

**Main control objectives:** Ensure that calculations on UK correction are correctly made.

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage frequency and depth*	How to estimate the costs <sup>7</sup> and benefits of controls	Possible control indicators
<p><b>UK correction is incorrectly calculated</b></p>	<p>Calculation of the correction is conducted separately by two different officials of the unit in charge.</p> <p>One of the main inputs for the calculation (allocated expenditure information) is checked and reconciled with accounting information.</p> <hr/> <p>Parallel calculation is made by two additional officials from a different unit in the DG.</p>	<p>Yearly calculation</p>	<p><b>Costs:</b> estimation of cost of staff involved.</p> <p><b>Benefits:</b> Amounts paid to the Member State concerned are accurate and ulterior corrections are avoided.</p> <p>(q)</p>	<p><b>Effectiveness:</b> % error rate detected after calculation.</p> <p><b>Efficiency / Cost-effectiveness:</b></p> <p>Calculation is made correctly and on time.</p> <p>Proportion of overall cost of controls over total amount of amounts correctly calculated and paid.</p>

<sup>7</sup> **Costs of controls:** For estimation purposes 1 HC= 1 FTE reflecting therefore a maximum amount of cost of controls. Estimation on resources is only available in Head Count units. FTE correspondence is not available for BUDG and it is not considered cost-effective to obtain (no impact on the conclusion of the assessment).

## Verification of GNI data – ESTAT ICT<sup>8</sup>

### Stage 1: GNI Verification - multiannual

**Main control objectives:** Ensure GNI data are consistent with ESA

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Possible Control indicators
<b>GNI inventories are not submitted on time</b>	Deadline to be set in revised GNI Regulation.	Arrival of MS' inventories at Eurostat in English		Number of inventories available by the agreed deadline.
<b>GNI inventories are not of sufficient quality</b>	Detailed GNI inventory guidelines and GNI Inventory Assessment Questionnaire	No need to request MS for submission of revised inventories		Number of requests to MS to submit revised inventories
<b>Reservations on GNI data are incorrectly set (or not set at all)</b>	Detailed checks of inventories and direct verification. Peer review through participation of GNIC experts in GNI visits and presentation of mission reports to the GNIC.	Errors detected by other parties.	Costs: staff costs, mission costs of staff and MS observers, possible grants to MS  Benefits: All MS GNI data consistent with ESA.	Number of dissenting voices on the Assessment reports in the GNI Committee
<b>Member States do not perform the work required to lift reservations.</b>	Detailed checks of methodology against quality reports and other available information.	Regular GNIC document on the state of play of reservations.		Number of reservations not addressed by the agreed deadline.
<b>Reservations are incorrectly lifted</b>	Detailed checks of reservations (including direct verification where needed) against quality reports.	Regular GNIC document on the state of play of reservations.		Number of dissenting voices on GNI reservations in GNI Committee.

<sup>8</sup> In order to present the whole control activity performed on GNI data at Commission level, and purely for information purposes, the Internal Control Template of controls performed by ESTAT has been included.

## Stage 2: GNI verification annual

**Main control objectives:** Annual opinion of the GNIC that GNI data are fit for purpose

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Possible Control indicators
<b>GNI data and/or quality reports are not submitted on time</b>	Plausibility checks undertaken by GNI team in the period 22 September – October meeting of the GNIC.	Receipt of annual GNI questionnaire and quality report for all MS by the regulatory deadline		Number of MS sending data and quality report by the 22 September deadline with no need to resubmit.
<b>GNI data or quality reports are not of sufficient quality</b>	Basic quality checks done in this period (e.g. for completeness, plausibility, against published data); detailed quality checks for the year t-4	No need to request MS for further submission.	Costs: Staff costs	Number of requests for MS to resubmit data or quality report
<b>Final data are not submitted for year t-4</b>	General reservation issued for year t-4.	Member state either labels data as provisional or there is little change from previous year's data without explanation.	Benefits: annual GNI data deemed as being appropriate for use for Own Resources purposes.	Number of general reservations issued.
<b>Revisions to the year t-4 cannot be assessed by the date of the October meeting of the GNIC due to their complexity</b>	Process-specific reservation issued for year t-4	High complexity of the revisions to year t-4 that requires detailed checks (possibly on the basis of a new inventory) including e.g. cross-country analyses, visits to MS, direct verification etc.		Number of process-specific reservations issued.
<b>Opinion of GNI Committee is negative or not forthcoming</b>	Checks by GNI team for possible deficiencies that might lead to a negative or no opinion.	Advance contact with MS leading to submission of revised GNI data or quality report with deficiencies corrected		Positive opinion of GNI Committee issued and minuted.

# Procurement and Administrative Expenditure

## Stage 1 – Procurement

### A - Planning

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

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage frequency and depth	How to estimate the costs <sup>9</sup> and benefits of controls	Possible control indicators
<b>The needs are not well defined (operationally and economically) and that the decision to procure was inappropriate to meet the operational objectives</b>	Communication of intended procedures to AO(D) and units concerned.	100 % of the forecast procurements (open procedures with prior notification) are justified in a note addressed to the AO(D)	<b>Costs:</b> estimation of cost of staff involved <b>Benefits:</b> Compliance with Internal procurement procedures and regulations and avoid missed opportunity of getting the wished services via internal resources or a framework contract already in place (n.q)	<b>Effectiveness:</b> Number of projected tender cancelled.  Number of contract discontinued due to lack of use (poor planning).
<b>Discontinuation of the services provided due to a late contracting (poor planning and organisation of the procurement process)</b>	Validation by AO(S)D of justification (economic , operation) for launching a procurement process	100 % of the forecast procurements	Estimated Value of contracts published in procurement process which will be spent (as a maximum) on correctly identified needs. (q.) Needs understood by the tenderer and maximise the probability of getting the right deliverable(n.q)	<b>Efficiency/Cost effectiveness:</b> Proportion of overall cost of controls over total estimated (maximum) value of contracts.

<sup>9</sup> **Costs of controls:** For estimation purposes 1 HC= 1 FTE reflecting therefore a maximum amount of cost of controls. Estimation on resources is only available in Head Count units. FTE correspondence is not available for BUDG and it is not considered cost-effective to obtain (no impact on the conclusion of the assessment).

**B - Needs assessment & definition of needs**

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

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage frequency and depth	How to estimate the costs <sup>10</sup> and benefits of controls	Possible control indicators
<p><b>The best offer/s are not submitted due to the poor definition of the tender specifications</b></p>	<p>AOSD supervision and approval of specifications</p>	<p>100 % of the specifications are scrutinised.</p>	<p><b>Costs:</b> estimation of cost of staff involved</p>	<p><b>Effectiveness:</b> N° of 'open' or procedures where only one or no offers were received.</p>
	<p>Consultation of legal experts of the DG</p>	<p>Risk based, taking as criteria the level of sensitivity and complexity of the procurement process</p>	<p><b>Benefits:</b> The quality of specifications approved is optimal to receive offers with prices and conditions according to internal expectations and market prices (n.q).</p>	<p>N° of complementary questions regarding the tender.</p> <p><b>Efficiency/Cost-Effectiveness:</b></p> <p>Proportion of overall cost of controls over total estimated (maximum) value of contracts</p> <p>Estimated average cost of controls per procurement procedure.</p>

<sup>10</sup> **Costs of controls:** For estimation purposes 1 HC= 1 FTE reflecting therefore a maximum amount of cost of controls. Estimation on resources is only available in Head Count units. FTE correspondence is not available for BUDG and it is not considered cost-effective to obtain (no impact on the conclusion of the assessment).

**C – Selection of the offer & evaluation**

**Main control objectives:** Effectiveness, efficiency and economy. Compliance (legality and regularity). Fraud prevention and detection.

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage frequency and depth	How to estimate the costs <sup>11</sup> and benefits of controls	Possible control indicators
<b>The most economically advantageous offer not being selected, due to a biased, inaccurate or 'unfair' evaluation process</b>	Formal evaluation process: Opening committee and Evaluation committee	100 % of the offers analysed.	<b>Costs:</b> estimation of costs of staff involved	
	Participation of a member of the financial cell in the Opening committee and Evaluation committee as observers and to provide technical advice if needed	100 % of procurement procedures	<b>Benefits:</b> Compliance with FR and internal rules designed to guarantee that the best value for money offer is selected (n.q)	<b>Effectiveness:</b> Numbers of 'valid' complaints or litigation cases filed.  <b>Efficiency/Cost-Effectiveness:</b> Proportion of overall cost of controls over total estimated (maximum) value of contracts.  Estimated average cost of controls per procurement procedure.
	Opening and Evaluation Committees' declaration of absence of conflict of interests	100 % of the members of the opening committee and the evaluation committee	Value of contracts as a maximum) will be granted to the best offer (value free of error) (q.)	
	Exclusion criteria documented	100 % checked		
	Final verification /desk review on compliance with procurement procedures Authorisation by AO/AOD/AOSD	100 % of selected tenders by committee		
	Publication of the offer finally selected Standstill period (opportunity for unsuccessful tenderers to put forward their concerns on the decision)	100 % of procurement procedures		

<sup>11</sup> **Costs of controls:** For estimation purposes 1 HC= 1 FTE reflecting therefore a maximum amount of cost of controls. Estimation on resources is only available in Head Count units. FTE correspondence is not available for BUDG and it is not considered cost-effective to obtain (no impact on the conclusion of the assessment).

## Stage 2 – Financial transactions

**Main control objectives:** Ensuring that the implementation of the contract is in compliance with the signed contract

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage frequency and depth	How to estimate the costs <sup>12</sup> and benefits of controls	Possible control indicators
<p><b>The products/services/works foreseen are not, totally or partially, provided in accordance with the technical description and requirements foreseen in the contract and/or the amounts paid exceed that due in accordance with the applicable contractual and regulatory provisions.</b></p> <p><b>Business discontinues because contractor fails to deliver</b></p>	<p>Operational and financial checks in accordance with the financial circuits.</p> <p>Operation authorisation by the AO</p> <hr/> <p>Management of sensitive functions</p>	<p>100 % of financial transactions controlled ( commitments, signature of contracts and payments)</p> <hr/> <p>Review of sensitive posts every five years or in case structure changes happen.</p>	<p><b>Costs:</b> estimation of cost of staff involved.</p> <p><b>Benefits:</b> Total amount of correct payments made during the year.</p> <p>Amount of irregularities, errors and overpayments prevented by the controls (q).</p> <p>Deterrence effect of controls (n.q)</p>	<p><b>Effectiveness:</b> % error rate prevented (amount of errors/irregularities averted over total payments)</p> <p><b>Efficiency/Cost-Effectiveness:</b></p> <p>% of payments made on time</p> <p>Average time for payment</p> <p>Proportion of overall cost of controls over total amount of payments made</p> <p>Average control cost per financial transaction ( commitments, signature of contracts and payments)</p>

<sup>12</sup> **Costs of controls:** For estimation purposes 1 HC= 1 FTE reflecting therefore a maximum amount of cost of controls. Estimation on resources is only available in Head Count units. FTE correspondence is not available for BUDG and it is not considered cost-effective to obtain (no impact on the conclusion of the assessment).

### Stage 3 – Supervisory measures

**Main control objectives:** Ensuring that any weakness in the procedures (tender and financial transactions) is detected and corrected

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage frequency and depth	How to estimate the costs <sup>13</sup> and benefits of controls	Possible control indicators
<b>An error or non-compliance with regulatory and contractual provisions, including technical specifications, or a fraud is not prevented, detected or corrected by ex-ante control, prior to payment</b>	Supervisory desk review financial transactions	Representative sample (for financial transactions)	<b>Costs:</b> estimation of cost of staff involved.	<b>Effectiveness:</b> Amounts associated with errors detected (related to fraud, irregularities and error). In % over total checked.
	Review of ex post results	Any systemic problem in procurement procedures and in financial transaction procedures are reported and analysed	<b>Benefits:</b> Amount of payments made during the year for which there is reasonable assurance that were made free of material error (q).	N° system improvements made.
	Review of exceptions and non-compliance reports	At least once a year: Evaluation of non-compliance and exception reports	Deterrents & systematic weaknesses corrected to improve procedures and to better address related risks (n.q)	N. of exception non-compliance / exception events reported to ICC and % of these reports giving place to control weakness
	Review of incidents occurred during procurement procedures	Corrective measures taken if appropriate (cost - effectiveness criteria). Revision of procedures and/or checklists.		<b>Efficiency/Cost-effectiveness:</b> Proportion of overall cost of controls over total amount of payments made

<sup>13</sup> **Costs of controls:** For estimation purposes 1 HC= 1 FTE reflecting therefore a maximum amount of cost of controls. Estimation on resources is only available in Head Count units. FTE correspondence is not available for BUDG and it is not considered cost-effective to obtain (no impact on the conclusion of the assessment).

**ANNEX 6: IMPLEMENTATION THROUGH NATIONAL OR INTERNATIONAL PUBLIC-SECTOR BODIES AND BODIES GOVERNED BY PRIVATE LAW WITH A PUBLIC SECTOR MISSION**

N/A

## **ANNEX 7: EAMR OF THE UNION DELEGATIONS**

N/A

## **ANNEX 8: DECENTRALISED AGENCIES**

N/A

## ANNEX 9: EVALUATIONS AND OTHER STUDIES FINALISED OR CANCELLED IN 2015

Reference No of Annex 4 MP2015	Title	Reason <sup>1</sup>	Scope <sup>2</sup>	Type of evaluation or other study	Associated DGs	Costs (EUR)	Comments	Reference	Access to results	
<b>I. Evaluations finalised or cancelled in 2015</b>										
N/A										
<b>II. Other studies finalised or cancelled in 2015</b>										
<b>a. other studies finalised in 2015</b>	Study on e-procurement and SEDIA	Study to support the task force on e-procurement	P	E	I	The task force is an interservice group	50 000 €	Completed in March-15	2015.343 0	Study available in DG BUDGET (Unit D2)
<b>b. other studies cancelled in 2015</b>										
N/A										
<sup>1</sup> L - legal act, LMFF - legal base of MFF instrument, FR - financial regulation, REFIT, CWP - 'evaluate first', O - other (please specify in Comments) <sup>2</sup> specify what programme/regulatory measure/initiative/policy area etc. has been covered <sup>3</sup> P - prospective, R - retrospective, P/R - prospective and retrospective <sup>4</sup> E - external, I - internal, M - mixed (internal with external support) <sup>5</sup> FC - fitness check, E - expenditure programme/measure, R - regulatory measure (not recognised as a FC), C - communication activity, I - internal Commission activity, O - other - please specify in the Comments										

## **ANNEX 10: SPECIFIC ANNEXES RELATED TO "MANAGEMENT OF RESOURCES"**

N/A

**ANNEX 11: SPECIFIC ANNEXES RELATED TO  
"ASSESSMENT OF THE EFFECTIVENESS OF THE  
INTERNAL CONTROL SYSTEMS"**

N/A

# ANNEX 12: PERFORMANCE TABLES

## ABB activity Financial framework and budget procedure

Specific objective 1. : Establish a budget of good quality within deadlines respecting the Commission's priorities		<input type="checkbox"/> Programme-based (please name the related spending programme) <input checked="" type="checkbox"/> Non programme-based	
<b>Result indicator 1: Commission adopts Draft Budget (DB) 2016 within the deadlines set in the Treaty and Budgetary Authority adopts Budget 2016 according to schedule</b>			
<i>Description:</i> Establish a budget within deadlines respecting the Commission's priorities and act as honest broker for a successful conciliation in November 2015			
[Source : Agenda Planning]			
<b>Baseline</b>	<b>Target</b>	<b>Result 2015</b>	
Adoption of DB 2015 by the College in June 2014	College approves statement of estimates by end-May 2015 and DB (in all languages) in June	College approved the statement of estimates on 27 May 2015 and the DB on 24 June.	
Adoption of Budget 2015 in December 2014	November 2015: successful conciliation.	Successful conciliation on 14 November 2015.	
	Parliament and Council adopt Budget 2016 by December 2015	Adoption of the budget on 25 November 2015	
<b>Main outputs in 2015</b>			
<b>Description</b>	<b>Indicator</b>	<b>Target (2015)</b>	<b>Result 2015</b>
<b>Establish a budget according to needs within deadlines respecting the Commission's priorities</b>	Difference between DB and authorized budget	Difference < 1%	Difference well below 1%: - Commitments: Difference of € 0.1/155 billion (above the DB) - Payments: Difference of € 0.6/144 billion (below the DB)
	Timely adoption of estimates and DB	Commission adopts estimates of expenditure by May and DB 2016 (all languages) 3 weeks later.	Statement of Estimates adopted on 27 May 2015 and Draft Budget on 24 June.
	Timely adoption of Amending Letters (AL) & Amending Budgets (AB)	AL & AB adopted by College and budget authority by mid Dec- 2015	7 AB and AL adopted on time by Commission All proposals agreed by the budgetary authority as presented by the Commission. 2 AL integrated in the final 2016 budget
<b>Allocate Human Resources to Commission services according to needs and promote efficiency</b>	Decisions consistent with 5% staff reduction target set in Inter Institutional Agreement, and in line with the Commission policy orientations	College allocation decisions in May 2015 on complementary allocation of posts in reserve and in Dec 2015 for 2016 allocation	College adopted complementary allocation on 27 May and in mid-December 2015 on 2016 allocation.
<b>Updated financial programming 2016-2020</b>	Timely update of Financial programming updated after adoption of 2015 Budget.	Update sent to Council and EP by end-January 2015	Update sent on time (26 January 2015)
	Timely revision indicative financial programming 2016-2020 endorsed by	College endorses revised financial programming with adoption of DB 2016 &	Adopted by the College with the Statement of Estimates.

<b>Specific objective 1. : Establish a budget of good quality within deadlines respecting the Commission's priorities</b>		<input type="checkbox"/> Programme-based (please name the related spending programme) <input checked="" type="checkbox"/> Non programme-based	
	College when adopting Draft Budget 2016.	no error in documents	No corrections made afterwards.
<b>Assess budgetary implications and ensure sound budgeting and respect of MFF for new legal acts/Commission decisions or amendment of existing legal acts proposed by the Commission.</b>	N° of inter-service interservice consultations (ISC) processed.	At least 95% of replies to ISC within normal ISC deadline	DG Budget processed practically all the 2.800 ISCs received within the deadlines (only 9 replies were sent beyond the deadline).
<b>Commission proposal for a revision of the MFF based on Art. 19 MFFR (late adoption of programmes under shared management)</b>	Timely delivery of the Commission proposal	04/02/2015	Commission proposal adopted on 20/01/2015, accompanied by DAB for 2015.
<b>Assist Council in agreeing on the Art 19 revision and obtaining consent from EP within the deadline set in the MFFR</b>	Timely adoption of the Commission proposal	30/04/2015	Council adoption on 21/04/2015 within the deadline set by the MFF Regulation (before 1/05/2015)
<b>Commission adoption of the technical adjustment of the MFF 2014-2020 for the year 2016</b>	Timely delivery of the Technical Adjustment	May 2015	Adopted on 22/5/2015
<b>Deliver the forecast for the VAT and GNI bases for the establishment of the financing of the Draft Budget 2016 and the Draft Amending Budget 2015</b>	Timely delivery	01/06/2015	<p>Delivered within the set deadline after the ACOR meeting of 19/05/2015</p> <p>The ACOR-forecast meeting, at which Member States agreed on the VAT and GNI bases for the financing of the DB 2016 took place on 19 May 2015.</p> <p>The financing side of the budget was finalised immediately afterwards, in good time for the incorporation in the DB.</p> <p>The calculation of the UK corrections for the various years concerned was finalised in parallel.</p>

Specific objective 2. : Strategic budgetary planning : frame spending within short and long term financial framework  Programme-based (please name the related spending programme)  
 Non programme-based

**Result indicator 1.: Launch the mid-term review/revision process with a view to its adoption by the end of 2016**

Description: The mid-term review/revision will be a politically sensitive and multifaceted process and its preparation consequently require a long lead time for internal preparations and external consultations. Scope, method and deliverables need to be agreed upfront.

[Source : notes in ARES]

<u>Baseline</u>	<u>Target</u>	<u>Result 2015</u>	
<b>November 2014: first preliminary reflections</b>	<b>By end 2016 timely adoption of the mid-term review and associated legislative proposals</b>	<b>Work on substance started in 2015, framed by a number of meetings of the "MFF Core Group" of DGs; options for quantitative and qualitative elements have been identified and work on substance on the latter started, supported by replies to a questionnaire by all services and a number of technical working groups.</b>	
<u>Main outputs in 2015</u>			
<u>Description</u>	<u>Indicator</u>	<u>Target (2015)</u>	<u>Result 2015</u>
<b>Improve medium and longer-term payment forecasts</b>	Develop, refine and update scenarios on annual payment needs under the MFF for all (sub-)headings;	31/12/2015	Fully functional payment model with scenarios for main spending areas in place and regularly updated.
<b>Develop an integrated concept for the preparation of the mid-term review/revision and of the post-2020 MFF</b>	Work out a concept for the MTR/revision including proposed scope, material basis, internal organization and process, options of external consultation/advice, political process, timetable	31/3/2015	First version of concept paper was delivered on 18/12/2014 to VPKG Cabinet and discussed/ revised in the first months of the year.  On this basis, internal process was launched with first MFF Core Group of DGs meeting on 21/05/2015.
<b>Provide core support to the High Level Group on Own Resources (HLGOR) and ensure coordination within the Commission via the management of an internal network</b>	Timely and high-quality preparatory work for the HLGOR Direct support to the HLGOR Chairman.  Set up of the network of correspondents from most concerned DGs Conduct regular meetings and ensure that adhoc requests for contribution to the HLGOR are met	31/12/2015	Achieved

## ABB activity Budget execution, control and discharge

Specific objective 1. : Ensure effective management of the relations with the Court of Auditors and the EP's Budgetary Control Committee (CONT)			
		<input type="checkbox"/> Programme-based <input checked="" type="checkbox"/> Non programme-based	
<b>Result indicator 1: Positive discharge resolution with no postponement or reservations</b>			
<p><u>Description:</u> Yes/No indicator; possible values are postponement and no postponement.</p> <p>[Source : EP adoption of Discharge Resolution / EURLEX]</p>			
<b>Baseline</b>	<b>Target</b>	<b>Result 2015</b>	
No postponement of the discharge in April 2014	Getting the discharge in the 2015 April EP plenary	Discharge on the 2013 Budget implementation was granted to the Commission with an overwhelming majority.	
<b>Result indicator 2: Delivery of the main outputs, respecting the legal and self-imposed deadlines, at a high level of quality, fulfilling the stakeholders' expectations.</b>			
<p><u>Description :</u> This indicator is composed by a combination of several measurable elements and qualitative issues that cover its large spectrum; % of compliance with delays set for providing answers for each chapter, % of cases where deadlines were respected, quality the proposals presented by BUDG.01 and adopted by the services and the Court.</p> <p>[Source : Dates of Reports submitted &amp; replies given]</p>			
<b>Baseline</b>	<b>Target</b>	<b>Result 2015</b>	
Fulfilled 100% of the stakeholders expectations, delivered 100% of the main outputs in 2014	Fulfil 100% of the stakeholders expectations, deliver 100% of the main outputs in 2015	100% of the stakeholders' expectations were fulfilled and delivered 100% of the main outputs in 2015.	
<b>Main outputs in 2015</b>			
<b>Description</b>	<b>Indicator</b>	<b>Target (2015)</b>	<b>Result 2015</b>
Reply to ECA annual report for the financial year 2014 (art. 162(4) FR)	Timely delivery of replies to ECA annual report	15 <sup>th</sup> October 2015	The replies were already delivered in September 2015
Reply to ECA Special Reports (art. 163(1) FR)	Timely delivery of replies to ECA Special Reports	Deadline : 2,5 months	The deadline of 2,5 months was respected in almost 100% of the cases.
Summary of Member States (MS) replies to ECA observations (art 162(5) FR)	Timely delivery of the summary of MS replies to ECA observations	28 <sup>th</sup> February 2015 (2013 discharge)	Summary of MS' replies to ECA observations was delivered before the 28th February 2015
Report on the follow-up to the discharge resolution and recommendations (art. 166(2) FR)	Timely delivery of a comprehensive report on the follow-up to the EP's discharge resolution and t the Council recommendation	End September 2015 (2013 discharge)	The Report on the follow-up to the 2013 discharge was adopted on 8/10/2015.
Evaluation of the ECA adversarial process identifying potential improvements for future processes	Launch of a satisfaction survey	At least 70% of satisfaction expressed by the services	80 % of Commission services expressed their satisfaction.

**Specific objective 2. : Make sure that budgetary implementation follows forecasts and effective use of resources principles.**  Programme-based  
 Non programme-based

**Result indicator: Difference between budget estimates and actual execution**

*Description:* Provide estimates of expenditure as accurate as possible and then to ensure that the authorized appropriations are used efficiently, making use of the possible fine-tuning (transfers) in the course of the year to adjust to updating of needs, while continuously feeding College, Council and EP on progress in implementation. Contribute to enhancing of performance-driven culture throughout the organization, through ex-ante setting objectives and ex-post reporting in programme statements

[Source : BUDGWEB]

<u>Baseline</u>	<u>Target</u>	<u>Result 2015</u>	
<b>99.9% implementation of Budget 2013 after carry-over for payments</b>	<b>Full Budget 2015 implementation making use of transfers and, if necessary, amending budgets</b>	<b>The budget has been practically fully implemented (99.9%)</b>	
<b>Implementation note of February 2014 (Ares(2014)535834 - 28/02/2014)</b>			
<u>Main outputs in 2015</u>			
<u>Description</u>	<u>Indicator</u>	<u>Target (2015)</u>	<u>Result 2015</u>
<b>Carryover Decision</b>	Timely adoption of the justified carryover requests, to be then followed by full implementation	Decision taken by 15/2/2015	The carry-over decision was adopted on time (11 February 2015) Only € 0,1 M commitment appropriations carried-over from 2014 were not implemented out of € 11 billion
<b>Transfers</b>	Number of transfers accepted by the budget authority.	Budgetary Authority approves all transfer requests	100% of transfer requests (46 in total) were approved by Council and Parliament.
<b>Budget Implementation Plan and regular reports to Budget Authority (BA)</b>	Timely and error-free delivery of documents	1) Working document on implementation forecast (WDV) and following update of forecasts(initial forecasts at the adoption of DB 2016; update in September 2015)  2) Weekly implementation reports.  3) Implementation of structural funds (monthly)  4) Detailed report on the structural funds(every 3 months)  5) Working document on agencies(description of budget of each agency, human resources; buildings; published with the budget)	1) Document was delivered on time. Update was made in September.  2) Weekly reports were sent as from 7 April, as foreseen.  3) Monthly reports were sent.  4) Detailed reports were sent in January, April, July and October as planned.  5) Document delivered on time
<b>Information notes on state of budget implementation</b>	Endorsement by College of information notes and acceptance by Council and EP without questioning reliability of data of information provided	Information notes on 02/2015, 06/2015 and 10/2015	Information note sent on 20 March 2015.  New "Active Monitoring and Forecast of Budget Implementation sent in July and October 2015.  Well received by the Council and Parliament.
<b>Provide data on allocated expenditure by MS and on revenue as input to the annual Financial Report</b>	Timely and error-free delivery	01/06/2015	Contributions provided within the deadline of 1 June 2015 to the Financial report on the allocation of EU expenditure by Member State and on revenue

Specific objective 3. : Efficiently and effectively manage and control the Union's own resources		<input type="checkbox"/> Programme-based <input checked="" type="checkbox"/> Non programme-based	
<b>Result indicator 1. : Timely and accurate collection of Own Resources contributions and related payments from Member States and implementation of the inspection programme</b>			
<i>Description</i> : TOR inspection - Inspection of TOR collection by Member States is a statutory requirement that helps ensuring timely and complete making available of own resources <i>[Source : DG Budget's monthly 'Tableau de Bord'+ unit B3 reporting on implementation of inspections]</i>			
<b>Baseline</b>	<b>Target</b>	<b>Result 2015</b>	
100% collection and full implementation of inspection programme in 2014	100% collection and full implementation of inspection programme in 2015	89% implementation (3 inspections cancelled, 1 inspection postponed to 2016)	
<b>Result indicator 2. : Confirmation by ECA of the effectiveness of the Commission's OR control systems</b>			
<i>Description</i> : Opinion of the ECA in its Annual Report <i>[Source : ECA's annual Report]</i>			
<b>Baseline</b>	<b>Target</b>	<b>Result 2015</b>	
Positive opinion by ECA	Positive opinion by ECA	Positive opinion: Effective/overall effective No material level of error	
<b>Main outputs in 2015</b>			
<b>Description</b>	<b>Indicator</b>	<b>Target (2015)</b>	<b>Result 2015</b>
<b>Management of Member States' own resources payments</b>	Timely and accurate collection of OR contributions and related payments	100%	All national contributions have been fully paid. Any deviations noted for other own resources were promptly followed.
<b>Management of VAT exemption pursuant to PPI (Protocol of Privileges and Immunities)</b>	Timely and accurate recovery of VAT paid by the Commission services	Full and timely fund by Member States	All refund requests for 2014 were made timely (before 30/6/2015).  Reimbursement is monitored and followed-up.
<b>Control of the Union's traditional own resources (TOR) (including the assessment of MS' write-offs)</b>	Percentage of implementation and reporting of TOR inspections in accordance with the annual programme  Timeliness of assessment of MS' write-off reports and related financial impact	100%	93% of TOR reports sent timely.  89% of TOR inspection programme implemented  99.7% of total assessments (309) made and communicated on time except one for which additional information was requested (information meanwhile obtained).
<b>Control of VAT-based own resources: Reasonable assurance that Member States' VAT statements are correct and comply with OR regulations</b>	Degree of completion of agreed programme of inspections	100 %	100%
<b>Obtain, in close co-</b>	1) Availability of comparable,	1) End-October	The GNI data for

Specific objective 3. : Efficiently and effectively manage and control the Union's own resources			<input type="checkbox"/> Programme-based	<input checked="" type="checkbox"/> Non programme-based
<b>operation with Eurostat, comparable, reliable and exhaustive GNI data for the annual budget procedure as Member States' own resources contributions, initially based on budget forecasts, are recalculated.</b>	reliable and exhaustive GNI data, agreed by the Member States in the October GNI Committee, for the calculation of annual VAT/GNI balances.	2015	own resources was unanimously approved by all Member States in the October GNI Committee meeting.	
	2) Opinion of the Court of Auditors.	2) Positive assessment of the ECA	In its Annual Report the ECA assessed the examined systems for GNI and VAT own resources as effective.	

Specific objective 4. : Prepare candidate and applicant countries to correctly apply the EU own resources system			<input type="checkbox"/> Programme-based	<input checked="" type="checkbox"/> Non programme-based
<b>Result indicator 1. : Estimated preparedness by candidate and applicant countries</b>				
<u>Description</u> : Qualitative indicator based on the Commission services assessment				
<i>[Source : Reports sent to ELARG and internal assessments]</i>				
<b>Baseline</b>	<b>Target</b>	<b>Result 2015</b>		
<b>100% timely delivery in 2014</b>	<b>100% timely delivery in 2015</b>	<b><u>100%</u></b>		
<b>Main outputs in 2015</b>				
<b>Description</b>	<b>Indicator</b>	<b>Target (2015)</b>	<b>Result 2015</b>	
<b>Coordination of technical assistance and monitoring progress in Own Resources preparedness in candidate countries</b>	Number of countries progressing to Own Resources preparedness, depending on Council decisions to open-up accession negotiations for Chapter 33	100%	100% (ME, ch 33 opened; SB, CY progressing)	
<b>TOR seminar in Montenegro</b>	Achieve all the objectives set for the seminar and timely reporting	100%	100%	
<b>Screening Acquis with Serbia</b>	Input provided for the screening report and the draft European Union Common Position and support to ELARG (NEAR) in Council	100%	100%	

## ABB activity Accounting

Specific objective 1. : Ensure a true and fair view of the EU accounts and of other entities under the responsibility of the EC accounting officer			
		<input type="checkbox"/> Programme-based <input checked="" type="checkbox"/> Non programme-based	
<b>Result indicator 1.: Obtain a positive opinion from the European Court of Auditors on the reliability of the accounts : positive DAS</b>			
<p><u>Description:</u> A positive DAS demonstrates to the EP and EU citizens that the EU has a properly functioning accounting system that reports reliable information on how monies are used.</p> <p>[Source : Annual Report of European Court of Auditors November 2015]</p>			
<b>Baseline</b>	<b>Target</b>	<b>Result 2015</b>	
<b>Positive DAS on 2013 Accounts (5/11/2014)</b>	<b>Positive DAS on 2014 Accounts in November 2015</b>	<b>Positive DAS for 2014 accounts was given by ECA</b>	
<b>Main outputs in 2015</b>			
<b>Description</b>	<b>Indicator</b>	<b>Target</b>	<b>Result 2015</b>
<b>Adoption of the Commission and consolidated Annual accounts of EU</b>	Timely delivery of Annual accounts(per FR) Positive DAS from ECA	Maintain the positive DAS of the previous 7 years	Timely adoption of 2014 accounts and Positive DAS
<b>Adoption of the Annual Accounts of all entities for which the Accounting Officer of the Commission is the Accounting Officer</b>	Timely delivery of Annual accounts (per FR) Positive DAS from ECA	Maintain the positive DAS	Timely adoption and positive DAS
<b>Issue Accounting Officer's Status report. FR Art 150(4) and monthly budgetary reporting FR art 150 (1)</b>	Timely delivery of report (per FR)	Useful report timely issued.	Report prepared and send to the CONT on time
<b>Issue Communication to the Council and EP on the protection of the EU Budget</b>	Positive impact on discharge discussions with information of wide use by stakeholders.	High quality and readable report, with a positive impact on discharge discussion.	The Communication was adopted by the Commission. This information was used during the discharge discussions
<b>Issue quarterly reporting on financial corrections</b>	Timely delivery of quarterly report to the EP on financial corrections	Quarterly reports issued on time	Quarterly reports issued on time
<b>Validation of local systems</b>	Local financial systems are compliant to the validation criteria set up by the Accounting Officer Issues identified are accepted and treated by DGs	Systems are validated and compliant  action plans are accepted and issues treated within the timeframe agreed	Systems evaluated are compliant with the validation criteria in all cases  all action plans were accepted, status of implementation will be checked at the follow up exercise in 2016

Specific objective 2. : Appropriate execution of EC Accounting Officer's tasks  Programme-based  Non programme-based

**Result indicator 1. : Obtain positive opinions of the European Court of Auditors, Discharge Authority and IAS**

Description: A positive DAS demonstrates to the EP and EU citizens that the EU has a properly functioning accounting system that reports reliable information on how monies are used. The granting of discharge by EP also gives reassurance to citizens that EU Budget is effectively spent.

[Source : Reports of the European Court of Auditors, Discharge Authority and IAS]

<u>Baseline</u>	<u>Target</u>	<u>Result 2015</u>
Positive opinions issued by the European Court of Auditors, Discharge Authority and IAS in their Reports during 2015	Positive opinions issued by the European Court of Auditors, Discharge Authority and IAS in their Reports during 2015	Clean bill of health for the reliability of the annual accounts

**Main outputs in 2015**

<u>Description</u>	<u>Indicator</u>	<u>Target (2015)</u>	<u>Result 2015</u>
<b>Management of the EU accounting framework and system for all the entities under the responsibility of the EC Accounting Officer</b>	Extent to which the framework & systems are kept up-to-date and relevant to the operations of the EU.	Respond timely to new developments in IPSAS e.g. new disclosures in the 2014 accounts. -Maintain low number of audit recommendations -respond to new legal and reporting requirements on time	Accounting framework is up to date complying with the current IPSAS in force: both the rules and the manual have been modified as needed during the year.
<b>Follow-up of European Court of Auditors observations on the reliability of the accounts</b>	Number of important accounting recommendations in 2014	Low number of accounting recommendations in the body of the ECA annual report	No important accounting recommendations neither in the ECA annual report nor in the management letter
<b>Efficient and effective management of fines</b>	% of coverage of the fines and safeguard of the related financial assets in accordance with the applicable risk management policy	100 % (last known result 96,85% as per 30.9.2014)	96,07% (at 31.12.2015)
<b>Efficient and effective Treasury Management</b>	Number of payments authorized delayed due to lack of cash resources  Execution one day after authorization of payments  Regular availability of cash forecasts at short and medium term  Safeguard of funds	No payments authorized delayed due to lack of cash  98% of all payments  Daily update for very short term and weekly for monthly forecasts medium term  No losses on bank balances	No authorized payments were delayed due to lack of cash  Almost 100% of payments were executed within one day after authorization by the AOD  Cash forecasts were made available in accordance with target  No losses on bank balances occurred in 2015
<b>Efficient and effective Recovery Management</b>	Number of open recoveries during the year	1500 (lowest level of unpaid recoveries for the General Budget over the last 10 years) Last known result 1583 as per 30.09.2014	1575 RO opened for the general budget as of 31.12.2015,

Specific objective 2. : Appropriate execution of EC Accounting Officer's tasks		<input type="checkbox"/> Programme-based <input checked="" type="checkbox"/> Non programme-based	
<b>Raising the profile of the EC accounting services in the professional international world</b>	Presence/participation in well recognised accounting forums	Presence in IPSAS, CIGAR, OECD and FEE	Regular presence in IPSASB, CIGAR, FEE, EPSAS and OECD meetings.
	Professional publications and lectures	2-5 lectures/publications	Participation as expert in the IPSAS standard on Emission Trading Schemes.
			The EC Accounting Officer has provided more than 5 speeches/presentations in relevant accounting forums

Specific objective 3. : Provide central financial/accounting information system services		<input type="checkbox"/> Programme-based <input checked="" type="checkbox"/> Non programme-based	
<b>Result indicator 1: Provisioning of Financial Information System Services in line with the Service Level Agreements and implementation of the ABAC multi-year Roadmap.</b>			
<p><u>Description:</u> The quality is expressed in terms of availability (business continuity), legal compliance, securisation of data and the systems' technical robustness. These IS services are instrumental in ensuring a continuous budgetary execution in line with the legal provisions, accounting and achieving a positive DAS.</p> <p>[Source : ABAC Roadmap]</p>			
<b>Baseline</b>	<b>Target</b>	<b>Result 2015</b>	
<b>All ABAC Service Level Agreement indicators respected in 2014</b>	<b>All ABAC Service Level Agreement indicators respected in 2015</b>	<b>All provisions laid down in the Service Level agreement have been respected in 2015.</b>	
<b>On-time and on-budget delivery of the deliverables in the 2014-section of the ABAC Roadmap.</b>	<b>On-time and on-budget delivery of the deliverables in the 2015-section of the ABAC Roadmap (full completion end of 2018).</b>	<b>As compared to the baseline, 70% was delivered on time and 30% required re-scheduling due to competing priorities or sourcing.</b>	
<b>Main outputs in 2015</b>			
<b>Description</b>	<b>Indicator</b>	<b>Target (2015)</b>	<b>Result 2015</b>
<b>ABAC's secured operational continuity and efficient support to its user community ensured</b>	ABAC Helpdesk: % incoming standard requests solved within 1h	90%	97,75%
	within 4h		98.73%
	Number of intrusion attempts having an impact on the corporate financial/accounting system	0	0
	Authorizations compliant to delegation acts, in particular reflecting reorganization of the Commission	Completed 12/2015	Authorisations configured and completed as planned

Specific objective 3. : Provide central financial/accounting information system services		<input type="checkbox"/> Programme-based <input checked="" type="checkbox"/> Non programme-based	
<b>Continuous alignment of ABAC to legal and business imperatives (FR, MAFF, ..)</b>	Revision of the Early Warning System and new Central Exclusion Database	Operational  Completed by 06/2015	The ABAC release of June 2015 contained the legal obligation for the EWS Revision
	Transfer of financial files in function of Commission-reorganization	Compliant to calendar agreed upon with the entity	Commission reorganisation implemented in ABAC and operational with no issues
	Integration of External Entities in ABAC (SRB, BBI, ..)	Operational within one calendar month following the decision	New entities started in 2015: SRB, BBI 1. New Trust Funds started in 2015: a) <i>Trust Fund Syria in production in April 2015</i> b) <i>Trust Fund Africa in production in December 2015</i>
	Set-up of new standard Trust Funds		
<b>Implementation of Review ABAC Architecture Roadmap within the corporate IT-architecture</b>	Re-usable Basic Services made available to the corporate landscape	Completed mid-2015	Delivered as planned
	Developments of Legal Commitment Kernel in collaboration with Grants and Procurement domain	Respect of 2015-planning laid down in ABAC Roadmap	The phase 1 of the Legal Commitment Kernel project was finalized as planned. Phase 1 contains a better alignment of Legal and Budgetary Commitments in ABAC. A User Group was set up and several meetings were organized with the DGs involved in Grants and Procurement.

Specific objective 4. : Provide central financial/accounting information system services		<input type="checkbox"/> Programme-based <input checked="" type="checkbox"/> Non programme-based	
<b>Result indicator:</b> Reports produced and data made available can generate knowledge based on which political and management decisions can be made and provide information for general public. <b>Description:</b> Reports produced and data made available can generate knowledge based on which political and management decisions can be made and provide information for general public.			
<b>Baseline</b>	<b>Target</b>	<b>Result 2015</b>	
N/A (added during midterm review MP 2015)	Provide error-free, consistent and timely reports foreseen by the legal framework or requested by users within the Institution, other entities under the responsibility of the Accounting Officer, the Budgetary Authority and other EU bodies.	Target achieved	
<b>Main outputs in 2015</b>			
<b>Description</b>	<b>Indicator</b>	<b>Target (2015)</b>	<b>Result 2015</b>
<b>Preparation of the budgetary implementation reports foreseen by FR Art.146 (RAP 233) to be integrated in the annual accounts.</b>	Timely preparation and availability for its integration to the annual accounts (provisional & final).	Error-free report timely issued.	The report was prepared and made available in time for its integration in the annual accounts. No errors or inconsistencies were detected by the Court.
<b>Preparation of the Report on budgetary and Financial Management foreseen by FR Art.142 (RAP 227).</b>	Preparation and transmission to the Budgetary Authority by 31 March.	Error-free report timely issued and transmitted.	The report was prepared and sent to the Budget Authority and the Court within the set deadline. No errors were detected by the Court.

<b>Specific objective 4. : Provide central financial/accounting information system services</b>		<input type="checkbox"/> Programme-based <input checked="" type="checkbox"/> Non programme-based	
<b>Preparation of the monthly report on the implementation of the budget as foreseen by FR Art. 150(1).</b>	Preparation and publication by the 10th working day of each month.	Error-free report timely published.	Error-free reports were prepared and published on time throughout the year
<b>Preparation of the Weekly budget implementation report required by the Budgetary Authority.</b>	Timely preparation and transmission.	Error-free report timely issued and transmitted.	Error-free reports were prepared and sent to the Budgetary Authority at the required frequency and agreed deadlines throughout the year.
<b>Report and opinion on timeliness of payments for the European Ombudsman.</b>	Timely preparation and transmission by 1/9/2015.	Error-free report timely prepared and transmitted.	The report was prepared and transmitted on time free of errors  The opinion to the Ombudsman's inquiry and requested information were sent within the set deadline
<b>Financial Transparency System (FTS)</b>	Timely preparation and publication by 25 June.	Error-free report timely published respecting data protection rules.	Error-free report was prepared and published ahead of the set deadline.
<b>Monitoring the availability of reliable financial data by the ABAC Data warehouse for operational and official financial reporting and providing support to users in other BUDG units, other Commission DGs/services and agencies</b>	Daily monitoring of data quality and continuous availability of support to DWH users in other BUDG units, other Commission DGs/services and agencies.	No complaints received from DWH users.	Error-free data and support to users was available on a daily basis.  The new approach for reporting presented to the financial departments was appreciated

## ABB activity Promotion of sound financial management

Specific Objective 1. : Promote consistency and simplification of the financial rules		<input type="checkbox"/> Programme-based <input checked="" type="checkbox"/> Non programme-based
<b>Result Indicator 1: progress report in the simplification scoreboards</b>		
<p><i>Description:</i> the last simplification scoreboard dated March 3, 2014 listed a series of issues (e.g." coherence between the common rules of the sector specific rules) related to a limited list of topics (e.g." reduction of the number of programmes";" simplified costs methods"... ) and showing the progress since the first scoreboard. Following a request from the budget committee in the Council, the new simplification scoreboard would report progress since the one from March 3, 2014.</p> <p><i>[Source : SG VISTA]</i></p>		
<b><u>Baseline</u></b>	<b><u>Target</u></b>	<b><u>Result 2015</u></b>
<b>Scoreboard report of 3 March 2014</b>	<b>Progress report : State of play simplification scoreboard - 2017</b>  <b>Before the start of the work on the new revision of the financial regulation.</b>	<b>The adoption of the Scoreboard has been re-scheduled to mid-2016 to embed it in the Communication on Budget Focused On Results (BFOR).</b>
<b>Result Indicator 2.: development of a methodology to reflect the residual error rate, corrective capacity and cost of controls (accepted by ECA)</b>		
<p><i>Description:</i> The overview report must report at the Commission level the indicators necessary to show that the Commission manages legality and regularity risks and cost-effectiveness. The methodology and the values of these indicators should not be challenged by the Court, so that they are used for the Discharge and BFOR.</p> <p><i>[Source : AARs and SG Vista]</i></p>		
<b><u>Baseline</u></b>	<b><u>Target</u></b>	<b><u>Result 2015</u></b>
<b>AARs in March 2015 / Overview report in April 2015</b>	<b>Figures from the 2014 AARs and those from the Overview Report to be adopted in June 2015</b>	<b>The synthesis report contains, for the first time, the estimation of amount at risk and corrective capacity for each DG. DG Budget monitored the quality of the estimations and invited the DGs to correct the figures. In one case (Devco) DG Budget adjusted the reported figure in the synthesis report. In consequence, the methodology was not put in question by the Court of Auditors in its annual report and there was not one single instance in which the Court found that the Commission was underestimating the amount at risk.</b>
<b>Result Indicator 3. : Match the provisions of the Financial Regulation (FR) with management and operational needs: fit-for-purpose</b>		
<p><i>Description:</i> the modifications to the present FR currently examined by the legislative authority will be the last ones before the next revision of the FR. This is due to be presented to the legislative authority in 2018. Work within the Commission services and with the stakeholders should start well in advance so to capture all the necessary improvements.</p> <p><i>[Source : SG VISTA]</i></p>		
<b><u>Baseline</u></b>	<b><u>Target</u></b>	<b><u>Result 2015</u></b>
<b>Regulation number 966/2012</b>	<b>Adoption of the new revised FR by June 2015 and RAP by end 2015 for entry into force by 1/1/2016</b>	<b>Revision of the Financial regulation and its Rules of Application adopted end 2015 and entered into force as foreseen on 1/1/2016</b>

Specific Objective 1. : Promote consistency and simplification of the financial rules  Programme-based  
 Non programme-based

**Main outputs in 2015**

<b><u>Description</u></b>	<b><u>Indicator</u></b>	<b><u>Target (2015)</u></b>	<b><u>Result 2015</u></b>
<b>Ensure annual reporting on Commission performance: AARs + Overview report + Synthesis report</b>	<p>1. timely adoption by DG BUDG of the overview report and by the college of the synthesis report</p> <p>2. Production of synthetic tables with error rates and costs of controls in the synthesis report 2015</p> <p>3. Consistent reporting by all DGs on efficiency of controls</p>	<p>1. April for the overview June for the synthesis report.</p> <p>2. Synthetic tables are included in the Synthesis report</p> <p>3. Maximum % of DG are using relevant and correct calculation of cost effectiveness of controls in their AAR</p>	<p>1. Overview adopted on 07/05/2015 Ares(2015)1930721, Synthesis adopted on 03/06/2015 COM(2015)279</p> <p>2."Overall amount at risk and corrective capacity" synthetic table included in the Synthesis report. Reporting on cost-effectiveness base on conclusions by DG.</p> <p>3. 100% of DGs have used the guidance on cost-effectiveness. 42 of the 49 services reached a conclusion on the cost-efficiency of their management and control system compared with only three-quarters last year.</p>
<b>Adoption of the simplification measures scoreboard report by the College including the number of DGs using SCO (simplified cost options)</b>	Timely adoption by the Commission	March 2015	The adoption of the Scoreboard has been re-scheduled to mid-2016, to embed it in the Communication on Budget Focused On Results (BFOR), as simplification is a major work-stream of the BFOR strategy. As a consequence, the Scoreboard will also include results from the studies on simplification in structural funds, scheduled by the responsible Services in early 2016.
<b>Adoption of the revisions related to procurement and early detection and exclusion of unreliable economic operators</b>	proceeding of the legislative procedure	adoption by EP and Council by April 2015	Revision of the Financial Regulation and its Rules of Application adopted end 2015.
<b>Develop an integrated concept of the different steps leading to the proposal of revision of FR + RAP in 2017</b>	Definition and implementation of a detailed roadmap	100% definition of the roadmap	100% achieved
<b>Adoption of delegation agreements to the EIB/EIF for sectoral Financial Instruments</b>	Agreements with EIB/EIF in line with the FAFAs	All planned agreements signed	Achieved
<b>Ensure compliance and coherence with Financial Regulation of the new legal acts/Commission decisions or amendments of existing legal acts proposed by the Commission</b>	Timely and relevant contributions to Interservice Consultations	100%	100% Achieved

**Specific Objective 2. : Promote appropriate budget implementation through the provision of timely and efficient advice to clients**  Programme-based  Non programme-based

**Result Indicator 1.: feedback received on the quality of services rendered by SFC, including by ad hoc surveys**

**Description:** The SFC has developed a synthetic indicator which puts together the feedback received from customers of the following services: helpdesk, guidance and instructions, training, network coordination, and information services (mainly Budgweb). Customers are requested to give 1 to 5 points to each of these services. The aggregate is measured every quarter. Additionally to this indicator feedback is received also through other more specific systems.

[Source : quarterly report prepared by CFS]

<u>Baseline</u>	<u>Target</u>	<u>Result 2015</u>	
<b>December 2014 Score : 4.1 out of 5 points</b>	<b>December 2015 Score : 4 out of 5 points</b>	<b>Score 2015: 4,2 out of 5 points</b>	
<u>Main outputs in 2015</u>			
<u>Description</u>	<u>Indicator</u>	<u>Target (2015)</u>	<u>Result 2015</u>
<b>Trainings to staff managing the budget (expenditure life cycle, public procurement and grants , risk management , financial IT tools)</b>	Feedback received through syslog	Training evaluation rate > 80% ( Syslog)	85%
	Number of colleagues trained	slight decrease (approx 10%) in comparison with last year	4300 colleagues trained (Finance, accounting, internal control, IT Systems). This is 9% less than in 2014.
<b>Internal rules, guidance, models, vademecums on public procurement and grants, all published on Budgweb</b>	Timely adoption by the College of internal rules	Internal rules adopted by end of February 2015	Adoption 5 March 2015
	Feedback received through dedicated meetings to collect feedback per families of DGs. Spontaneous feedback	Positive qualitative feedback received as per CFS Quality report	Very positive feedback received from the services (4.5 points in average out of 5).
<b>Advice through consultations, helpdesk and financial networking aiming to promote financial rules and effective implementation</b>	Feedback received through dedicated meetings to collect feedback per families of DGs spontaneous feedback	Positive qualitative feedback received as per CFS Quality report	Very positive feedback received from the services (4,6 points in average out of 5).
	Rate of DG participation in networking events - Number of issues raised / number of issues treated in network events	80% of DGs present in network events	80% DGs regularly present in our network events.
<b>Diagnose and development of the strategy for e-procurement and SEDIA</b>	Participation in the task force for the Implementation of Electronic Procurement and SEDIA	Regular participation and input provided throughout the year	3 meetings held and various subgroups have worked on SEDIA vision, quick wins and integration (of several IT systems)
	Participation in Steering Committee at Director level co-chaired by DG BUDG and DIGIT (replacing the task force).		3 meetings were held with focus on steering the roll-out of eTendering and eSubmission (procurement) and in addressing the governance and technical aspects of SEDIA

Specific objective 3. : Reinforce the conditions (including the Inter-institutional dialogue) for providing evidence of the achievements of the EU budget in line with the Commission priorities

Programme-based  
 Non programme-based

**Result indicator: Degree of integration of better spending and performance concepts in the budgetary cycle**

Description: The budgetary cycle, from the draft budget documents to the discharge, incorporates the information necessary to evaluate stakeholders' accountability for budget spending based on the results achieved in a coherent manner, thus supporting budget adoption as well as the second pillar of the discharge procedure.

[Source : Outputs of IIWG on better spending, PS, MPs, AARs, Art. 318 Report, ECA Chapter 10 (2016 Annual Report)]

<u>Baseline</u>	<u>Target</u>	<u>Result 2015</u>
<b>2014 - First year of new MFF: Varied performance information</b>	<b>2018 - Discharge 2017: ECA Chapter "Getting the Results from the EU Budget" positive assessment</b>	Start of the Inter-institutional dialogue, definition of the conceptual logic of the BFOR and launch of the initiative with the stakeholders

**Main outputs in 2015**

<u>Description</u>	<u>Indicator</u>	<u>Target (2015)</u>	<u>Result 2015</u>
<b>Set-up the governance structure for the implementation of the BFOR concept</b>	Create and support of the Network of Commissioners	Discuss and endorse topics relevant for BFOR at Ccssrs level in 3 meetings in 2015	Network of Commissioners created and topics relevant for BFOR discussed and endorsed at 3 meetings.
	Create and lead the Inter-Service Working Group on Performance	Identify and discuss topics relevant for BFOR  Prepare meetings of Network of Ccssrs, channel to the DG the political steer of the Network (3 meetings in 2015 )	Inter-Service Working Group on Performance created and met 3 times in 2015
<b>Communication and dialogue on better spending</b>	Organise the conference on EU Budget focused on results	Conference attendance, positive media coverage	Conference took place on September 22 with a full house participation and positive feedback from participants as well as the media.
	Establish the IIWG on Performance-Based Budgeting (PBB) and provide secretariat	Inter-institutional agreement for the TOR, nominations of the members and first meeting  Agreed work programme (including description of the current state of EU budget performance organization, identification of priorities and key challenges, feasible performance budget models)	The TOR for the IIWG was proposed by Commission in April and revised according to comments from the Parliament and Council in November.  In light of the difficulties of agreeing the TOR between the institutions the Commission decided to take a pragmatic approach: postpone the discussions on political level and start work on expert level as soon as possible without a specific TOR.

Specific objective 3. : Reinforce the conditions (including the Inter-institutional dialogue) for providing evidence of the achievements of the EU budget in line with the Commission priorities			<input type="checkbox"/> Programme-based <input checked="" type="checkbox"/> Non programme-based
<b>Elaboration, implementation and coordination of the BFOR work streams</b>	Definition of a process for the identification of clusters of indicators supporting the communication on the achievement of the EU Budget	Number of DGs/families of DGs with consistent monitoring and reporting over the SPP/ABM cycle of indicators providing evidence of the achievements of the EU Budget	<p>6 work streams for BFOR identified.</p> <p>Instruction for preparation of Strategic Plan covering the Commission term and an annual Management Plan</p> <p>Instruction for "programme fiche" giving a narrative of the programme progress and lessons learnt from predecessor programme</p>
	Database of projects supporting the communication on EU budget focused on results	Web search tool with database of at least 500 project to be ready before 22 September 2015	Web search tool with database of 500 projects launched at the conference on September 22 and continuously updated with projects after that.

**Specific objective 4. : Facilitate improvements in Public Internal Control systems throughout the European Union, candidate, potential candidate and qualifying European Neighbourhood countries through the animation of an active PIC Network for EU Member States and by providing bespoke tailor-made coaching and guidance on Internal Control reforms to the other above mentioned countries.**

Programme-based  
 Non programme-based

**Result indicator: A well-attended PIC conference (organized in partnership with a MS) which contributes to the identification of good practice in internal control and internal audit issues within Member States; as well as achievements in aligning internal control arrangements and external audit arrangements with internationally accepted standards and European good practice in candidate, potential candidate and qualifying European Neighborhood countries.**

Description: It is a condition of accession to the EU that CC implement the European acquis. As there is no community legislation concerning public sector internal control and external audit arrangements the PIFC framework utilizing internationally accepted standards and European good practice has been developed as the closing benchmarks for the sector. Conferences are the primary shop window of the Network. They are organized as Commission/MS partnerships and are tangible results of this method of working.

[Source : CC – Commission Progress Reports DG BUDG Progress reports & Minutes and delegate appraisal survey from PIC Conference 2015]

<b>Baseline</b>	<b>Target</b>	<b>Result 2015</b>	
<b>Degree of alignment to acquis when granted CC or PCC status</b>	<b>Measurable progress recorded in 2015 report when compared with 2014</b>	<b>Target achieved- for those countries for whom active assistance was provided in 2015</b>	
<b>Results from previous Conferences (2014)</b>	<b>Conference in December 2015 : 90% of MS attendance Match 2014 result of delegates' satisfaction.</b>	<b>Target met: 92.8%</b>	
<b>Main outputs in 2015</b>			
<b>Description</b>	<b>Indicator</b>	<b>Target (2015)</b>	<b>Result 2015</b>
<b>Organize and Chair 2015 PIC Conference with input from working group events</b>	User satisfaction levels obtained via user appraisal forms	75% rate as good or better	100% of participants who rated, scored it good or better
<b>Chair PIC Working Group helping identify topics for papers, assigning responsibility for production, monitoring progress and controlling quality.</b>	Papers produced and discussed at Conference Delegates appraisal of papers	4 papers produced and discussed	Target achieved: 3 papers + 1 practical workshop Average delegate satisfaction rating: 77.5% scored useful or better.
<b>Animate the PIC Network by producing and distributing regular newsletters covering the activities of the Working Group and other items of interest.</b>	Number of newsletters produced Feedback from audience	4 newsletters Positive / useful feedback is received	Only 2 newsletters were considered appropriate this year: both were welcomed by network members.
<b>Respond to any Member State (or other body) requests for specific consultancy work.</b>	Timely issue of report Customer reaction	Entirely customer-driven	Only 1 request received during 2015 Positive reaction received.
<b>Reports from fact finding missions and other assessments. Providing reliable summaries from those reports as timely input for the Progress reports on candidate, potential candidate and ENP countries</b>	Percentage of reports produced and sent to the client country; Input provided to DG ELARG and EEAS in accordance with the administrative deadlines Feedback from ELARG & EEAS	100% (8 reports) 100% Positive / useful feedback received	86% (1 out of 7 reports from November 2014) was issued belatedly 100% Positive feedback received from counterparts in DG NEAR

## ANNEX 13: REPORTING OBLIGATIONS OF DG BUDGET

Reports		
<b>Legally required reports:</b>		
<b>EU and Commission annual accounts</b>	FR	By 31 July
<b>EDF annual accounts</b>	EDF FR	By 31 July
<b>Trust funds annual accounts</b>	FR	
<b>Annual budget implementation reports (Budgetary outturn accounts)</b>	FR Art.146	By mid-March
<b>Annual Report on Budgetary and Financial Management</b>	FR Art.142	By 31 March (FR Art.142§1)
<b>Monthly reports on the implementation of the budget</b>	FR Art. 150	Within 10 working days of the end of each month (FR Art. 150§1)
<b>Publication of information on recipients of EU funds through the Financial Transparency System (FTS)</b>	FR. Art. 35	Before 30 June (RAP Art.21)
<b>Legally required reports as part of the Discharge package:</b>		
<b>Report on the follow-up to the discharge resolution and recommendations</b>	FR Art. 166(2)	End September (2014 discharge)
<b>Summary of MS replies to ECA observations</b>	FR Art 162(5)	End February (2014 discharge)
<b>Non-legally required reports:</b>		
<b>Active monitoring and forecast of budget implementation</b>	Jointly required by BA and Commission	February (2015 implementation), July and October
<b>Budget Implementation Plan</b>	Required as WD (V) to the DB	End May
<b>Weekly budget implementation report</b>	EP requirement	From mid-April up until end September on a fortnight basis and from then on up until the year-end on a weekly basis
<b>Implementation of structural funds reports</b>	EP requirement	Monthly, quarterly, annually
<b>Communication on the protection of the EU budget</b>	Required by EP, discharge package	
<b>General:</b>		
<b>Ensure the availability of reliable financial data by the ABAC Data warehouse for operational and official financial reporting and provide support to users.</b>	System owner obligation	Daily