

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

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

Brussels,

[Signed in ARES]

Gail Kent
Director R Support, Internal Control Coordinator

¹ 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 by ABB Activity

DG	Activity		Establishment Plan posts	External Personnel	Total
CNECT	09 02	Regulatory framework for the Digital Agenda	132	23	155
	09 03	Connecting Europe Facility (CEF) — Telecommunications networks	64	20	84
	09 04	Horizon 2020	373	174	547
	09 AWBL-01	Administrative support for the Directorate-General for 'Communications networks, content and technology'	95	26	121
	09 AWBL-02	Policy strategy and coordination for the Directorate-General for 'Communications networks, content and technology'	123	47	170
CNECT	Total		787	290	1077
Grand Total			787	290	1077

Financial Resources (€) (in commitment appropriations*)

Activity		Operational Expenditure	Administrative Expenditure	Total
09 02	Regulatory framework for the Digital Agenda	18.285.096	483.511	18.768.607
09 03	Connecting Europe Facility (CEF) - telecommunications networks	86.432.450	4.464.864	90.897.314
09 04	Horizon 2020	1.214.285.411	49.816.405	1.264.101.816
09 08 (AWBL-02)	Policy strategy and coordination for the Directorate-General of 'Information Society and Media'		8.277.800	8.277.800
09 09 (AWBL-01)	Management of the Directorate-General for 'Communications networks, content and technology'		12.699.711	12.699.711
Total		1.319.002.957	75.742.290	1.394.745.247

* Only C1 credits

EXECUTION OF COMMITMENT APPROPRIATIONS		
Other decentralised management expenditure - 09.010211.00.01 to 09.010211.00.06		
Code Activity	Activity	Execution of commitment appropriations
BGUE-B2014-09.010211.00.01.10	Mission expenses	792.875,00
BGUE-B2014-09.010211.00.01.30	Representation costs	3.700,00
BGUE-B2014-09.010211.00.02.20	Meeting expenses (for external experts)	291.612,12
BGUE-B2014-09.010211.00.02.40	Conference costs	113.385,02
BGUE-B2014-09.010211.00.03	Committee meetings	155.650,77
BGUE-B2014-09.010211.00.04	Studies & consultations	258.217,09
BGUE-B2014-09.010211.00.05	Information systems	61.909,00
BGUE-B2014-09.010211.00.06	Further training	160.072,00
	Total	1.837.421,00

Annex 3 Financial Reports - DG CNECT - Financial Year 2014

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

Remarks Table 1 and Table 2: "Should credits not expiring on 31/12/2014 (fund sources C4 and R0) be excluded from the reports, the budget implementation percentages of DG Connect would be the following:

09.02 -> 99,96 % for commitments and 99,97 % for payments

09.03 -> 100 % for commitments and 96,34 % for payments

09.04 -> 100 % both for commitments and payments"

Remarks Table 4 and Table 5:

The Cut-off methodology of DG CONNECT has been updated in 2014.

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2014 (in Mio €)					
			Commitment appropriations authorised	Commitments made	%
			1	2	3=2/1
Title 09 Communications networks, content and technology					
09	09 01	Administrative expenditure of the `Communications networks, content and technology- policy area	75,74547683	75,7422904	100,00 %
	09 02	Regulatory framework for the Digital Agenda	19,43769723	18,9116875	97,29 %
	09 03	Connecting Europe Facility (CEF) - Telecommunications networks	86,71547095	86,63407306	99,91 %
	09 04	Horizon 2020	1308,457286	1259,221601	96,24 %
Total Title 09			1490,355931	1440,509652	96,66%
Total DG CNECT			1490,355931	1440,509652	96,66 %

* 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

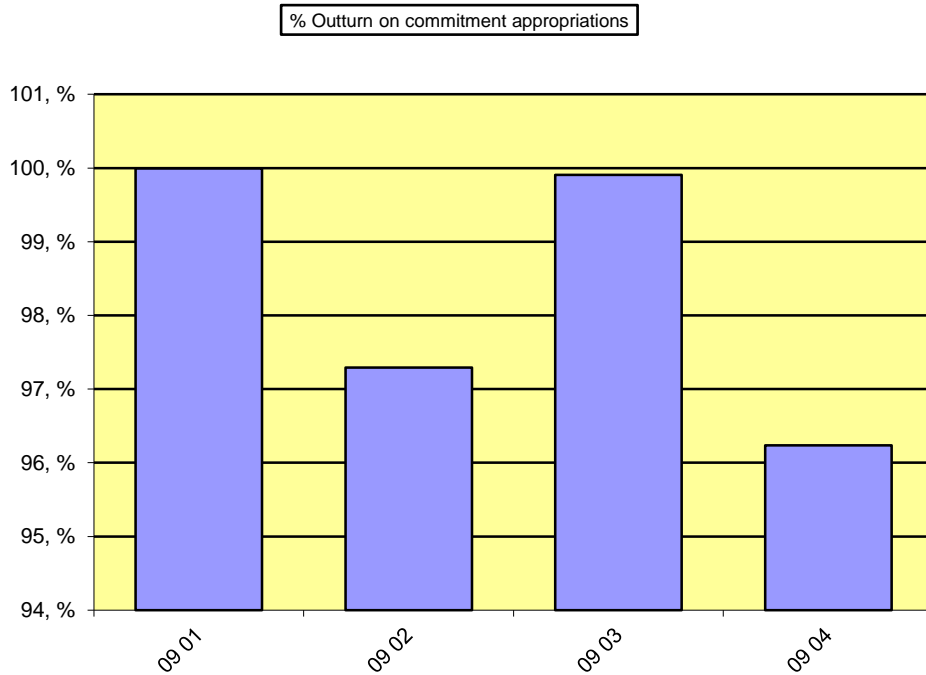


TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS IN 2014 (in Mio €)

Chapter		Payment appropriations authorised *	Payments made	%	
		1	2	3=2/1	
Title 09 Communications networks, content and technology					
09	09 01	Administrative expenditure of the `Communications networks, content and technology- policy area	89,65993036	78,600764	87,67 %
	09 02	Regulatory framework for the Digital Agenda	17,29917096	16,77519541	96,97 %
	09 03	Connecting Europe Facility (CEF) - Telecommunications networks	6,24266046	5,70659158	91,41 %
	09 04	Horizon 2020	1163,368576	1026,2322	88,21 %
Total Title 09			1276,570338	1127,314751	88,31%
Total DG CNECT			1276,570338	1127,314751	88,31 %

* 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).

=" % Outturn on payment appropriations"

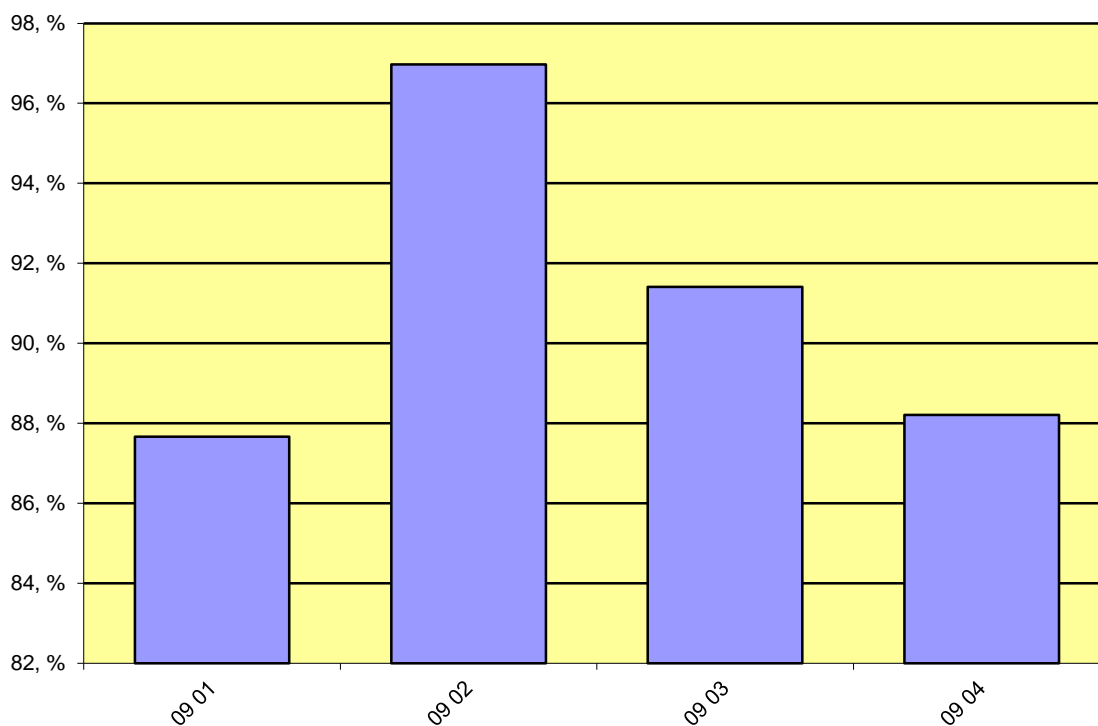


TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2014 (in Mio €)

Chapter			2014 Commitments to be settled				Commitments to be settled from financial years previous to 2014	Total of commitments to be settled at end of financial year 2014(incl corrections)	Total of commitments to be settled at end of financial year 2013(incl. corrections)
			Commitments 2014	Payments 2014	RAL 2014	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
Title 09 : Communications networks, content and technology									
09	09 01	Administrative expenditure of the Communications networks, content and technology- policy area	75,59081038	65,52	10,07087286	13,32 %	0,10	10,17	13,91
	09 02	Regulatory framework for the Digital Agenda	18,9116875	14,08	4,83604233	25,57 %	2,26	7,10	5,02
	09 03	Connecting Europe Facility (CEF) - Telecommunications networks	86,63407306	0,29	86,34035225	99,66 %	6,27	92,61	11,75
	09 04	Horizon 2020	1259,221601	48,76	1210,456652	96,13 %	1.772,46	2.982,92	2790,92
Total Title 09			1440,358172	128,65	1311,703919	91,07%	1781,082373	3092,786293	2821,603182
Total DG CNECT			1440,358172	128,65	1311,703919	91,07 %	1781,082373	3092,786293	2821,603182

"Breakdown of Commitments remaining to be settled (in Mio EUR)"

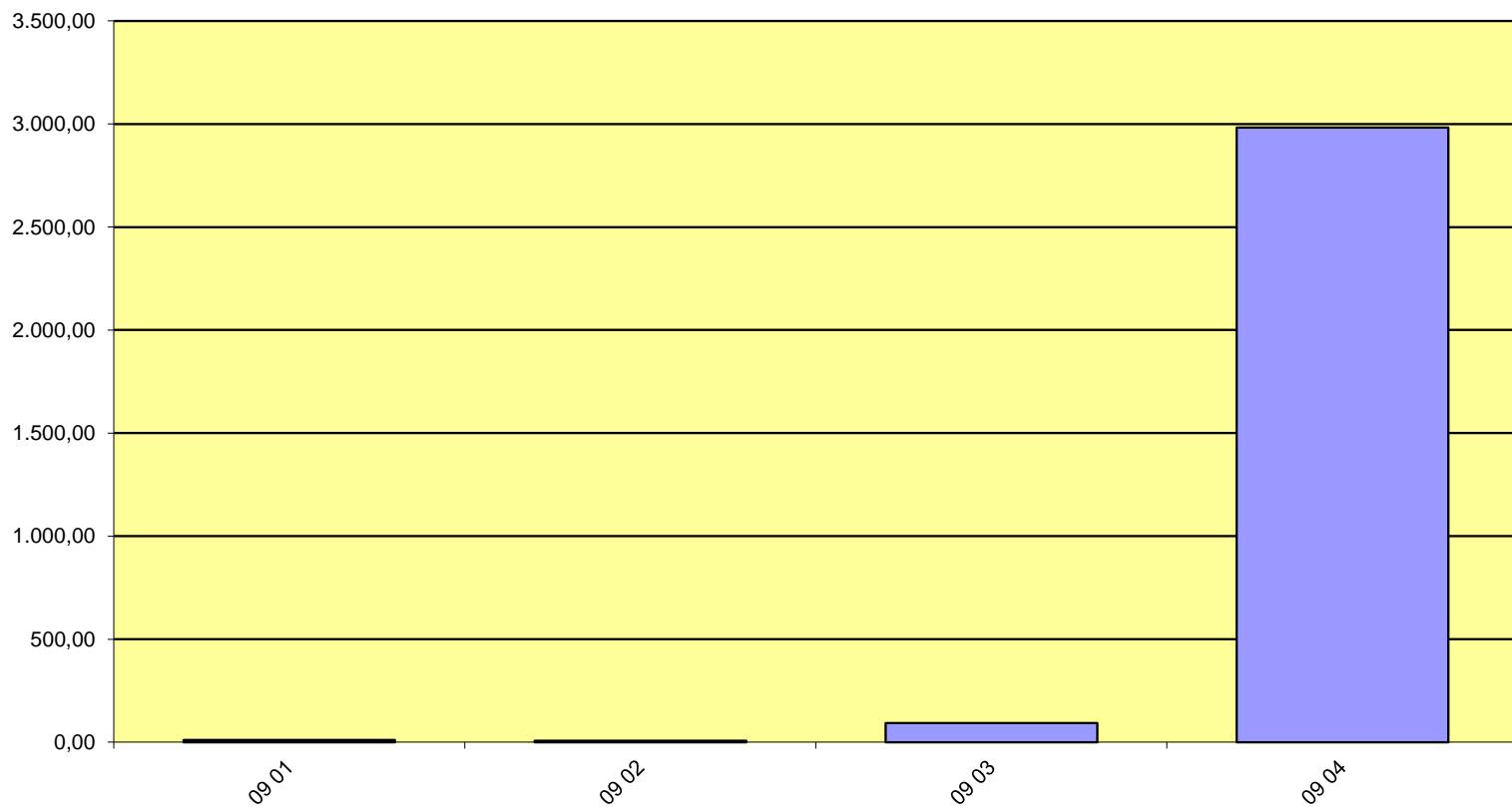


TABLE 4 : BALANCE SHEET

BALANCE SHEET	2014	2013
A.I. NON CURRENT ASSETS	211.754.759,91	749.313.033,94
A.I.1. Intangible Assets	6.253.710,15	6.253.710,15
A.I.3. Invstmnts Acctnd For Using Equity Meth	0,00	0,00
A.I.4. Non-Current Financial Assets	17.487.584,00	0,00
A.I.5. LT Receivables	1.110.447,69	187.977,27
A.I.6. Non-Current Pre-Financing	186.903.018,07	
A.I.7. OLD LT Pre-Financing	0,00	742.871.346,52
A.II. CURRENT ASSETS	412.199.297,45	1.081.413.575,52
A.II.2. Current Pre-Financing	364.791.304,04	1.037.140.286,29
A.II.3. Current Financial Assets	117.293,46	7.000.886,00
A.II.4. Exchange Receivables	37.542.631,04	32.299.045,18
A.II.5. Non-Exchange Receivables	8.185.157,91	4.973.358,05
A.II.7. Cash and Cash Equivalents	1.562.911,00	0,00
ASSETS	623.954.057,36	1.830.726.609,46
P.I. NET ASSETS/LIABILITIES	-26.071,00	-886,00
P.I.1. Reserves	-26.071,00	-886,00
P.III. CURRENT LIABILITIES	-180.432.302,50	-702.752.788,27
P.III.3. Short-term financial liabilities	0,00	0,00
P.III.4. Accounts Payable	-69.133.871,81	-72.058.797,90
P.III.5. Accrued charges and deferred income	-111.298.430,69	-630.693.990,37
LIABILITIES	-180.458.373,50	-702.753.674,27
NET ASSETS (ASSETS less LIABILITIES)	443.495.683,86	1.127.972.935,19
P.I.2. Accumulated Surplus / Deficit	1.421.182.567,32	23.261.990,87
Non-allocated central (surplus)/deficit*	-1.864.678.251,18	-1.151.234.926,06
TOTAL	0,00	0,00

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

TABLE 5 : STATEMENT OF FINANCIAL PERFORMANCE

STATEMENT OF FINANCIAL PERFORMANCE	2014	2013
II.1 REVENUES	-18.124.813,51	-16.352.693,83
II.1.1. NON-EXCHANGE REVENUES	-16.349.571,70	-18.552.663,81
II.1.1.4. FINES	-3.000.000,00	
II.1.1.5. RECOVERY OF EXPENSES	-12.831.574,97	-14.245.215,85
II.1.1.6. OTHER NON-EXCHANGE REVENUES	-517.996,73	-4.307.447,96
II.1.2. EXCHANGE REVENUES	-1.775.241,81	2.199.969,98
II.1.2.1. FINANCIAL INCOME	-218.437,56	-1.733.377,81
II.1.2.2. OTHER EXCHANGE REVENUE	-1.556.804,25	3.933.347,79
II.2. EXPENSES	1.744.721.421,10	1.414.273.270,28
II.2. EXPENSES	1.744.721.421,10	1.414.273.270,28
11.2.10. OTHER EXPENSES	16.461.293,66	19.109.347,28
II.2.2. EXP IMPL BY COMMISS&EX.AGENC. (DM)	1.639.067.309,18	1.311.333.182,21
II.2.3. EXP IMPL BY OTH EU AGENC&BODIES (IM)	13.129.660,97	12.352.297,54
II.2.5. EXP IMPL BY OTHER ENTITIES (IM)	1.024.222,84	948.974,46
II.2.6. STAFF AND PENSION COSTS	-105.005,93	-375.537,60
II.2.8. FINANCE COSTS	439.690,38	334.475,57
II.2.9. SHARE NET DEFICIT JOINT VENT & ASSOC	74.704.250,00	70.570.530,82
STATEMENT OF FINANCIAL PERFORMANCE	1.726.596.607,59	1.397.920.576,45

The Cut-off methodology of DG CONNECT has been updated in 2014.

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

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

TABLE 6: AVERAGE PAYMENT TIMES FOR 2014 - DG CNECT

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)
20	1				1	100,00 %	22
30	5939	5571	93,80 %	15,23101777	368	6,20 %	235,9483696
45	39	35	89,74 %	19,4	4	10,26 %	127,75
47	6	3	50,00 %	28	3	50,00 %	118
50	2	1	50,00 %	30	1	50,00 %	861
60	84	77	91,67 %	23,06493506	7	8,33 %	301,8571429
80	1	1	100,00 %	19			
90	1241	1038	83,64 %	58,75722543	203	16,36 %	123,5221675
105	6	6	100,00 %	64			

Total Number of Payments	7319	6732	91,98 %		587	8,02 %	
Average Payment Time	36,1496106			22,10546643			197,2146508

Target Times							
Target Payment Time (Days)	Total Number of Payments	Nbr of Payments within Target Time	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)
20	167	138	82,63 %	8,615942029	29	17,37 %	26,82758621
30	466	422	90,56 %	14,86492891	44	9,44 %	61,31818182
60	1	1	100,00 %	7			
75	1	1	100,00 %	21			
90	6	5	83,33 %	58,6	1	16,67 %	91

Total Number of Payments	641	567	88,46 %		74	11,54 %	
Average Payment Time	17,70670827			13,72663139			48,2027027

Suspensions							
Average Report Approval Suspension	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	50	2090	28,56 %	7319	638.212.019,80	61,94 %	1.030.326.888,43

Late Interest paid in 2014			
DG	GL Account	Description	Amount (Eur)
CNECT	65010000	Interest expense on late payment of charges	27 790,00
CNECT	65010100	Interest on late payment of charges New FR	279 395,28
			307 185,28

TABLE 7 : SITUATION ON REVENUE AND INCOME IN 2014

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	
52	REVENUE FROM INVESTMENTS OR LOANS GRANTED, BANK AND OTHER INTEREST	473.230,95	31.647,34	504.878,29	455.908,02	31.647,34	487.555,36	17.322,93
57	OTHER CONTRIBUTIONS AND REFUNDS IN CONNECTION WITH THE ADMINISTRATIVE OPERATION OF THE INSTITUTION	59.813,78	0,00	59.813,78	58.156,28	0,00	58.156,28	1.657,50
66	OTHER CONTRIBUTIONS AND REFUNDS	24.244.755,11	29.750.352,80	53.995.107,91	13.040.578,22	3.594.504,40	16.635.082,62	37.360.025,29
71	FINES	3.000.000,00	0,00	3.000.000,00	3.000.000,00	0,00	3.000.000,00	0,00
90	MISCELLANEOUS REVENUE	335.550,83	1.829.809,54	2.165.360,37	-27.371,35	285.300,12	257.928,77	1.907.431,60
Total DG CNECT		28.113.350,67	31.611.809,68	59.725.160,35	16.527.271,17	3.911.451,86	20.438.723,03	39.286.437,32

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

INCOME BUDGET RECOVERY ORDERS ISSUED IN 2014	Error		Irregularity		OLAF Notified		TOTAL Qualified		TOTAL RC(incl. non-qualified)		% Qualified/Total RC	
	Year of Origin (commitment)	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount	Nbr
2004			12	164.841,02			12	164.841,02	12	164.841,02	100,00%	100,00%
2005			28	618.059,54			28	618.059,54	29	638.415,34	96,55%	96,81%
2006			32	1.439.048,08	1	167.045,65	33	1.606.093,73	35	1.630.587,75	94,29%	98,50%
2007			79	5.620.233,85			79	5.620.233,85	79	5.620.233,85	100,00%	100,00%
2008			57	2.478.647,44			57	2.478.647,44	58	2.486.733,44	98,28%	99,67%
2009	1	31.450,00	29	1.644.251,96			30	1.675.701,96	34	4.252.451,03	88,24%	39,41%
2010	1	32.052,00	40	2.013.544,68			41	2.045.596,68	57	3.605.933,68	71,93%	56,73%
2011			8	461.917,63	1	128.615,95	9	590.533,58	16	874.094,58	56,25%	67,56%
2012			6	391.003,06			6	391.003,06	8	599.969,06	75,00%	65,17%
2013			1	102.644,00			1	102.644,00	6	795.036,96	16,67%	12,91%
2014			2	3.178.033,00			2	3.178.033,00	2	3.178.033,00	100,00%	100,00%
No Link			10	3.799.020,98			10	3.799.020,98	14	5.600.048,83	71,43%	67,84%
Sub-Total	2	63.502,00	304	21.911.245,24	2	295.661,60	308	22.270.408,84	351	29.515.429,98	87,75%	75,45%

EXPENSES BUDGET	Error		Irregularity		OLAF Notified		TOTAL Qualified		TOTAL RC(incl. non-qualified)		% Qualified/Total RC	
	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount
INCOME LINES IN INVOICES	1	33.633,00	52	671.596,00			53	705.229,00	55	705.255,00	96,36%	100,00%
NON ELIGIBLE IN COST CLAIMS	46	2.409.812,43	51	4.829.208,84			97	7.239.021,27	681	56.381.250,36	14,24%	12,84%
CREDIT NOTES	66	422.209,46	2	58.589,59			68	480.799,05	102	1.077.629,75	66,67%	44,62%
Sub-Total	113	2.865.654,89	105	5.559.394,43			218	8.425.049,32	838	58.164.135,11	26,01%	14,48%

GRAND TOTAL	115	2.929.156,89	409	27.470.639,67	2	295.661,60	526	30.695.458,16	1189	87.679.565,09	44,24%	9,77%
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TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2014 FOR CNECT

	Number at 01/01/2014	Number at 31/12/2014	Evolution	Open Amount (Eur) at 01/01/2014	Open Amount (Eur) at 31/12/2014	Evolution
1995	1		-100,00 %	91.001,93		-100,00 %
1999	2	2	0,00 %	381.350,00	381.350,00	0,00 %
2002	2	2	0,00 %	737.418,19	737.418,19	0,00 %
2003	2	1	-50,00 %	381.396,53	350.703,53	-8,05 %
2004	4	4	0,00 %	470.852,11	459.123,69	-2,49 %
2005	2	2	0,00 %	24.677,04	24.677,04	0,00 %
2006	5	5	0,00 %	504.054,93	504.054,93	0,00 %
2007	3	2	-33,33 %	315.677,48	164.000,37	-48,05 %
2008	13	11	-15,38 %	1.709.073,32	1.666.296,61	-2,50 %
2009	31	29	-6,45 %	4.496.913,74	4.214.238,77	-6,29 %
2010	34	34	0,00 %	3.707.909,09	3.707.909,09	0,00 %
2011	69	63	-8,70 %	9.083.003,07	8.222.812,07	-9,47 %
2012	54	46	-14,81 %	3.037.722,39	2.775.378,07	-8,64 %
2013	95	57	-40,00 %	6.670.759,86	4.492.395,46	-32,66 %
2014		101			11.586.079,50	
	317	359	13,25 %	31.611.809,68	39.286.437,32	24,28 %

TABLE 10 : RECOVERY ORDER WAIVERS IN 2014 >= EUR 100.000

	Waiver Central Key	Linked RO Central Key	RO Accepted Amount (Eur)	LE Account Group	Commission Decision	Comments
1	3233140072	3241108515	-360.655,07	Private Companies		
2	3233140079	3241110219	-385.456,95	Private Companies		
3	3233140089	3230908554	-124.691,86	Private Companies		
4	3233140146	3230903054	-157.983,11	Private Companies		
5	3233140149	3241313810	-375.000,21	Private Companies		
6	4843140017	4840120036	-129.775,00	Private Companies		
7	4843140025	4840130158	-217.164,90	Private Companies		

Total DG	-1.750.727,10
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Number of RO waivers	7
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TABLE 11 : CENSUS OF NEGOTIATED PROCEDURES - DG CNECT - 2014

Negotiated Procedure Legal base	Number of Procedures	Amount (€)
Total		

No data to be reported

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

Internal Procedures > € 60,000		
Procedure Type	Count	Amount (€)
Open Procedure (Art. 127.2 RAP)	25	19.023.417,00
TOTAL	25	19.023.417,00

Additional comments

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TABLE 13 : BUILDING CONTRACTS

Total number of contracts :	
Total amount :	

Legal base	Contract Number	Contractor Name	Description	Amount (€)

No data to be reported

TABLE 14 : CONTRACTS DECLARED SECRET

Total Number of Contracts :

Total amount :

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

No data to be reported

ANNEX 4: Materiality criteria

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

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

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

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

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

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

DG CONNECT managed in 2014 financial operations under the non-research programmes and actions which have been addressed by the DG's Non-research audit strategy. The Non-research audit strategy imposes the same materiality criteria as for the FP managed by the DG.

Effectiveness of controls

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

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

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

For FP7, this results in a residual error rate, which is calculated in accordance with the following formula:

$$\text{ResER}\% = \frac{(\text{RepER}\% * (P - A)) - (\text{RepERSys}\% * E)}{P}$$

Where:

- ResER%** residual error rate, expressed as a percentage.
- RepER%** representative error rate, or error rate detected in the common representative sample, expressed as a percentage. For FP 7 this rate is the same for all Research services.
- RepERSys%** portion of the RepER% representing (negative) systematic errors, expressed as a percentage. The RepER% is composed of two complementary portions reflecting the proportion of negative systematic and non-systematic errors detected.
- P** total aggregated amount in € of EC share of funding in the auditable population. In FP7, the population is that of all received cost statements, and the € amounts those that reflect the EC share included in the costs claimed in each cost statement.
- A** total EC share of all audited amounts, expressed in €. This will be collected from audit results.
- E** total non-audited amounts of all audited beneficiaries. In FP7, this consists of the total EC share, expressed in €, of all non-audited received cost statements for all audited beneficiaries (whether extrapolation has been launched or not).

For the CIP ICT PSP, the calculation of the residual error rate is done according to the same principles as for the FP7 error rate, as follows:

$$\text{REsER}\% = \frac{\text{CumER}\% * (\text{P}-\text{A}) - \text{Ex}}{\text{P}}$$

Where:

- ResER%** residual error rate, expressed as a percentage.
- CumER%** cumulative error rate detected in the non-risk based audit sample.
- P** The P represents the requested EU contribution until the moment when the error rate is calculated.
- A** The value of the EU contribution of all audited amounts, expressed in Euros.
- Ex** The value of the implemented extrapolations in the CIP programme in DG CONNECT until 2014.

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

Nevertheless, the Director-General must also take into account other information when considering if the overall residual error rate is a sufficient basis on which to draw a conclusion on assurance (or make a reservation). This may include the results of other ex-post audits, ex-ante controls, risk assessments, audit reports from external or internal auditors, etc. All this information may be used in assessing the overall impact of a weakness and considering whether to make a reservation or not.

In case a calculation of the residual error rate based on a representative sample is not possible for a programme for reasons not involving control deficiencies¹, the consequences are to be assessed quantitatively by making a best estimate of the likely exposure for the reporting year based on all available information. The relative impact on the Declaration of Assurance would be then considered by analysing the available information on qualitative grounds and considering evidence from other sources and areas. This should be clearly explained in the AAR.

Adequacy of the audit scope

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

¹ Such as, for instance when the number of results from a statistically-representative sample collected at a given point in time is not sufficient to calculate a reliable error rate.

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

Materiality is assessed for each Framework Programme

In 2014, the Research services managed financial operations under the sixth framework programmes. However, given that the expenditure for the 6th Framework Programme is now a very small part of operations, and given the full disclosure on the results for this FP in the AAR 2012, information on the 6th FP should only be reported if there are exceptional elements, the non-disclosure of which would result in the reader being misled.

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

Grants direct management – FP7 and H2020

Stage 1: Programming, evaluation and selection of proposals

A - Preparation, adoption and publication of the Annual Work Programme and Calls for proposals

Main control objectives: Ensuring that the most promising projects for meeting the policy objectives are among the proposals submitted; Compliance; Prevention of fraud

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
<p>The annual work programme and the subsequent calls for proposals do not adequately reflect the policy objectives, priorities, are incoherent and/or the essential eligibility, selection and award criteria are not adequate to ensure the evaluation of the proposals.</p> <p>The annual work programmes are not consistent within the Research family and with the 7 years' framework</p> <p>The programme H2020 implementation (procedures, monitoring arrangements, communication with beneficiaries, budget planning, etc.) is not consistent within the Research family and with the 7 years' framework</p>	<p>Hierarchical validation within the authorising department Inter-service consultation, including all relevant services Adoption by the Commission Explicit allocation of responsibility.</p> <p>The Common Support Centre in RTD provides all the members of the Family with harmonised procedures, guidance and IT tools. DG RTD centralises the budget planning and the monitoring of the H2020's budget implementation</p>	<p>Coverage / Frequency: 100%</p> <p>Depth: All work programmes are thoroughly reviewed at all levels, including for operational and legal aspects.</p> <p>Coverage/ Frequency: 100% Depth All the underlying implementation tools are defined et developed at family level.</p>	<p>Costs: estimation of cost of staff involved in the preparation and validation of the annual work programme and calls.</p> <p>Benefits: Only qualitative benefits. A good Work Programme and well publicised calls should generate a large number of good quality projects, from which the most excellent can be chosen. There will therefore be real competition for funds.</p> <p>Costs: costs of the staff involved in Family coordination activities</p> <p>Benefits: Qualitative benefits: Optimised</p>	<p>% of "over-subscription" proposals received/selected</p>

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
			procedures, common approach on multiple issues (audits, fraud, legal aspects, reporting...); better reporting on the whole programme – better management of the programme. ¹	

B - Selecting and awarding: Evaluation, ranking and selection of proposals

Main control objectives: Ensuring that the most promising projects for meeting the policy objectives are among the proposals selected; Compliance; Prevention of fraud

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
The evaluation, ranking and selection of proposals is not carried out in accordance with the established procedures, the policy objectives, priorities and/or the essential eligibility, or with the selection and award criteria defined in the annual work programme and subsequent calls for proposals.	<p>Selection and appointment of expert evaluators Assessment by independent experts</p> <p>Comprehensive IT system supporting the stage and allowing better monitoring of the process</p> <p>Validation by the AOSD of ranked list of proposals. In addition, if applicable: Opinion of advisory bodies; comitology; inter-service consultation and adoption by the</p>	<p>100% vetting (including selecting) of experts for technical expertise and independence (e.g. conflicts of interests, nationality bias, ex-employer bias, collusion)</p> <p>100% of proposals are evaluated. Coverage: 100% of ranked list of proposals. Supervision of work of evaluators. 100% of contested decisions are analysed by redress committee</p>	<p>Costs: estimation of cost of staff involved in the evaluation and selection of proposals. Cost of the appointment of experts and of the logistics of the evaluation.</p> <p>Benefits: Qualitative benefits Expert evaluators from outside the Commission bring independence, state of the art knowledge in the field and a range of different opinions. This will have an</p>	<p>% of number of (successful) redress challenges / total number of proposals received</p> <p>Average time to publication of selection results (FR 128.2 and/or Horizon 2020 limits)</p> <p>% of Time-To-Inform on time</p> <p>cost of evaluating + selecting grants / value of grants contracted</p>

¹ The mutualisation of the support services represents a quantitative benefit which is certain but not accurately quantifiable in the context of reorganisations, new programme's setting up, general HR offsetting through the Commission...

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
	<p>Commission; publication</p> <p>Systematic checks on operational and legal aspects performed before signature of the GA</p> <p>Redress procedure</p>		<p>impact on the whole project cycle : better planned, better implemented projects</p>	<p>% of budget "over- subscription" from proposals received</p>

Stage 2: Contracting

Main control objectives: : Ensuring that the most promising projects for meeting the policy objectives are among the proposals contracted; SFM (optimal allocation of the budget available); Compliance; Prevention of fraud

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
<p>The description of the action in the grant agreement includes tasks which do not contribute to the achievement of the programme objectives. and/or that the budget foreseen overestimates the costs necessary to carry out the action.</p> <p>The beneficiary lacks operational and/or financial capacity to carry out the actions.</p> <p>Procedures do not comply with regulatory framework.</p> <p>The evaluation stage hasn't detected a potentially fraudulent proposal/beneficiary.</p>	<p>Project Officers implement evaluators' recommendations.</p> <p>Hierarchical validation of proposed adjustments.</p> <p>Validation of beneficiaries (operational and financial viability).</p> <p>Systematic checks on operational and legal aspects performed before signature of the GA</p> <p>Ad hoc anti-fraud checks for riskier beneficiaries</p> <p>Signature of the grant agreement by the AO.</p> <p>Financial verification where necessary</p> <p>Participant Guarantee Fund.</p>	<p>100% of the selected proposals and beneficiaries are scrutinised.</p> <p>Coverage: 100% of draft grant agreements.</p> <p>Depth may be differentiated; determined after considering the type or nature of the beneficiary (e.g. SMEs, joint-ventures) and/or of the modalities (e.g. substantial subcontracting) and/or the total value of the grant.</p> <p>Note that, given the constraints on the time to grant set out in the H2020 legislation, "negotiation" of projects is kept to a minimum, as far as possible the positively evaluated projects are accepted without modification.</p>	<p>Costs: estimation of cost of staff involved in the contracting process.</p> <p>Benefits: Qualitative benefits: The whole committed budget checked for quality (prevention of later errors). This stage should lead to a higher assurance on the achievement of the projects – and policy objectives.</p>	<p>Average Time to Sign (FR 128.2)</p> <p>% of Time-to-Sign on time</p> <p>Average time to grant (FR 128.2)</p> <p>% of Time-to-grant on time</p> <p>% cost over annual amount contracted</p>

Stage 3: Monitoring the implementation

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

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
<p>The actions foreseen are not, totally or partially, carried out in accordance with the technical description and requirements foreseen in the grant agreement.</p> <p>The amounts paid exceed what is due in accordance with the applicable contractual and regulatory provisions.</p> <p>The cost claims are irregular or fraudulent .</p> <p>Lack of harmonised approach within the family with the consequence of unequal treatment of the beneficiaries</p>	<p>Kick-off meetings and "launch events" involving the beneficiaries in order to avoid project management and reporting errors</p> <p>Effective external communication about guidance to the beneficiaries</p> <p>Anti-fraud awareness raising training for the project officers</p> <p>Enhanced family approach (anti-fraud cooperation; common legal and audit service; comprehensive and common IT system for all the family)</p> <p>Operational and financial checks in accordance with the financial circuits. Operation authorisation by the AO For riskier operations, more in-depth ex-ante controls</p> <p>Selection and appointment of expert for scientific reviews of intermediate and/or final reporting</p> <p>If needed: application of Suspension/interruption of payments, Penalties or liquidated damages. Referring grant/beneficiary to OLAF</p>	<p>100% of the projects are controlled, including only value-adding checks. Riskier operations subject to more in-depth controls.</p> <p>The depth depends on risk criteria. However, as a deliberate policy to reduce administrative burden, and to ensure a good balance between trust and control, the level of control at this stage is reduced to a minimum</p> <p>High risk operations identified by risk criteria. Red flags: suspicions raised by staff, audit results, EWS, individual or "population" risk assessment Audit certificates required for any beneficiary claiming more than €375000 (FP7)/€325 000 (H2020).</p>	<p>Costs: estimation of cost of staff involved in the actual management of running projects.</p> <p>Benefits: budget value of the costs claimed by the beneficiary, but rejected by staff Reductions in error rates identified by audit certificates.</p> <p>Benefits due to operational review of projects and consequent corrective actions imposed on projects</p>	<p>Average number & value of running projects managed 'per' staff FTE</p> <p>Time-to-pay: % of payments made on time</p> <p>Time-to pay: Average nb days net/gross + suspension days</p> <p>cost of control from contracting and monitoring the execution up to payment included/ amount paid (%)</p> <p>Average project mngt cost (staff FTE * standard staff cost) per running* project</p>

Stage 4: Ex-post controls

A - Reviews, audits and monitoring

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

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
<p>The ex-ante controls (as such) do not prevent, detect and correct erroneous payments or attempted fraud to an extent going beyond a tolerable rate of error.</p> <p>Lack of consistency in the audit strategy within the family.</p> <p>Lack of efficiency for absence of coordination: multiple audits on the same beneficiary, same programme: reputational risk and high administrative burden on the beneficiaries' side.</p>	<p>Common Ex-post control strategy for the entire Research family (H2020), implemented by a central service (Common Support Centre, DG RTD):</p> <ul style="list-style-type: none"> - At intervals carry out audits of a representative sample of operations to measure the level of error in the population after ex-ante controls have been performed - Additional sample to address specific risks - when relevant, joint audits with the Court of Auditors <p>Multi-annual basis (programme's lifecycle) and coordination with other AOs concerned</p> <p>Validate audit results with beneficiary</p> <p>In case of systemic error detected, extrapolation to all the projects run by the audited beneficiary</p> <p>If needed: referring the beneficiary or grant to OLAF</p>	<ul style="list-style-type: none"> - Common Representative audit Sample (CRaS): MUS sample across the programme to draw valid management conclusions on the error rate in the population. - RTD risk-based sample, determined in accordance with the selected risk criteria, aimed to maximise deterrent effect and prevention of fraud or serious error 	<p>Costs: estimation of cost of staff involved in the coordination and execution of the audit strategy .Cost of the appointment of audit firms for the outsourced audits.</p> <p>Benefits: budget value of the errors detected by the auditors.</p> <p>Non quantifiable benefits: Deterrent effect. Learning effect for beneficiaries. Improvement of ex-ante controls or risk approach in ex-ante controls by feeding back findings from audit. Improvement in rules and guidance from feedback from audit.</p>	<p>Representative error rate.</p> <p>Residual error rate in comparison to the materiality threshold.</p> <p>Amount of errors and corrections concerned.</p> <p>Number of audits finalised (+ % of beneficiaries & value coverage)</p> <p>cost of control ex post audits/ value of grants audited</p>

B - Implementing results from ex-post audits/controls

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

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

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

Indirect entrusted management DG CONNECT - FP7 and H2020

The ICT covers: (1) the executive agencies REA, INEA and EASME (the two later for H2020¹) (2) cross delegations to other Commission services (3) the joint undertaking ESCEL (4) Ambient Assisted Living AAL Joint Programme, (5) Agencies and other bodies (BEREC & ENISA) and (6) the Financial Instruments to the EIB.

Stage 1: Establishment (or prolongation) of the mandate to the entrusted entity (“delegation act”/ “contribution agreement” / etc).

Main control objectives: Ensuring that the legal framework is fully compliant and regular (legality & regularity), delegated to an appropriate entity (best value for public money, economy, efficiency), without any conflicts of interests (anti-fraud strategy), and gives all the references necessary for a smooth running of the new entity.

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
<p>The establishment (or prolongation) act of the mandate of the entrusted entity lacks clear references regarding the responsibilities of each involved actor.</p> <p>For PPPs: the evaluation method of the in-kind contributions provided by the industry partners is not clear.</p>	<p>Ex-ante evaluation Widespread consultation, internally and with external stakeholders. Hierarchical validation within the authorising department Inter-service consultation, including all relevant DG. Adoption by the Commission</p>	<p>Coverage/Frequency: 100%/once for the establishment and partial for amendments or extensions.</p>	<p>Costs: This stage implies several DGs, doesn't happen regularly and can be very different for each entity. A systematic cost calculation wouldn't give exploitable data Benefits: Benefits cannot be calculated in terms of budget.</p>	<p>Overall supervision cost per (type of) entrusted entity (%)</p>

¹ The contribution of DG Connect to the administrative budget of the executive agencies is removed from the financial programming at the beginning of the Multi-annual Financial Framework. The operational budget is directly allocated to the Agency on a yearly basis – DG CONNECT does not strictly have a financial responsibility, but does still have a responsibility to supervise the agency in terms of the achievement of results.

Stage 2: Assessment and supervision of the entrusted entity’s financial and control framework (towards “budget autonomy”; “financial rules”).

Main control objectives: Ensuring that the entrusted entity is fully prepared to start/continue implementing the delegated funds autonomously with respect of all 5 ICOs.

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
The financial and control framework deployed by the entrusted entity is not fully mature to guarantee achieving all 5 ICOs	Ex-ante assessment, conditional to granting budget autonomy Hierarchical validation within the authorising department Use of Model- or Framework- financial rules (MFR or FFR) Standard business processes and IT tools (EAs and JTIs) Secondment or selection of key staff Continuous cooperation within the Research family (IC network, FAIR...) in order to harmonize the IC framework Review of audit reports (IAS, ECA)	<p>Coverage/frequency: 100% of entrusted entities/once at the beginning and partial (problem focussed) for amendments or work arrangements</p> <p>Depth is determined after considering the type or nature of the entrusted entity, its form and/or the value of the budget concerned.</p>	<p>Costs: estimation of cost of staff involved in the ex-ante assessment process (which may include missions, if applicable). Benefits: The total budget amount entrusted to the entity,</p>	Overall supervision cost per (type of) entrusted entity (%)

Stage 3: Operations: monitoring, supervision, reporting.

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

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
<p>The Commission is not informed of relevant management issues encountered by the entrusted entity in a timely manner</p> <p>The Commission does not react upon and mitigate notified issues in a timely manner which may reflect negatively on the Commission's governance reputation and quality of accountability reporting.</p> <p>The programme H2020 implementation (procedures, monitoring arrangements, communication with beneficiaries, budget planning, etc.) is not consistent within the Research family and with the 7 years' framework</p>	<p>Delegation Act/ Contribution agreement/etc specifying the control, accounting, audit, publication, etc related requirements – incl. the modalities on reporting back relevant and reliable control results</p> <p>Membership of the Governing Boards (JTIs – 50% voting rights) or the Steering Committee (EAs)</p> <p>Monitoring or supervision of the entrusted entity e.g. 'regular' monitoring meetings at operational level to review progress in achieving operational results; review of reported control results and any underlying mngt/audit reports; scrutiny of annual report, etc.</p> <p>Management review of the supervision results.</p> <p>If appropriate/needed:</p> <ul style="list-style-type: none"> - reinforced monitoring of operational and/or financial aspects of the entity - potential escalation of any major governance-related issues with entrusted entities <p>The Common Support Centre provides all the members of the Research Family with harmonised procedures, guidance and IT tools.</p> <p>DG RTD centralises the budget planning and the monitoring of the H2020's budget implementation.</p>	<p>Coverage: 100% of the entities are monitored/supervised.</p> <p>Frequency: key KPI's reported on a monthly basis, regular steering committee or Governing Board meetings), annual reports (AAR and operational reporting), evaluation reports.</p> <p>In case of operational and/or financial issues, appropriate mitigating measures are available and should be used</p> <p>Coverage/ Frequency: 100% Depth All the underlying implementation tools are defined et developed at family level.</p>	<p>Costs: estimation of cost of staff involved in the actual (regular or reinforced) monitoring of the entrusted entities.</p> <p>Benefits: The average annual budget amount entrusted to the entity.</p> <p>Costs: costs of the staff involved in Family coordination activities</p> <p>Benefits: Qualitative benefits: Optimised procedures, harmonised approach to beneficiaries on multiple issues (audits, fraud, legal)</p>	<p>overall supervision cost per (type of) entrusted entity (%)</p>

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

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

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
<p>The Commission pays out the (next) contribution to the entrusted entity, while not being aware of the management issues that may lead to financial and/or reputational damage.</p> <p>Bad cash forecast leading to the Commission paying too much compared to the EE's needs</p> <p>In times of shortage of credits, the budget appropriations are not optimised with the current needs within the family</p>	<p>Delegation Act/ Contribution agreement/etc specifying the control, accounting, audit, publication, etc related requirements – including reporting</p> <p>Management review of the supervision results. Standard procedures for the validation of all payments and recovery of non-used operating budget subsidy</p> <p>Good internal communication to ensure that issues are known and dealt with (see stage 3)</p> <p>Family level budget coordination in DG RTD</p>	<p>Coverage: 100% of the contribution payments. Frequency: following the rhythm of the payments</p> <p>There is a review before each payment is made. However, the depth will depend on identified issues and on the body involved.</p>	<p>Costs: estimation of cost of staff involved (part of the general supervision costs also linked to stage 3 above) Benefits: The average annual budget amount entrusted to the entity Qualitative benefit: optimised credit implementation</p>	<p>overall supervision cost per (type of) entrusted entity (%)</p>

Stage 5: Audit and evaluation, Discharge for Joint Undertakings

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

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
<p>The Commission has not sufficient information from independent sources on the entrusted entity's management achievements, which prevents drawing conclusions on the assurance for the budget entrusted to the entity – which may reflect negatively on the Commission's governance reputation and quality of accountability reporting.</p>	<p>Delegation Act/Contribution agreement/etc specifying the control, accounting, audit, publication, etc related requirements – including independent audit function (where appropriate) and cooperation with IAS and ECA. The IAS is the internal auditor for all EAs and JTIs. The ECA has access to all externalised bodies and gives a separate opinion (leading to separate discharge) for JUs and EAs for their administrative budget. Harmonised ex-post audits (common audit strategy for H2020), common audit service-potential escalation of any major governance-related issues with entrusted entities</p> <p>- Exchange of relevant anti-fraud information about shared beneficiaries within the Research family</p> <p>Interim evaluations by independent experts of achievement of policy objectives</p>	<p>Coverage: sample as needed (e.g. random/representative, value-targeted, risk-based).</p> <p>Frequency: whenever necessary.</p> <p>The depth depends on the type of entity and the level of risks assessed.,</p> <p>Annual report of the ECA on all JUs.</p>	<p>Costs: estimation of cost of (CONNECT) staff involved in the supervision of this stage (goes together with the costs of supervision in stages 3 and 4).</p>	<p>Assurance being provided (via mngt/audit reporting); representative error rate, residual error rate within a tolerable range; Situation confirmed by audit opinions.</p> <p>overall supervision cost per (type of) entrusted entity (%)</p>

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

This section, which applies only to indirect centralised management, provides the following details relating to all national and international implementing bodies, in the form of a table, which implemented programmes in 2014:

ECSEL Joint Undertaking

1. Programmes concerned:	Horizon 2020 - the Framework Programme for RTD(2014-2020) - PART II. PRIORITY Industrial leadership, under specific objective -Leadership in enabling and industrial technologies
2. Annual budgetary amount entrusted to these bodies	EUR 156 060 000 ¹
3. Duration of the delegation:	27 June 2014 ² -31 December 2024
4. Justification of recourse to indirect centralised management:	Required by the Council Regulation ³ establishing ECSEL Joint Undertaking to implement a Joint Technology Initiative on Electronic Components and Systems for European Leadership

¹ Of which EUR 600 000, according to Article 19 (3) of the Council Regulation No 561/2014, is paid for the contributions to the administrative costs of the ECSEL Joint Undertaking for the completion of the actions launched under Regulations (EC) No, 72/2008 and (EC) No 74/2008. The total contribution of EUR 2 050 000 is to be paid by the Union over the period 2014-2017.

² Please note that the Council Regulation (EU) No 561/2014 of 6 May 2014 establishing ECSEL JU and repealing Regulations no 74/2008/EC and 72/2008/EC entered into force on the on the twentieth day following that of its publication in the Official Journal of the EU.

³ Council Regulation (EU) No 561/2014 of 6 May 2014, OJ L 169, 7.6.2014, p. 152–178

<p>5. Justification of the selection of the bodies (identity, selection criteria, possible indication in the legal basis etc):</p>	<p>Set out in the Council Regulation establishing the ECSEL Joint Undertaking as a Union body</p>
<p>6. Synthetic description of the implementing tasks entrusted to these bodies:</p>	<p>The ECSEL JU shall carry out the following tasks:</p> <p>(a) support financially research and innovation indirect actions, mainly in the form of grants;</p> <p>(b) implement the tasks related to the operations of the Participants Guarantee Fund (PGF) for all the grants awarded by the ECSEL JU, according to the rules set out in the Rules for Participation and the Commission Decision on the financial management of the Participants Guarantee Fund C (2013) 9092, that establishes that the Executive Director of the ECSEL JU as the Authorising Officer (AO) will be responsible:</p> <ul style="list-style-type: none"> - for retaining, from each initial pre-financing, 5% of the maximum grant amount provided for in the grant agreement and for transferring this amount from their specific account to the PGF; - for returning PGF contributions to beneficiaries, for PGF interventions and for receipts. <p>(c) ensure sustainable management of the</p>

	<p>ECSEL JU;</p> <p>(d) develop close cooperation and ensure coordination with European (in particular Horizon 2020), national and transnational activities, bodies and stakeholders, aiming at fostering a fertile innovation environment in Europe, creating synergies and improving exploitation of research and innovation results in the area of electronic components and systems;</p> <p>(e) define and make any necessary adjustments to the multiannual strategic plan;</p> <p>(f) draw up and implement work plans for executing the multiannual strategic plan;</p> <p>(f) initiate open calls for proposals, evaluate proposals, and award funding to indirect actions through open and transparent procedures within the limits of available funds;</p> <p>(g) publish information on the indirect actions;</p> <p>(h) monitor the implementation of the indirect actions and manage the grant agreements or decisions;</p> <p>(i) monitor overall progress towards achieving the objectives of the ECSEL JU;</p> <p>(j) engage in information, communication, exploitation and dissemination activities by applying mutatis mutandis Article 28 of Regulation (EU) No 1291/2013, including making the detailed information on results</p>
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	<p>from calls for proposals available and accessible in a common Horizon 2020 e-database;</p> <p>(k) liaise with a broad range of stakeholders, including research organisations and universities.</p>
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ARTEMIS Joint Undertaking

1. Programmes concerned:	7th EC Framework Programme for RTD - Cooperation Specific Programme - ICT Theme
2. Annual budgetary amount entrusted to these bodies	EUR 0 ⁴
3. Duration of the delegation:	2008-27 June 2014 ⁵
4. Justification of recourse to indirect centralised management:	Required by the Council decision ⁶ concerning the establishment of the ARTEMIS Joint Undertaking to implement a Joint Technology Initiative in Embedded Computing Systems.
5. Justification of the selection of the bodies (identity, selection criteria, possible	Set out in the Council Regulation establishing the ARTEMIS Joint Undertaking as a

⁴ The operational expenditures ended in 2013. The administrative expenditures until 27 June were covered by the private contributions and the carry-over of previous year.

⁵ See footnote 2.

⁶ Regulation no 74/2008/EC of 20 December 2007

indication in the legal basis etc):	Community body
6. Synthetic description of the implementing tasks entrusted to these bodies:	Implementation of the Union participation in the ARTEMIS Joint Undertaking

ENIAC Joint Undertaking

1. Programmes concerned:	7th EC Framework Programme for RTD - Cooperation - Specific Programme - ICT Theme
2. Annual budgetary amount entrusted to these bodies	EUR 0 ⁷
3. Duration of the delegation:	2008-27 June 2014 ⁸
4. Justification of recourse to indirect centralised management:	Required by the Council Regulation ⁹ concerning the establishment of the ENIAC Joint Undertaking to implement a Joint Technology Initiative in Nanoelectronics Technologies
5. Justification of the selection of the bodies (identity, selection criteria, possible indication in the legal basis etc):	Set out in the Council decision establishing the ENIAC Joint Undertaking as a Community body

⁷ The operational expenditures ended in 2013. The administrative expenditures until 27 June were covered by the private contributions and the carry-over of previous year.

⁸ See footnote 2.

⁹ Regulation no 72/2008/EC of 20 December 2007

6. Synthetic description of the implementing tasks entrusted to these bodies:	Implementation of the Union participation in the ENIAC Joint Undertaking
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AAL Joint Programme

1. Programmes concerned:	H2020 Societal Challenges – Health, demographic change and well-being
2. Annual budgetary amount entrusted to these bodies	€25 M
3. Duration of the delegation:	20014-2027
4. Justification of recourse to indirect centralised management:	Required by co-decision ¹⁰ by the European Parliament and the Council concerning the Community participation in the AAL Joint Programme (represented by the AAL Association, an IASBL under Belgian Law)
5. Justification of the selection of the bodies (identity, selection criteria, possible indication in the legal basis etc):	Set out in co-decision by the European Parliament and the Council on the participation of the Union in the Active and Assisted Living Research and Development Programme jointly undertaken by several Member States
6. Synthetic description of the implementing tasks entrusted to these bodies:	Implementation of the Union participation in the AAL Joint Programme

¹⁰ Decision 554/2014/EU of 15th May 2014

ANNEX 8: Decentralised agencies

This annex provides the following details for all decentralised agencies, in the form of a table for each entity in the reporting year 2014:

ENISA

Policy concerned:	Annual budgetary amount entrusted
To achieve a high and effective level of Network and Information Security within the European Union. Together with the EU-institutions and the Member States, ENISA seeks to develop a culture of Network and Information Security for the benefit of citizens, consumers, business and public sector organisations in the European Union.	€6,8 MEUR (Administrative budget) €2,2 MEUR (Operating budget)

BEREC

Policy concerned:	Annual budgetary amount entrusted,
Development and better functioning of the internal market for electronic communications networks and services by aiming to ensure a consistent application of the EU regulatory framework for electronic communications.	€2,410 MEUR (administrative budget) €1,752MEUR (Operating budget)

ANNEX 9: Performance information included in evaluations

The following evaluations were to be completed in 2014 as from the evaluation plan:

1. Evaluation of the pertinence and impact of the EU support actions to research infrastructures in the 7th Framework Programme - SMART 2012/0045 – IAV
2. Evaluation of the Safer Internet programme (2009-2013)
3. Study for the mid-term evaluation of the eGovernment Action Plan 2011-2015 implementation - SMART 2012/0060 - IAV
4. Assessing Impact of the European Innovation Partnership on Active and Healthy Ageing SMART 2012/0065
5. Ex-post evaluation of the ICT FP7, including the study SMART 2013/0049

As for "**Assessing Impact of the European Innovation Partnership on Active and Healthy Ageing**", It was decided last year that the tender for the study SMART 2012/0065 will not be launched as it is more appropriate to use a service contract with the Joint Research Centre IPTS for the same purpose. The findings of the work under the service contract are expected to be available in Q1/2015.

In addition to the above, last year information on the "Report on the implementation of the RFID Recommendation - including: Study on the monitoring of the implementation of the RFID Recommendation in the EU Member States –SMART 2011/0047 – DC – could not be provided as the study had not yet been. Results are therefore included in this year's AAR.

Evaluation of the pertinence and impact of the EU support actions to research infrastructures in the 7th Framework Programme

ABB activity:	4.2.2. e-Infrastructure
Type of evaluation:	<u>Expenditure programme (E)</u>
Summary of performance related findings and recommendations:	<p>1. Contribution of the programme/instrument/activity to Europe 2020 targets/flagships/objectives or to other key policy objectives.</p> <p>It is considered a key tool in implementing the <i>Innovation Union flagship</i> initiative by improving the framework conditions and providing a strong basis for research and innovation and supports key actions of the <i>Digital Agenda for Europe</i> initiative.</p> <p>2. Main result/ impact of the programme/instrument/activity and EU added value.</p> <p>The key added value of the FP7 RI programme was to strengthen the European dimension in RI policies, activities and services.</p> <p>The programme was considered of high relevance, it successfully involved leading organisations and made good use of the mix of funding instruments. The Programme fulfilled its primary function of supporting the development of networks of RIs in Europe and improving the way RIs operate, evolve and interact with similar infrastructures and users. The FP7 RI Programme reached significant effects on an improved cohesion of the European RI landscape on the quality of the RI services. All support schemes contributed to these achievements; however, the impacts were reached in particular through their combined efforts and the appropriate use of the policy mix. An important factor is the growing synergy and complementary role of the research infrastructure and e-infrastructure activities. The FP7 RI Programme has been particularly successful in enhancing the value of research infrastructure as a tool for Science. It facilitated the development and use of research methods and technologies and has shown the potential for impacts on industrial innovation.</p> <p>The FP7 RI Programme has considerably contributed to opening up pan-European large research infrastructures on a global scale. These span over all thematic areas and include especially the Virtual Research Communities.</p> <p>The programme has therefore provided a positive response to one of the major market failures that were identified at the launch of FP7, i.e. the lack of international cooperation in the European RI landscape.</p> <p>The mechanisms of cooperation range from bilateral or multilateral international agreements (e.g. the Eastern Europe Partnership – EAP), international participation in project, international connectivity projects and peering of major computing infrastructures to Joint Calls for proposals and contributions to international standards.</p> <p>The FP7 RI programme was expected to contribute to the creation of industrial innovation, however these effects are limited, or lower than expected. The shift to a more service-oriented approach in the e-infrastructure ecosystem was an important contribution.</p> <p>The programme addressed the fragmentation of RI policies at national and European level and was successful in improving coherence of RI policy making</p>

	<p>based on the ESFRI roadmap and projects. However, the Commission needs to go beyond the ESFRI roadmap to develop a wider and more holistic RI strategy. The sustainability of the integrated RI is a major issue. The FP7 RI programme succeeded only to a limited extent in alleviating the tension between the priorities and governance responsibilities of the national policy makers and the policies at the European level.</p> <p>European Added Value in the form of transnational access and integration of RI facilities is fragile for all forms of RI but in particular for the distributed and virtual RIs.</p> <p>The main recommendations are : to tackle the sustainability issue through new funding and/or governance models; to promote a more holistic and comprehensive view on RI among national policy makers; to consider if it is satisfactory that the ESFRI roadmap is the sole driver of EC RI funding priorities; to strengthen the cooperation between ESFRI and eIRG and the scientific/e-Infrastructures communities; to improve the coordination of RI strategy among DGs and synergies with other EC services/initiatives; to support the development of distributed RI in SS; to strengthen the innovation element in the RI(through financial incentives for SME use of RI).</p> <p>3. Issues of sound programme/policy design, management and implementation; including efficiency and effectiveness.</p> <p>The FP7 RI programme made a significant step forward in the efficiency and effectiveness of its support to the European RIs compared to FP6, due to the more coordinated approach to the funding of existing and new distributed RIs or networks of RIs in Europe, based on the ESFRI roadmap. The shift in focus towards the delivery of user-tailored e-Infrastructure services and the development of a multi-layer e-Infrastructure ecosystem resulted crucial for the creation of the globally connected European Research Area in RI.</p>
Availability of the report on Europa:	http://ec.europa.eu/digital-agenda/en/news/evaluation-pertinence-and-impact-research-infrastructure-activity-fp7-epiria-smart-20120045

Evaluation of the Safer Internet programme (2009-2013)

ABB activity:	09 Communications networks, content and technology
Type of evaluation:	Expenditure programme (E)
Summary of performance related findings and recommendations:	<p>The European network of Safer Internet Centres co-funded under the Programme has been the main instrument for implementing the Better Internet for Kids (BIK) strategy for giving children the digital skills they need to fully and safely benefit from being online.</p> <p>2. Main result/ impact of the programme/instrument/activity and EU added value.</p> <p>The evaluation concluded that the Programme has been successful in achieving its objectives. Key results are the pan-European dimension of the activities, the establishment of Safer Internet Centres in all Member States, and the close cooperation between different stakeholders. In terms of the problems addressed and the stakeholders involved, the Programme was judged highly relevant, and it also responded well to changing technologies and problems.</p>

The Programme has generated good impacts both in short and longer term, mainly in raising awareness, fighting illegal content and by enhancing cooperation and creating synergies.

The final evaluation shows that awareness raising, combined with providing education, training and related tools and materials to be used by children, is one of the key achievements. During 2013, Insafe network of Safer Internet Centres reached more than 15 million people across (and beyond) Europe, with over 3,000 children and teenagers regularly involved in youth participation activities across the network, in addition to the thousands of events, training activities and school visits that were conducted.

The second strong area of impact was achieved in the fight against illegal content, and specifically the work of the hotlines. Over the programme period, an increasing number of reports received through the hotlines were recorded. In 2013, INHOPE Hotlines processed over 200,000 reports of potentially illegal content of which 54,969 were confirmed illegal and inserted into the INHOPE database of URLs, an increase from 29,908 in 2011. The period covered by the Programme has seen an increase in sites deleted by the INHOPE network, the improved cooperation between hotlines and law enforcement have led to more timely removal of CSAM. In 2011, 60% of the reported content was removed within 1 to 3 days compared to 80% in 2013. The hotline network has become global and now covers 45 countries on several continents.

The findings further show that the Programme has been influential in relation to other national and international activities. European Safer Internet activities are often considered good practice internationally, and have been taken up in Latin America, the US and Asia-Pacific. As an illustration, the Safer Internet Day, which stems from the Programme, is an international yearly event to raise awareness of child online safety. It is organised annually in more than 100 countries and recognised across Europe, North America, South America and the Asia-Pacific region.

The evaluation also confirmed that the knowledge sharing within the network of Safer Internet Centres and between other projects funded under the Programme reinforced the very core of the European added value and the justification for co-ordinated European action.

It was recommended that the work of the Safer Internet Centres should be continued and that measurable implementation and performance indicators should be further enhanced in order to determine and better measure the impacts of future actions.

3. Issues of sound programme/policy design, management and implementation; including efficiency and effectiveness.

The evaluation concluded that EU intervention had been both necessary and effective in the delivery of results and in creating leverage. The actions of the Programme were largely recognised as being "good value for money" by project participants and stakeholders. Project beneficiaries and stakeholders recognised that the Commission had ensured an efficient management of the Programme.

Given the limited financial involvement from industry it was recommended to seek stronger industry involvement in terms of alternative source of funding of activities. Also Member States' involvement in future initiatives should be

	further encouraged.
Availability of the report on Europa:	The report will be published once the report to the EP, the Council, the European Economic and Social Committee of the Regions has been adopted.

Study for the mid-term evaluation of the eGovernment Action Plan 2011-2015 implementation – SMART 2012/0060 – IAV

ABB activity:	
Type of evaluation:	Other
Summary of performance related findings and recommendations:	<p>This Mid-term evaluation focuses on the progress of MS and EC in implementing the 40+ individual acts contained in the Action Plan. As such it's not an evaluation of the Action Plan itself, but rather on the progress made towards implementing it. Therefore it's not about its efficiency, effectiveness and only marginally about its impact (based on 12 case studies, still on-going). SO far, 77% of EC actions have been completed or are on track. 66% of MS actions are completed or on track.</p> <p>Furthermore, the evaluation also provides a number of recommendations within the timeline of the eGovernment Action Plan and beyond. The major recommendation states that: "This type of Action Plan can be a perfect 'mobilizer' instrument in order to coordinate actions at national and European level, but to be effective, an action plan must be embedded in a continuous policy cycle. In a rapidly changing world with very fast evolving technology, a static five years period seems too long for an Action Plan. A system of a 'rolling' plan with a bi-yearly review and adapt cycle, would be more appropriate to keep track of change".</p>
Availability of the report on Europa:	Report: not available yet, expected in first half of 2015.

Ex-post evaluation of ICT research in the Seventh Framework Programme, including the study SMART 2013/0049

ABB activity:	
Type of evaluation:	Expenditure programme (E)
Summary of performance related findings and recommendations:	<p>1. Contribution of the programme/instrument/activity to Europe 2020 targets/flagships/objectives or to other key policy objectives.</p> <p>FP7 in general and the ICT Theme in particular have been making a major contribution to the Europe 2020 strategy and to the Digital Agenda for Europe, one its flagships initiatives. With a budget of €9.1 billion, the ICT thematic area has been the largest in the Cooperation Programme. This has contributed directly to progress towards the overall 3% R&D headline target in Europe 2020 public investment. The FP7 ICT has also been contributing to the Innovation Union Flagship, by improving the framework conditions and access to finance for research and innovation. FP7 ICT has promoted pooling of efforts in research funding in key ICT technologies, thus contributing to strengthen the innovation chain. The funding has leveraged private spending, among others through Public-Private Partnerships and Joint Technology Initiatives designed to</p>

leverage more R&D investments from Member States.

2. Main result/ impact of the programme/instrument/activity and EU added value.

The greatest impact of the Programme has been the knowledge effects for its participants, where the required competences, resources, scale and scope could not have been achieved to the same degree at the national level. The network generated by the FP7 ICT is very stable and resilient, indicating that a critical mass for a European Research Area has been consolidated. The European Added Value in this area is high: the programme has addressed Pan-European challenges, built the critical mass in technological domains, and brought together stakeholders not traditionally cooperating. Being primarily a pre-competitive research programme, FP7 ICT has augmented the European knowledge base by creating and disseminating a wealth of outputs: publications, prototypes, patents, expertise and know-how. Moreover, it has been established that research undertaken at the European level has been more-highly valued (in terms of citation of publications and further use) than research originating at the national level. Furthermore, in some areas of higher technological maturity, the knowledge created has served to develop some applications in their early stages of deployment. EU-funded projects in the area of ICT have also led to dynamic spin-offs (125 as from the final reports) set up to commercialise products and services resulting from EU support. There is also evidence of SMEs that have been active in the Programme and have grown as a result both in terms of employees and turnover, building their success on the programme participation. Projects delivered valuable opportunities not only to the research community and direct beneficiaries of successful proposals but also enabled concrete solutions implemented in applicable cases for the benefits of European citizens. In areas such as telecommunications, internet of things and semiconductors, standardisation has also been an outcome of the projects. However, and keeping in mind that FP7 was largely a research programme FP7 ICT mechanisms had limited impact in helping to translate research results into innovative products, processes and services. At the same time there are great expectations that H2020 will address the obstacles to technology deployment and transfer, facilitating the transition from research to market. The programme has had a positive effect on safeguarding some of the industrial areas in which Europe has traditionally shown strength. Research that has emerged from the FP has also informed both European and national policies and programmes. FP7 ICT programme initiatives also provided examples to other countries and regions of the world, and international collaborations are also paving the way for global standards and portraying Europe as a leading technology hub.

3. Issues of sound programme/policy design, management and implementation; including efficiency and effectiveness.

As for the administration and the implementation of the programme, a moderate improvement, compared to FP6, was generally observed by interviewees in terms of efficiency in programme administration, especially in terms of the management by DG CONNECT (performance in Time To Grant is among the best of the research family). The administrative burden of participation is a recurrent topic of contention, although the constituency is appreciative of the proposed simplification measures of Horizon 2020. The main challenges for the participants remain the management and coordination of the consortium, the reporting and dissemination requirements, as well as the

	oversubscription to calls in some areas.
Availability of the report on Europa:	The final report of the study has not been published yet.

Report on the implementation of the Commission Recommendation on the implementation of privacy and data protection principles in applications supported by radio-frequency identification

ABB activity:	
Type of evaluation:	Regulatory instrument (R), (Recommendation to member states = Soft regulation)
Summary of performance related findings and recommendations:	<p>Guided by the five main evaluation criteria (relevance, coherence, effectiveness, efficiency, EU added value) briefly describe the findings and recommendations of the evaluation with regard to each of three headings:</p> <ol style="list-style-type: none"> 1. Contribution of the programme/instrument/activity to Europe 2020 targets/flagships/objectives or to other key policy objectives. 2. Main result/ impact of the programme/instrument/activity and EU added value. 3. Issues of sound programme/policy design, management and implementation; including efficiency and effectiveness. <p>Summary: Given the limited implementation of the RFID Recommendation (OJ L 122, 16.5.2009, p. 47–51), it is difficult at this stage to assess its impact on privacy and personal data protection in RFID applications (European added value in policy and digital single market context). While the effective implementation has been low in the first years after adoption, some of the elements enabling its implementation have been put in place. The Privacy Impact Assessment (PIA) framework was adopted, the RFID sign has been standardised and has become a European Norm. Furthermore, the Recommendation, in particular the PIA Framework has been the precursor of the privacy by design and PIA provisions proposed by the Commission in the forthcoming Data Protection Regulation.</p>
Availability of the report on Europa:	http://europa.eu/rapid/press-release_IP-14-889_en.htm

ANNEX 10 - AAR 2014 YEAR End
Sub-delegations given BY DG CNECT

Chapter	Article	Fund Mgt Center	Date of signature	Period	Heading	Amount	Date DG's answer	Verified par R2	Comments
09.01	09.010211	CNECT/DIGIT	29/4/2013	unlimited	External personnel and other management expenditure in support of the 'Communications networks, content and technology' policy area - Other management expenditure	appropriation authorised	no appropriation authorised/transactions in 2014		-----
09.03	09.030300	CNECT/DIGIT	29/4/2013	unlimited	Promoting the interconnection and interoperability of national services of common interest	appropriation authorised	5/2/2015	9/2/2015	DirH3+H6 Ares(2015)485651

Chapter	Article	Fund Mgt Center	Date of signature	Period	Heading	Amount	Date DG's answer	Verified par R2	Comments
09.01	09.010503	CNECT/EMPL	13/12/2013	unlimited	Other management expenditure for Research and Innovation programmes — Horizon 2020	appropriation authorised	6/3/2015	9/3/2015	R3 Ares(2015)1000923

Chapter	Article	Fund Mgt Center	Date of signature	Period	Heading	Amount	Date DG's answer	Verified par R2	Comments
09.01	09.010503	CNECT/ENTR (2015: GROW)	19/12/2013	unlimited	Other management expenditure for Research and Innovation programmes — Horizon 2020	appropriation authorised	no appropriation authorised/transactions in 2014		-----
09.04	09.040201	CNECT/ENTR (2015: GROW)	19/12/2013	unlimited	Leadership in information and communications technology	appropriation authorised	30/1/2015	3/2/2015	DirR4 (KE) Ares(2015)372385

Chapter	Article	Fund Mgt Center	Date of signature	Period	Heading	Amount	Date DG's answer	Verified par R2	Comments
09.02	09.020500	CNECT/ESTAT	12/12/2013	unlimited	Measures concerning the digital content, and audiovisual and other media industries	appropriation authorised	no appropriation authorised/transactions in 2014		-----
09.04	09.040201	CNECT/ESTAT	12/12/2013	unlimited	Leadership in information and communications technology	appropriation authorised	28/1/2015	3/2/2015	DirF (LS+U01+MM) Ares(2015)335290
09.04	09.045301	CNECT/ESTAT	12/12/2013	unlimited	Completion of Competitiveness and Innovation Framework Programme — Information and Communication Technologies Policy Support Programme (ICT PSP) (2007 to 2013)	appropriation authorised			

Chapter	Article	Fund Mgt Center	Date of signature	Period	Heading	Amount	Date DG's answer	Verified par R2	Comments
09.04	09.045301	CNECT/JRC	28/1/2014	unlimited	Completion of Competitiveness and Innovation Framework Programme — Information and Communication Technologies Policy Support Programme (ICT PSP) (2007 to 2013)	appropriation authorised	no appropriation authorised/transactions in 2014		-----

Chapter	Article	Fund Mgt Center	Date of signature	Period	Heading	Amount	Date DG's answer	Verified par R2	Comments
09.01	09.010503	CNECT/OIB	6/5/2013	unlimited	Other management expenditure for Research and Innovation programmes — Horizon 2020	appropriation authorised	27/1/2014	27/1/2014	DirR2 (MCL+IC) / Ares(2015)325174

Chapter	Article	Fund Mgt Center	Date of signature	Period	Heading	Amount	Date DG's answer	Verified par R2	Comments
09.04	09.045100	CNECT/OP	13/12/2013	unlimited	Completion of previous research framework programme — Seventh Framework Programme (2007 to 2013)	appropriation authorised	4/3/2015+ 4/2/2015	4/3/2015	DirF4 (LS)/DirD (DR)/U01 (MM+CV) Ares(2015)953340+446861
09.04	09.045301	CNECT/OP	13/12/2013	unlimited	Completion of Competitiveness and Innovation Framework Programme — Information and Communication Technologies Policy Support Programme (ICT PSP) (2007 to 2013)	appropriation authorised	29/1/2015	2/2/2015	DirG5 (GK+MFD) Ares(2015)350568

Chapter	Article	Fund Mgt Center	Date of signature	Period	Heading	Amount	Date DG's answer	Verified par R2	Comments
09.02	09.020500	CNECT/PMO	4/6/2014	unlimited	Measures concerning the digital content, and audiovisual and other media industries	appropriation authorised	26/2/15	2/3/15	Ares(2015)834919
09.03	09.030300	CNECT/PMO	4/6/2014	unlimited	Promoting the interconnection and interoperability of national services of common interest	appropriation authorised	Yearly report will be integrated in AAR 2014 of PMO (becomes CO-delegation in 2015, see IR 2015)		

Chapter	Article	Fund Mgt Center	Date of signature	Period	Heading	Amount	Date DG's answer	Verified par R2	Comments
09.01	09.010503	CNECT/RTD	28/2/2014	unlimited	Other management expenditure for Research and Innovation programmes — Horizon 2020	appropriation authorised	11/2/2015	16/2/2015	F3 (MM+MM) + D3 (DR+CV) Ares(2015)574413
09.04	09.040302	CNECT/RTD	28/2/2014	unlimited	Fostering inclusive, innovative and reflective European societies	appropriation authorised			
09.04	09.045100	CNECT/RTD	28/2/2014	unlimited	Completion of previous research framework programme — Seventh Framework Programme (2007 to 2013)	appropriation authorised			

Chapter	Article	Fund Mgt Center	Date of signature	Period	Heading	Amount	Date DG's answer	Verified par R2	DIR CNECT responsible
26.01	26.030101	DIGIT/CNECT	23/1/2008	unlimited	Interoperability Solutions for European Public Administrations (ISA)	appropriation authorised	25/2/2015	2/3/2015	Ares(2015)812327

Chapter	Article	Fund Mgt Center	Date of signature	Period	Heading	Amount	Date DG's answer	Verified par R2	DIR CNECT responsible
32.04	32.040301	ENER/CNECT	3/6/2014	unlimited	Social challenge: Making the transition to a reliable, sustainable and competitive energy system	appropriation authorised	5/3/2015	5/3/2015	Ares(2015)986239

Chapter	Article	Fund Mgt Center	Date of signature	Period	Heading	Amount	Date DG's answer	Verified par R2	DIR CNECT responsible
12.02	12.020100	MARKT/CNECT (=>FISMA)	22/10/2014	Payments until liquidation of the commitments made in 2014	Implementation & developement of the internal market	200.000	2/3/2015	2/3/2015	Ares(2015)903691

Chapter	Article	Fund Mgt Center	Date of signature	Period	Heading	Amount	Date DG's answer	Verified par R2	DIR CNECT responsible
26.01	26.016007	PMO/CNECT	17/12/2009	unlimited	Damages	appropriation authorised	no appropriation authorised/transactions in 2014		-----

Chapter	Article	Fund Mgt Center	Date of signature	Period	Heading	Amount	Date DG's answer	Verified par R2	Comments
08.02	08.025100	RTD/CNECT	31/10/2014	unlimited	Completion of previous research framework programme — Seventh Framework Programme — EC indirect action (2007 to 2013)	appropriation authorised	H6 rappel 3/2/2015		Ares(2015)1157873 addendum to Ares(2015)812372 to be signed
08.02	08.020304	RTD/CNECT	31/10/2014	unlimited	Achieving a European transport system that is resource-efficient, environmentally friendly, safe and seamless	appropriation authorised	25/2/2015	3/2/2015	Ares(2015)812372