



2013

Annual Activity Report

**Publications
Office**



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INTRODUCTION

The Publications Office in brief

Mission: access to law and to publications

The Publications Office of the European Union provides online and free-of-charge access to law and publications of the European Union.

The Office has been transformed from the traditional publishing house of the institutions, agencies and other bodies of the European Union to a centre of excellence in the field of documentation, structuring and dissemination of information produced by these organisations.

Objectives

At the forefront of new technologies, the Office contributes to the information and communication activities of the institutions by referencing, publishing and disseminating the information they produce.

Activities

The Office's activities comprise the production of the Official Journal, case-law, general publications, physical and web dissemination of publications, cataloguing and archiving of the information and management of the common content and metadata repository (CELLAR).

The following websites are managed by the Office:

- EUR-Lex single access point for legal information and authentic Official Journal;
- EU Open Data Portal single access point for structured data to facilitate reuse;
- TED for public procurement notices;
- EU Bookshop online dissemination of EU publications;
- CORDIS publication and dissemination of EU research results;
- EU Whoiswho the official directory of the EU.

Organisation

General conditions of operations

The Office uses infrastructure (mainly IT), outsourcing and human resources, therefore the Office's main risks and risk-management activities (including internal control) are concentrated on these areas.

Budget matters

Budget items delegated by the Commission to the Director-General of the Office concerning expenditure for administrative purposes and/or contract management are in direct centralised management. This means that, compared to shared or decentralised budget management for instance, the inherent risk is low.

In 2013, the financial resources managed by the Office fell into three categories: administrative expenditure (salaries, rent, etc.), operational expenditure (within the Office's administrative budget and from other budget lines delegated to the Director-General of the Office), and other financial responsibilities, including sales of publications and validating as 'certified correct' invoices for publications.

In 2013, the Director-General of the Office also received cross subdelegations mainly for CORDIS, Open Data Portal and the JURE collection.

Within the Office, a partly decentralised financial circuit is applied. Budget cells serve the Directorates and a simplified payment workflow is used for some low-risk items.

Second level *ex ante* verification on commitments and de-commitments are performed on a risk based sampling method. Transfers of appropriations and asset write-offs are checked during the year. *Ex post* controls cover financial payment transactions of the Office and commitments of the units exempted from second level *ex ante* controls during the previous year.

Accountability and reporting

Structured, regular meetings ensure an appropriate information flow between those responsible for financial management, heads of unit, directors and the Director-General. The reporting of authorising officer by subdelegation contains the financial data and the main points concerning controls and risks, and formally documents any significant problems.

The Office reports quarterly to its interinstitutional Management Committee on the main performance indicators.

Evaluation and audit

A unit reporting to the Director-General is responsible for evaluation.

An independent Internal Audit Capability performs internal audits according to a three-year strategic plan based on risk assessment.

Working arrangements with the Commissioner

Since 2004, the channels of communication between the Office and the Commissioner have been clarified and codified.

The year in brief

After having concluded its transformation programme, the Office put in place new working methods, new services and a new structure (major reorganisation as of 1 January 2013).

Production (EUR 29.8 million, i.e. 23% of total financial resources and 45% of staff)

In compliance with Council Regulation (EU) No 216/2013 of 7 March 2013, the Publications Office has adapted the production process to support the publication of the legally binding electronic edition of the *Official Journal of the European Union*, including the electronic signature which ensures its authenticity, integrity and inalterability. As of 1 July 2013, the Official Journal (OJ) and its signature are available on the new EUR-Lex portal, the single access point for the electronic authentic Official Journal.

In addition, with the accession of Croatia on 1 July 2013, 344 volumes of the *acquis* were already published, totalling 112 197 pages. By year-end, 395 volumes, representing 131 295 pages, were published.

Action was also taken to ensure the online publication and smooth production of the Summaries of EU Legislation, taking into account the integration in the new EUR-Lex portal.

Cataloguing and archiving (EUR 5.2 million, i.e. 4% of total financial resources and 14% of staff)

Cataloguing activities are necessary for identification of publications. These activities include metadata standardisation. This task is placed under the guidance of the Interinstitutional Maintenance Metadata Committee (IMMC). The year 2013 was marked by the institution-specific extensions of the common metadata set to be used in the exchange of interinstitutional documents and the creation of additional authority tables. The scope of the IMMC activities was further extended to other areas such as Open Data.

The CELLAR, the common repository comprising both content and metadata, is the back end of the Publications Office's new dissemination architecture, which has been implemented in the scope of the transformation programme. It enables the reuse of public sector information and thus contributes to the implementation of the open data policy of the institutions. Furthermore, the CELLAR makes available a huge amount of machine-readable data on the internet and thus also makes a substantial contribution to the construction of the Semantic Web.

Since 1 July 2013, the CELLAR is successfully supporting the publication of the legally binding electronic version of the Official Journal.

The loading chains for the daily publication of the Official Journal, secondary legislation, preparatory acts and other information related to legal procedures are operational and data is loaded on a daily basis.

Physical distribution and promotion (EUR 8.2 million, i.e. 6% of total financial resources and 14% of staff)

The total number of paper publications distributed continued to decline and the number of copies held in stock decreased to under 19 million (a reduction of 28% compared to 2012). The Office continued to encourage authors to adopt realistic initial print runs and use digital reprinting and/or print-on-demand services for subsequent needs.

The public appeal of the Office's social media accounts (Facebook, Google+, Twitter and YouTube) has significantly increased, drawing more traffic and interest in its principal websites.

Public websites (EUR 14.9 million, i.e. 11% of total financial resources and 15% of staff)

The new EUR-Lex portal has been accessible to the general public since March 2013, with the current system running in parallel. From 1 July 2013, the new website is the single access point for the electronic authentic Official Journal. Users may verify the signatures through a platform integrated in the daily production and publishing chain. The migration of collections from current to new EUR-Lex is being finalised. Work has continued regarding the addition of new-generation connectors providing access to national sites via N-Lex.

As far as TED (Tenders Electronic Daily) is concerned, the Office continued developing the eTendering platform with 13 participating Commission DGs, opened the access to this service to other institutions and bodies and collaborated with DIGIT on eSubmission. Web services to all eSenders were extended, allowing them to submit their notices through the Web, and reporting on the status of the received notice was improved. The Office continued to develop the new production monitoring system that is able to provide real-time follow-up, and also a new postal address management system to reduce postage and DVD costs.

The EU Bookshop service, which offers free-of-charge access to all EU publications, underwent further developments that allowed public studies (including executive summaries and evaluations) produced by the institutions and financed by the EU budget to be searchable and available to the general public. The display of EU general publications on the EU Bookshop website enhances the image of the Publications Office as a modern administration, avoiding unnecessary administrative burdens for users.

As far as CORDIS (Community Research and Development Information Service) is concerned, following its latest developments, the revamping of the website and the introduction of new services, the site became a veritable one-stop-shop for the dissemination of information of the EU-funded research projects and their results in the broadest sense.

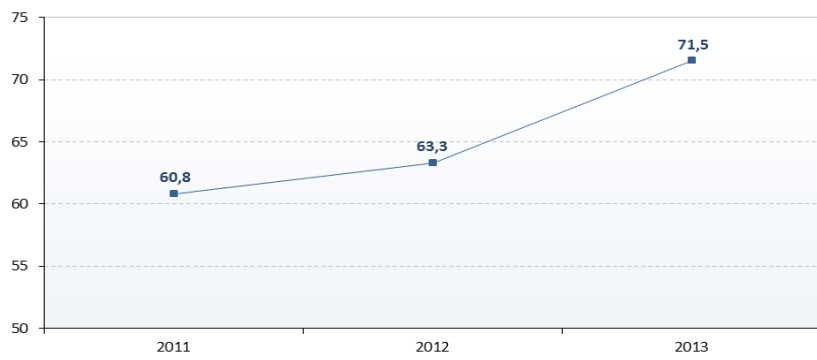

Finally, the Office is responsible for the development, hosting, maintenance and operational activities of the EU Open Data Portal, created by Commission Decision 2011/833/EU.

Available in beta version since December 2012, the portal was officially announced on 9 April 2013 during the European Data Forum in Dublin. After several functional and security improvements, version 1.0 was launched in December 2013.

The number of data providers has tripled since the end of 2012 and the number of data sets has increased significantly. The portal is providing access to over 6 400 public data sets from 36 different Commission services, institutions and EU agencies. The published data can be downloaded free of charge and reused by everyone.

Executive summary

Key performance indicators

Most relevant indicators to measure the policy achievements of the Publications Office	Target 2015	Results 2013										
Operational release of authentic electronic Official Journal	Achieved in 2013	Achieved										
Percentage of Official Journal issues published without delay in 22 or 23 language versions	100%	99.999%										
Number of visits to EUR-Lex website (excluding new EUR-Lex website)	100 million	71.5 million										
<div>EUR-Lex – Number of visits (million)</div>  <table><thead><tr><th>Year</th><th>Number of visits (million)</th></tr></thead><tbody><tr><td>2011</td><td>60.8</td></tr><tr><td>2012</td><td>63.3</td></tr><tr><td>2013</td><td>71.5</td></tr></tbody></table>			Year	Number of visits (million)	2011	60.8	2012	63.3	2013	71.5		
Year	Number of visits (million)											
2011	60.8											
2012	63.3											
2013	71.5											
Number of visits to EU Bookshop	1.5 million	1.8 million										
<div>EU Bookshop – Number of visits (million)</div>  <table><thead><tr><th>Year</th><th>Number of visits (million)</th></tr></thead><tbody><tr><td>2010</td><td>1.2</td></tr><tr><td>2011</td><td>0.9</td></tr><tr><td>2012</td><td>1.2</td></tr><tr><td>2013</td><td>1.8</td></tr></tbody></table>			Year	Number of visits (million)	2010	1.2	2011	0.9	2012	1.2	2013	1.8
Year	Number of visits (million)											
2010	1.2											
2011	0.9											
2012	1.2											
2013	1.8											
Status of the single repository (CELLAR): — System availability — Content available in the production repository (number of content resources (manifestations))	> 99% 50 million resources	> 99% > 67 million resources										

Policy highlights of the year (executive summary of Part 1)

In 2013, the Publications Office carried out the following activities:

Production

- Put in place the technical requirements so that the electronic edition of the Official Journal could become authentic.
- Contributed to the successful enlargement of the European Union to Croatia, by publishing the majority of secondary legislation in Croatian.
- Implemented the necessary measures to allow for the smooth production of the Summaries of EU legislation.

Cataloguing and archiving

- Pursued its efforts to provide harmonised and standardised metadata, as well as common authority tables to ensure interoperability and enhanced access, search, linking and reuse of content through semantic technologies.
- Completed uploading of files into the CELLAR (Common Content Repository and Common Metadata Repository), the documentary collection containing, referencing and indexing all the content published by the Office.

Physical distribution and promotion

- Stepped up the usage of the print-on-demand facility, thus fully exploiting its potential.

Public websites

- Successfully opened and ran in parallel with the previous website the new EUR-Lex to the general public, providing access to more than 6 million EU law items (Official Journals, legislation, case-law, etc.).
- Expanded the use of the eTendering platform to further Commission directorates-general, and prepared access for other EU institutions, agencies and bodies.
- Supported dissemination policy and increased dissemination of e-books through EU Bookshop and other means.
- Enhanced the dissemination policy for EU-funded research and their results through CORDIS.
- Continued to work on the EU Open Data Portal, by including data sets from Commission services, as well as from the other EU institutions, agencies and bodies.
- Proceeded with the development of the Publications Office's common portal, as a single access point for all content currently available through the different websites managed by the Office.

Key conclusions on resource management and internal control effectiveness (executive summary of Parts 2 and 3)

In accordance with the governance statement of the European Commission, the Publications Office conducts its operations in compliance with the applicable laws and regulations, working in an open and transparent manner and meeting the expected high level of professional and ethical standards.

The Commission has adopted a set of internal control standards based on international good practice, aimed at ensuring the achievement of policy and operational objectives. As required by the Financial Regulation, the Director-General has put in place the organisational structure and internal control systems suited to the achievement of the policy and control objectives, in accordance with standards and having due regard to the risks associated with the environment in which the Office operates.

The Publications Office has assessed the effectiveness of its key internal control systems during the reporting year and has concluded that the internal control standards have been effectively implemented.

In addition, the Publications Office has systematically examined the available control results and indicators, including those aimed at supervising entities to which it has entrusted budget implementation tasks, as well as the observations and recommendations issued by internal auditors and the European Court of Auditors. These elements have been assessed to determine their impact on the management's assurance as regards the achievement of control objectives. Please refer to Part 2 for further details.

In conclusion, management has reasonable assurance that, overall, suitable controls are in place and working as intended risks are being appropriately monitored and mitigated, and necessary improvements and reinforcements are being implemented. The Director-General, in her capacity as authorising officer by delegation, has signed the Declaration of Assurance.

Information to the Commissioner

The Annual Activity Report is a management report of the Director-General of the Publications Office to the College of Commissioners. It is the main instrument of management accountability within the Commission and constitutes the basis on which the Commission takes its responsibility for the management of resources and the achievement of objectives.

The main elements of this report and assurance declaration have been brought to the attention of Vice-President of the European Commission, Viviane Reding, responsible for relations with the Office during a meeting dedicated to these matters on 19 March 2014.

1. POLICY ACHIEVEMENTS

1.1 Achievement of specific objectives ⁽¹⁾

1.1.1 Production

ABB activity: PRODUCTION			<input checked="" type="checkbox"/> Non-spending
SPECIFIC OBJECTIVES	RESULT INDICATORS	Target (long-term)	Current situation (as achieved)
		2015	2013
Publish the Official Journal in all official languages on all media	Percentage of Official Journal issues published without delay in 22 or 23 language versions	100%	99.99%
	Number of: — Official Journal issues — total pages	820 1 250 000	956 1 813 096
	Average global price per page and trend over time	EUR 10	EUR 9.79
Prepare the publication of the Special Edition of the Official Journal in the relevant languages in case of enlargement	Total number of produced pages of the <i>acquis</i> (Special Edition)	Special Edition in Croatian published	131 295
Consolidate European Union acts, i.e. integrate basic instruments of EU law, their amendments and corrections in single, non-official documents	Number of consolidated legislative acts in force available in all languages	50 000	53 781
Make available all tender notices in the <i>Supplement to the Official Journal of the European Union</i> , including assistance to the awarding authorities throughout the process	Number of published notices	460 000	443 079
	Average cost per notice and trend over time	EUR 25	EUR 14.50

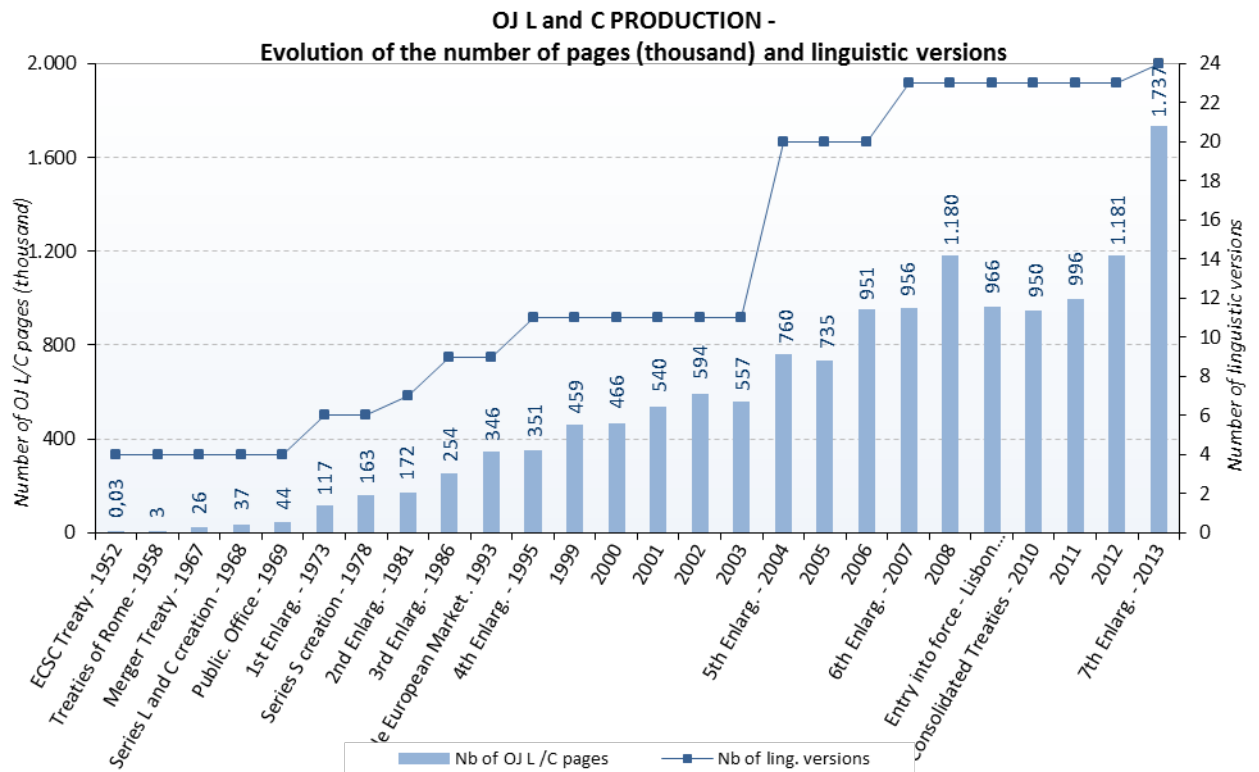
⁽¹⁾ General objectives by policy area are not applicable to the Publications Office.

ABB activity: PRODUCTION			<input checked="" type="checkbox"/> Non-spending
SPECIFIC OBJECTIVES	RESULT INDICATORS	Target (long-term)	Current situation (as achieved)
Provide high-quality editorial advice to authors and produce EU publications on all media	— Number of publication projects assigned	7 000	9 153
	— Number of definitive electronic files produced	24 000	15 053
	— Number of graphic design projects assigned	230	225 (*)
	— Number of graphic design projects produced	220	—
	Ratio of the number of volumes delivered by the Office to the manuscripts received from the Court of Justice	Not relevant (e-Recueil)	1 to 1
	Number of copyright requests received	800	722
Ensure proofreading and quality control of publications in all official languages	Percentage of pages (proofs + manuscript + printed OJ): OJ L, OJ C, budgetary and related documents corrected on time	> 98%	> 99%
	Percentage of deadlines respected for manuscript preparation and proofreading services related to general publications	95%	95%

(*) Including graphic design projects produced.

Official Journal: production volume and cost per page

Production of the Official Journal saw a slight decrease in volume of 2.61% for the OJ L series and an important increase of 128.42% for the OJ C series. The massive increase in the OJ C series is due to the publication of the European Parliament's backlog of written questions and answers.



Special Edition of the Official Journal

In the context of enlargement, the publication of secondary legislation in Croatian continued in 2013. By year-end, 86% of the total volume had been published, which corresponds to 131 295 pages in 395 volumes.

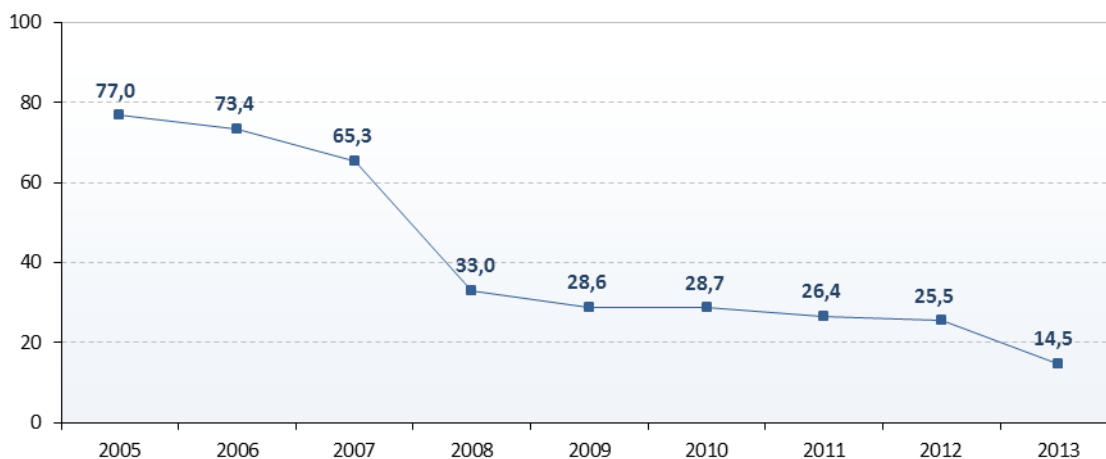
Consolidation

Consolidation of EU legislation, a permanent task of the Office, contributes to the implementation of the Commission's 'Smart regulation' initiative. Consolidation is pursued in all official languages. Following the conclusions of the European Council in March 2013, a working group was established with the aim to examine the possibility of conferring legal value to the consolidated texts.

Supplement to the Official Journal

The current contract for production of the OJ Supplement (OJ S) proved in its first year of exploitation to significantly lower production costs.

OJ S – Average cost per notice (EUR)



Source: Data Warehouse of TED

Reuse policy

The Publications Office applies the reuse policy of Commission documents as specified in Decision 2011/833/EU of 12 December 2011. Via a dedicated IT infrastructure, the Office provides customised delivery of EUR-Lex and TED data in XML format, enabling reuse of these data while avoiding any potential disruption of the services. In line with the terms of this Decision on reuse, licences to exploit both types of data are now free of charge.

1.1.2 Cataloguing and archiving

ABB activity: CATALOGUING AND ARCHIVING			<input checked="" type="checkbox"/> Non-spending
SPECIFIC OBJECTIVES	RESULT INDICATORS	Target (long-term)	Current situation (as achieved)
		2015	2013
Ensure international identification, cataloguing and indexation of all EU publications	Number of bibliographical notices produced or enriched, and percentage produced within deadline	9 000 95%	13 825 95%
Ensure storage and long-term preservation of digital information	Number of documentary units (notices) on EUR-Lex website	7.8 million	7.3 million
	Status of the single repository (CELLAR): — System availability — Content available in the production repository (number of content resources (manifestations))	> 99% 50 million resources	> 99% > 67 million resources
	Volume of data stored in the long term digital archive (EUDOR)	> 20 terabytes	> 30 terabytes

International identification, cataloguing and indexation of all EU publications

Metadata standardisation continues to be a major task for the Office under the guidance of the Interinstitutional Maintenance Metadata Committee (IMMC). The Publications Office chaired the DCAT Application Profile (metadata standards for open data portals) working group in close collaboration with ISA programme (DG Informatics (DIGIT)).

Storage and long-term preservation of digital information

The common repository, the CELLAR, became worldwide one of the largest ‘triple stores’, which means it is one of the most important semantic data sources of the Web. It is also the reference repository for the legally binding electronic edition of the OJ. By year-end its loading with legal document collections managed by the Publications Office was completed: the CELLAR’s content represents a total of 67 million files related to more than 1 300 000 documentary units. This information is accessible through the EUR-Lex portal. In terms of storage a volume of 5.23 terabytes of data and 2.8 terabytes of metadata were in the CELLAR at the end of the year.

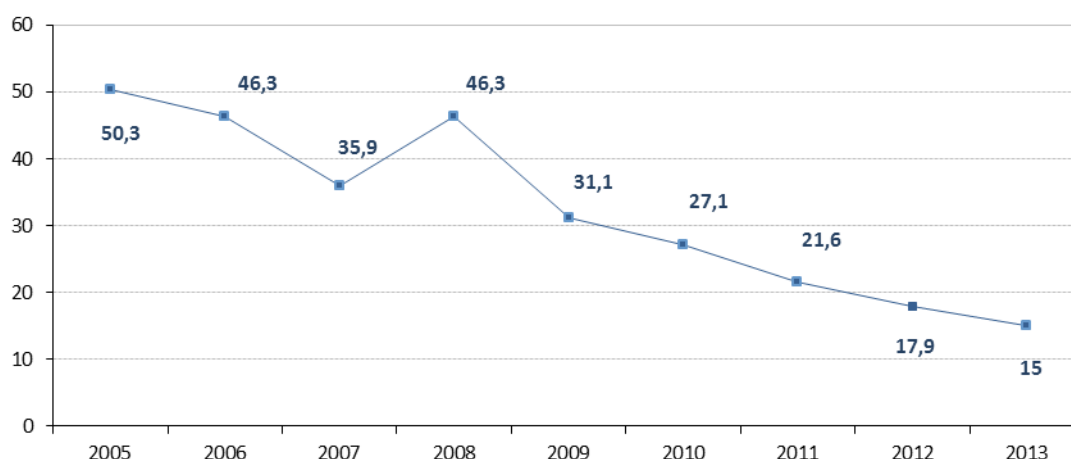
In the scope of its mandate for the long-term preservation of official publications, the Publications Office has ensured their archiving throughout 2013. Historical files have been added to the archive, in particular the collection of historical COM documents. By year-end, the electronic archive (EUDOR = European Document Repository) contained 50.2 million individual files, which represent a volume of 14.59 terabytes. The abovementioned COM documents represent a 15.66-terabyte volume which is not included in the preceding figures.

1.1.3 Physical distribution and promotion

ABB activity: PHYSICAL DISTRIBUTION AND PROMOTION			☒ Non-spending
SPECIFIC OBJECTIVES	RESULT INDICATORS	Target (long-term)	Current situation (as achieved)
		2015	2013
Ensure efficient distribution services for all EU publications (addresses, storage, dispatch)	Number of copies dispatched per year by the Distribution Centre of which:	15 million	15 million
	— distribution via mailing list	8 million (53%)	8 million (53%)
	— orders	7 million (47%)	7 million (47%)
	Average number of copies dispatched by the Distribution Centre, per:		
	— distribution via mailing list	900	764
	— order	20	37

The total number of copies of paper publications distributed continued to decline, falling by 16% compared to the figures of 2012 to under 15 million copies. The number of copies ordered rose by 9%, but this increase could not compensate for the drop of over 30% in the number of copies distributed by mailing lists.

Distribution – Number of copies dispatched (million)



Source: GescomX

The reduction of the distribution by mailing lists was in line with the Commission's aim of reducing paper publications, and with the desired move from 'push' to 'pull' methods of distribution.

Work continued on the transformation of the physical distribution activity. The current model was appropriate for the days when the Office regularly dispatched over 1 million copies per week. However in recent years the total number of copies distributed has dropped dramatically, from 50 million copies in 2005 to 15 million in 2013, a 70%

reduction. At the same time, the nature of the dispatch has also changed, from relatively few, simple, high-volume transactions to increasingly specific and complex low-volume distribution requests, with added-value services, such as bundling items or enclosing personalised cover letters, especially in demand. In late 2013 a call for tender was published, aiming at a single contract for integrated logistics services, to assure physical distribution when the Office leaves the current premises in early 2015.

1.1.4 Public websites

ABB activity: PUBLIC WEBSITES			<input checked="" type="checkbox"/> Non-spending
SPECIFIC OBJECTIVES	RESULT INDICATORS	Target (long-term)	Current situation (as achieved)
		2015	2013
Provide the European Union with a harmonised online access to law and publications through a high-quality, user-friendly, free, secure and reliable information service	Number of visits to EUR-Lex website (excluding traffic on new EUR-Lex website)	100 million	71.5 million
	Number of pages consulted on EUR-Lex website (excluding traffic on new EUR-Lex website)	260 million	195.8 million
	Percentage of the electronic version of official documents available on the EUR-Lex website at the time of publication	99%	99.8% (Official Journal only)
Make available all tender notices in the <i>Supplement to the Official Journal of the European Union</i> , from collection to dissemination on the TED website (http://ted.europa.eu) and other media, including assistance to the awarding authorities throughout the process	Number of visits to TED website	15 million	12.8 million
	Number of tender notices consulted on TED website	42 million	58.4 million
	Percentage of tender notices published in the OJ S within the publication deadlines	99%	99.2%
Make EU research information available and improve access to this information by the research community and the general public, in particular through the CORDIS website (http://cordis.europa.eu)	Number of visits to CORDIS website	6 million	5.5 million
	Number of pages consulted on CORDIS website	32 million	33.6 million
	Number of FP6 and FP7 research results available on CORDIS (cumulative)	18 000	13 247
	Number of FP6 and FP7 research results rewritten for the public (cumulative)	12 000	6 258
Ensure the electronic dissemination of the full catalogue of EU publications (EU Bookshop and Digital Library) Develop EU Bookshop as the preferred gateway to Community publications	Number of visits to EU Bookshop website	1.5 million	1.8 million
	Number of pages consulted on EU Bookshop website	11 million	10.8 million
	Number of documentary units (notices) on EU Bookshop website	120 000	98 758

Harmonised online access to law and publications

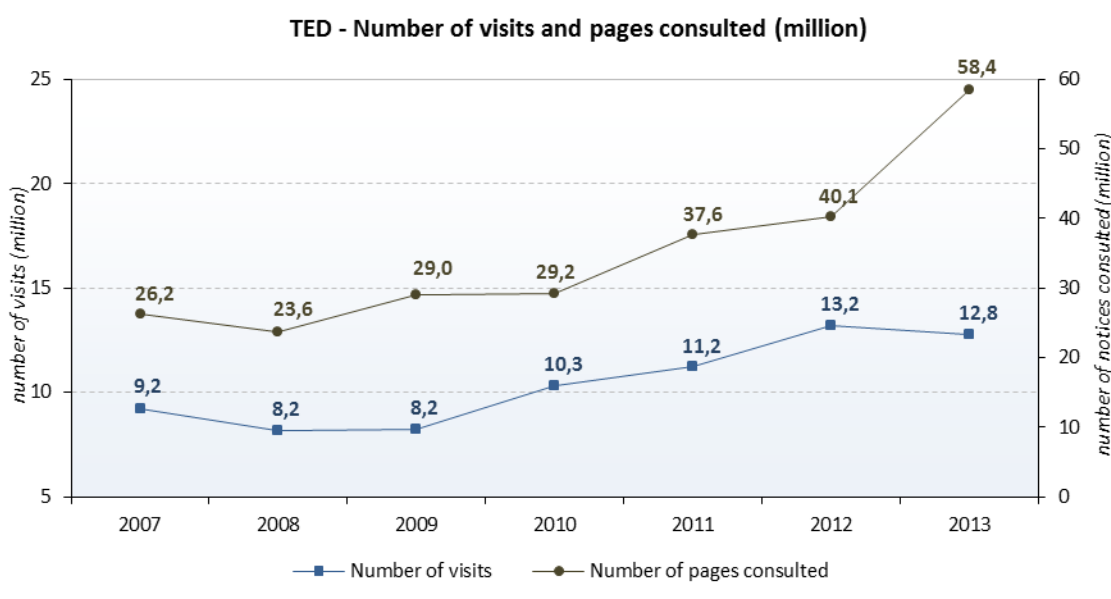
The new EUR-Lex portal has been accessible to the general public since March 2013, with the current system running in parallel. From 1 July 2013, the new website is the single access point for the electronic authentic Official Journal. Users may verify the signatures through a platform integrated in the daily production and publishing chain. The migration of collections from current to new EUR-Lex is being finalised. Work has continued regarding the addition of new-generation connectors providing access to national sites via N-Lex. Please refer to the graph on page 7.

By the end of 2013 the majority of legal collections were loaded into the dissemination repository, the 'CELLAR'. Integration of the digital case-law (e-Recueil) is well advanced.

Tenders Electronic Daily (TED)

The Publications Office continued developing the eTendering platform with 13 participating Commission DGs, opened the access to this service to other institutions and bodies and collaborated with DIGIT on eSubmission. Web services to all eSenders were extended, allowing them to submit their notices through the Web, and reporting on the status of the received notice was improved. The Office continued to develop the new production monitoring system that is able to provide real-time follow-up, and also a new postal address management system to reduce postage and DVD costs.

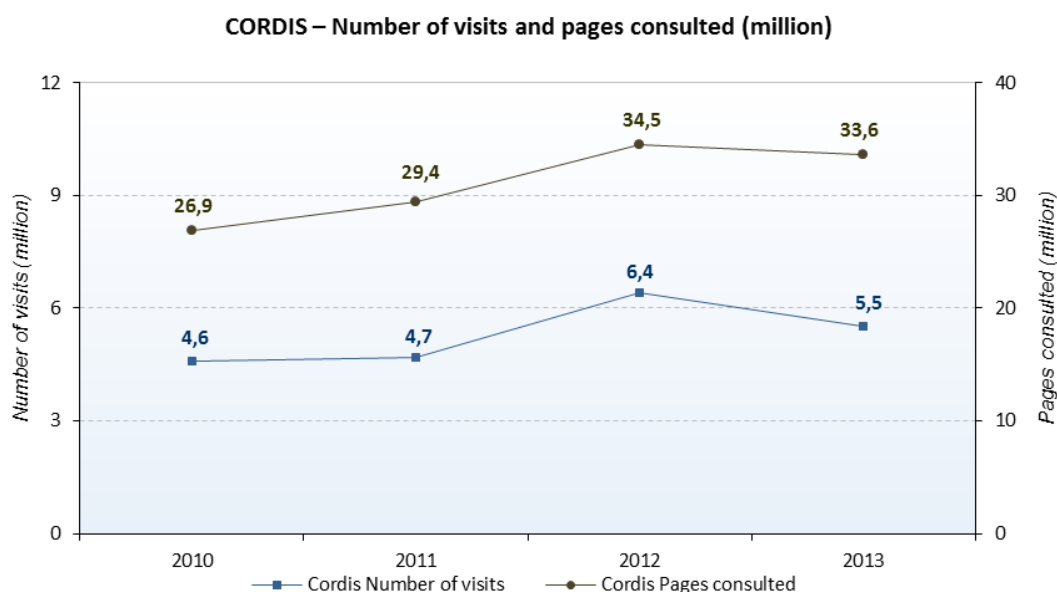
The TED website registered a record figure of more than 58.4 million notices viewed. Throughout 2013, improvements were implemented in the TED website and new functionalities were introduced in eNotices to facilitate data input.



CORDIS website

Recent developments of CORDIS, the Community Research and Development Information Service, have reinforced its role as the European Commission's primary

public repository and portal to disseminate information on the EU-funded research projects and their results in the broadest sense. 2013 indicators demonstrate that with its long and trusted online presence and excellent ranking by internet search engines, CORDIS remained a popular science information service with more than 5.5 million visits to the website and over 33.5 million consulted pages, maintaining an overall availability of 99.9%.



EU Bookshop and Digital Library

The Office's dissemination policy to enable free-of-charge online access to EU publications for all citizens is ensured via the EU Bookshop website. EU Bookshop's online visibility has been enhanced through the dissemination of bibliographic data among major European libraries and through further search engine optimisation, thereby allowing citizens to find publications in an easier and user-friendly way. Furthermore, European Union institutions' studies financed by the EU budget and a new section featuring e-books became available and searchable. The figures are shown in the table on page 7.

EU Open Data Portal

As of 2012, the Office is responsible for the development, hosting, maintenance and operational activities of the EU Open Data Portal. Following several functional and security improvements of the portal, version 1.0 was installed in December 2013. At the same time, the Office has been raising awareness about open data publishing, encouraging Commission DGs, institutions, EU agencies and other bodies to join the project and publish their data. The number of data providers has tripled since the end of last year and the number of data sets has increased significantly. First promotional activities towards data consumers have been initiated.

Indicators will be available from 2014.

1.2 Specific efforts to improve ‘economy’ and ‘efficiency’: non-spending activities

The Publications Office improved its functioning and allowed the best use of its resources and therefore the allocation of resources to the most relevant objectives in relation to the following activities.

1.2.1 OJ L and C production contract

Official Journal production costs have significantly decreased during the last years (- 87%). The average price per page was as follows: EUR 76 in 2001 for 11-12 linguistic versions, around EUR 20 in 2008 for 22-23 linguistic versions and less than EUR 10 in 2013 for 23-24 linguistic versions.

The entry into force of the new production contract on 1 April 2014 will further decrease production costs. This will be mainly due to competitive tendering along with further technical developments in terms of workflow and content management and the simplification of administrative and financial procedures at the Publications Office. This contract was prepared during 2013 and the testing phase started after its signature in October 2013.

1.2.2 The legal value of the electronic edition of the Official Journal

As of 1 July 2013, the Official Journal published in electronic form on EUR-Lex is considered authentic and has legal effect. This led to a massive drop in paper production and consequently to a significant reduction in production costs. From 1 January 2014, paper edition subscriptions are terminated.

2. MANAGEMENT OF RESOURCES

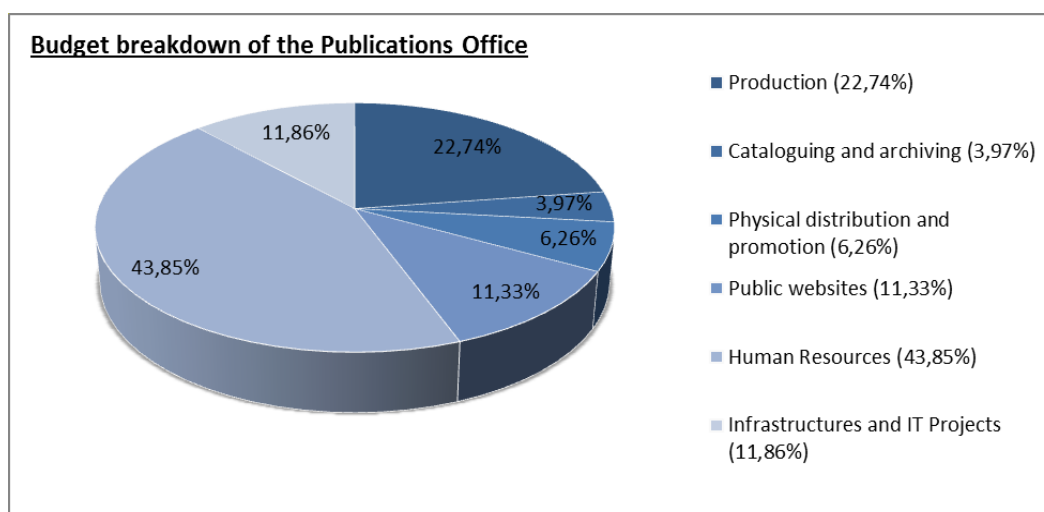
Assurance is an objective examination of evidence for the purpose of providing an assessment of the effectiveness of risk management, control and governance processes. This examination is carried out by management, which monitors the functioning of the internal control systems on a continuous basis, and by internal and external auditors. Its results are explicitly documented and reported to the Director-General. These include:

- the reports by the authorising officers by subdelegation (including reports on the financial data and the main points concerning controls and risks, follow-up of actions on audit recommendations, and significant problems);
- the reports from authorising officers of other DGs which manage cross subdelegated budget appropriations;
- the quarterly reports to the Office's management committee;
- the reports of the *ex post* and second level *ex ante* financial controls;
- observations and recommendations of the Internal Audit Capability (IAC);
- observations and recommendations of the Internal Audit Service (IAS);
- observations and recommendations reported by the European Court of Auditors (ECA).

Regular structured meetings ensure an appropriate information flow between those responsible for financial management, controllers, heads of unit, directors and the Director-General.

Financial resources managed by the Office fall into three types:

- administrative expenditure (salaries, buildings, etc.) managed through the Office's own budget, which is annexed to that of the Commission;
- operational expenditure including financing from within the Office's own budget and other budget lines delegated to the Director-General of the Office (including the Summaries of legislation activity from 2013);
- under the supervision of its Management Committee, the Office is responsible for publications financed by other institutions, agencies or Commission services. These transactions comprise payments for the Official Journal L and C series; sales revenue received and then transferred to the institutions and services concerned, and expenditure related to production, storage and dissemination of publications incurred on behalf of other services.



In 2013, the Director-General of the Office also received subdelegations for the following main activities:

- CORDIS, which under FP7 is financed on cross subdelegations received from four research directorates-general;
- the Open Data Portal, financed on a cross subdelegation received from DG Communications Networks, Content and Technology;
- the JURE collection, financed on a cross subdelegation received from DG Justice.

Within the Office, a partly decentralised financial circuit is applied. Budget cells are attached to the directorates and a simplified payment workflow was introduced for low-risk items.

Cross subdelegations are given to OIL for the personnel policy expenditure and to DG DIGIT for the hosting of EUR-Lex and other IT services.

The control results and other relevant elements that support managements' assurance on the achievement of the internal control objectives are structured in three separate sections: (1) the Office's assessment of its own activities for the management of its resources; (2) the assessment of the activities carried out by other entities to which the Office has entrusted budget implementation tasks; and (3) the assessment of the results of internal and external audits, including the implementation of audit recommendations.

2.1 Management of human and financial resources by the Publications Office

This section reports and assesses the elements identified by management that support the assurance on the achievement of the internal control objectives. Annex 5 outlines the main risks together with the control processes aimed to mitigate them and the indicators used to measure the performance of the control systems.

Controls carried out in the Office, and the indicators below, cover the management of all types of financial resources, including revenues, the great majority of which come from other EU institutions and bodies.

Control effectiveness as regards legality and regularity

Error rate and financial control

The Publications Office has set up internal control processes aimed to ensure the adequate management of the risks relating to the legality and regularity of the underlying transactions, taking into account the multiannual character of programmes as well as the nature of the payments concerned. The control objective is to ensure that the error rate does not exceed 2%.

The error rate is determined from the results of *ex post* financial controls, taking into account the results of second level *ex ante* financial controls.

The Financial Control section of the Budget, Finance and Financial Control Unit provides assurance to the Director-General and the authorising officers by subdelegation, by carrying out two types of control of specific financial transactions: controls that are made before signature of the transaction (*ex ante*) and controls on completed transactions (*ex post*). The section comprises four persons, one administrator and three assistants.

Both verifications are organised on a sample basis. The sampling used is a mixture of random, monetary unit and risk-based methods. The target sampling rate for *ex ante* controls is 25%, and 15% for *ex post* controls, but the actual number is determined by the sampling process based on risks.

All transactions with errors were examined in detail and recommendations were formulated.

Regarding *ex ante* controls, 318 transactions out of 937 (33.9%) were examined, 13 units out of 15 were exempted, three files (< 1%) were characterised as presenting a financial impact (EUR 1 200, < 0.01%). In 2012, 169 transactions out of 476 (35.5%) were examined. Exemptions from second level *ex ante* control were determined on the basis of these controls.

As for *ex post* controls, six new *ex post* control exercises were initiated in 2013 (1 on commitments and five on payments covering the period from 1 November 2012 to 30 September 2013), and six reports were finalised (one on commitments and five on payments covering the period from 1 April 2012 to 31 March 2013).

Concerning the finalised exercises:

- five payment controls covered 1 086 files out of 4 878 (22.3%), representing EUR 23.1 million out of a total of EUR 81.4 million (28.4%);
- commitment controls covered transactions not subject to second level *ex ante* controls after the exemption process, and concerns 232 transactions out of 697 (33.3%) representing EUR 37.3 million out of EUR 169.3 million (22%).

Additionally, three credit transfers and eight asset write-off proposal files were checked.

The results of these controls are:

- error rate by number of errors of financial consequence in second level *ex ante* and *ex post* controls: 0.04%;
- potential financial impact of errors detected in *ex post* financial controls: 0.13%.

Financial control results show that there are no material risks in financial operations and that first-level operational and financial controls are satisfactory.

Evaluations

The Evaluation section of the Internal Audit, Evaluation and Risk Management Unit carries out evaluations, assists in the evaluations carried out by other units and monitors the completion of evaluation questionnaires by units for contracts where the

cell is not involved in the evaluation.

The result of this monitoring shows that the evaluations are conducted according to the procedure defined by the Director-General.

The evaluations contributed to the quality of preparation of renewed contracts and showed that objectives of the actions evaluated were attained.

Register of exceptions

Analysis of the register of exceptions shows that the number of exceptions is insignificant and there is no specific risk.

Legality and regularity indicators relating to public procurement

The following penalties were applied by the operational services:

- liquidated damages: in seven cases, concerning five contracts;
- reduction of payments: zero case;
- recovery of payments: zero case.

In 2013, 10 complaints were received from unsuccessful economic operators, however, no appeals were registered before the Court of Justice.

In 2013, the Ombudsman did not receive any new case relating to procurement procedures or to contract implementation in the Publications Office. There is still one ongoing case dating back to 2010. Two other cases were closed.

There were no new proceedings concerning the Publications Office initiated by contractors or economic operators before any Court in 2013.

The following are still ongoing: three proceedings dating back to 2011, two proceedings dating back to 2010, one proceeding dating back to 2009. Three proceedings were closed in 2012.

For the number of procedures and contracts concluded in 2013, please refer to Annex 3.

Control efficiency and cost-effectiveness

The principle of efficiency concerns the optimal relationship between resources employed and results achieved. The principle of economy requires that the resources used by the institution in the pursuit of its activities shall be made available in due time, in appropriate quantity and quality and at the best price. This section outlines the indicators used to monitor the efficiency of the control systems, including an overall assessment of the costs and benefits of controls.

The Office has produced cost estimations of the main control processes. However, since a quantitative estimate of errors prevented is only partially possible, no conclusions can be drawn on the cost-effectiveness of controls by comparing costs with benefits and instead it is necessary to consider the efficiency indicators retained. To do so, the Office has defined efficiency measures for the controls associated with the main core processes.

Public procurement control procedures

For procurements, an estimated EUR 0.24 million were invested in controlling 23 procurement procedures with a total value of EUR 133.1 million. Thus 0.18% of the total contract value was dedicated to control.

The procurement procedures are, to a large extent, a regulatory requirement which cannot be curtailed. In addition, the Office considers that the necessity of these controls is undeniable as shown by the risks outlined in Annex 5, as a significant proportion of the appropriations would be at risk, should they not be in place.

Financial circuits procedures

For financial circuits an estimated EUR 1.48 million were invested in controlling 5 591 financial transactions worth EUR 225 million, of which payments represented EUR 76 million. Thus 1.94% of the total payment amount was dedicated to control. Each financial transaction controlled costs an estimated EUR 265.

Financial control procedures

For *ex post* and second level *ex ante* financial control, an estimated EUR 0.5 million were invested in controlling 1 636 financial transactions worth an estimated EUR 75 million. Thus 0.68% of the total value of transactions checked *ex post* were dedicated to control. Each transaction or procedure checked *ex post* costs an estimated EUR 306.

Overall controls (including internal audit and evaluation)

Overall controls (including internal audit and evaluation) cost EUR 3 million, which is less than 4% of the transaction volume. Taking into account a hypothetical error rate of 10% (without any controls), it can be assumed that controls provide added value.

Conclusion

In non-financial terms, the benefits of control include better value for money, deterrent and preventive effects, efficiency gains, system improvements and compliance with regulatory provisions.

To reach a conclusion on the relative efficiency of controls, it is necessary to analyse the evolution of these efficiency indicators over time and/or compare them to relevant benchmarks. However, this is not currently possible, as this is the first year in which DGs have calculated and reported on these indicators. Conclusions will only be possible in subsequent reporting periods when comparisons can be made.

In the case of the control of the Official Journal L and C budget, it is evident that while the same level of controls was retained, the production costs decreased by two thirds since 2004.

Fraud prevention and detection

The Publications Office has developed its anti-fraud strategy as foreseen in the Commission's overall anti-fraud strategy¹. The strategy identified controls already in place and some improvement actions. These actions will be fully implemented by the end of 2014.

The controls aimed at preventing and detecting fraud are not essentially unlike those intended to ensure the legality and regularity of transactions. The Office screens the register of exceptions in order to identify risk of fraud and subjects them to more in-depth analysis.

During the reporting year, the number of penalties and other contract condition overrides in the register of exceptions amounted to nine exceptions, representing 0.11% of the total number and 0.05% of the total value of exceptions registered. This is lower than the materiality limit.

No case was transmitted to OLAF/IDOC for investigation.

Safeguarding assets and information

The main assets of the Office are in the IT domain. Information is also mainly stored electronically. Thus, controls safeguarding assets and information complement each other. They comprise mainly access control to IT equipment. Access to the Computing Centre is protected, access to the rooms of the telecommunications network is only permitted to staff duly authorised according to the needs. Access to the applications is protected by User IDs and passwords. Access is centrally managed by the A4 – IT Infrastructure and Security Unit and needs the authorisation of the supervisor and of the security responsible.

Daily backup and a secondary site ensure safeguarding information and business continuity.

Unused material, equipment and archives are stored in secure locations. Inventory is taken every year and a procedure for missing assets is in force to handle discrepancies. All write-offs of assets have to be endorsed by a committee consisting of delegates of the DGs in Luxembourg which manage assets and a president independent from asset management.

There were no cases of security breach and all write-off requests to the write-off committee have been authorised.

¹ COM(2011) 376 of 24.6.2011.

2.2 Budget implementation tasks entrusted to other services and entities

The purpose of this section is to report and assess the elements that support the assurance on the achievement of the internal control objectives as regards the results of the Office's supervisory controls on budget implementation tasks carried out by other Commission services and entrusted entities distinct from the Commission.

As mentioned in the 'Part 2', the Office has issued cross subdelegations to two services:

- DIGIT for all aspects of financial management (budget and legal commitments as well as payments) related to the hosting of EUR-Lex and other IT services for the total amount of EUR 281 275. The services used and the budget provided by the Office are covered by service level agreements (*'protocoles d'accord'*).
- OIL for all aspects of financial management (budget and legal commitments as well as payments) related to the personnel policy expenditures (crèches) for the total amount of EUR 232 000.

Being Commission services themselves, the authorising officers by delegation are required to implement the appropriations subject to the same rules, responsibilities and accountability arrangements.

The cross subdelegation agreement requires the authorising officers by delegation of DG DIGIT and of OIL to report on the use of these appropriations. The authorising officers by delegation did not communicate any events, control results or issues which could have a material impact on assurance.

Thus, management of these cross subdelegations was satisfactory in 2013.

2.3 Assessment of audit results and follow-up of audit recommendations

This section reports and assesses the observations and conclusions reported by auditors which could have a material impact on the achievement of the internal control objectives, and therefore on assurance, together with any measures taken by management in response to the audit recommendations.

The Office is audited by both internal and external independent auditors: its internal audit capability (IAC), the Commission internal audit service (IAS) and the European Court of Auditors (ECA).

During the period of reference, the IAS did not audit the Office.

The European Court of Auditors examined the reliability of control systems in its Annual Report and sampled four contracts for evaluating the internal control systems in procurement. Furthermore, the IAC carried out a total of two audit assignments and the validation of ABAC accesses, in accordance with its multiannual audit planning, which covers the Office's management processes, on a risk basis, over a period of three years.

The audits conducted by the IAC during the year concerned the execution of the budget (both the financial circuits and the monitoring of budget execution) and the procurement process. No significant legality and regularity problems were identified, but recommendations for the improvement of some elements were proposed.

The IAC performed the validation of ABAC accesses and found no problems. A proposal for simplification of the delegation process was formulated in coordination with the Finance unit.

Consequently, the IAC expressed the opinion that the internal control system in place provided reasonable assurance regarding the achievement of the business objectives set up for the processes.

Finally, the ECA observations did not include issues related to transactions, control systems or the management representations in the Annual Activity Report.

As regards the implementation of recommendations issued in previous years, the relevant action plans are being implemented, no recommendations affecting assurance are overdue. Consequently, the current state-of-play does not lead to assurance-related concerns.

3. ASSESSMENT OF THE EFFECTIVENESS OF THE INTERNAL CONTROL SYSTEMS

The Commission has adopted a set of internal control standards, based on international good practice, aimed to ensure the achievement of policy and operational objectives. In addition, as regards financial management, compliance with these standards is a compulsory requirement.

The Office has put in place the organisational structure and the internal control systems suited to the achievement of the policy and control objectives, in accordance with the standards and having due regard to the risks associated with the environment in which it operates.

General and inherent risks

To carry out its activities, the Office uses infrastructure (mainly IT), outsourcing and human resources. All budget items, mainly delegated for administrative expenditure and/or contract management, are in direct centralised management.

In this context, the inherent risk is assessed as low.

Management assessment of internal control systems: sources of information

The Office's main control and risk-management activities are concentrated on infrastructure and outsourcing.

The sources of the Office for designing control and risk-management activities, as well as for assessing the internal control systems are:

- ad-hoc and yearly formal reports from the authorising officers by subdelegation (including any internal control weakness identified, recurring or systemic weakness reported in the register of exceptions, problems encountered, results of indicators on legality and regularity);
- reports from directorates-general to which the Office has entrusted budget implementation tasks (cross subdelegations);
- reports from the Financial Control section;
- reports from the unit responsible for evaluation, coordination and assessment of internal controls, risk management, data protection coordination, and follow-up of the implementation of audit recommendations. The head of this unit is the internal control coordinator.
Risk identification meetings with the heads of unit were held in 2013. Following these discussions and taking into account the reports of the authorising officers by subdelegation, the existing risk register of the Office was reviewed and updated;
- reports from the Internal Audit Capability;
- reports from the Internal Audit Services and the European Court of Auditors.

All reports are sent to the Director-General and analysed in order to identify any underlying, systemic control weakness that would weaken the Office's internal control system as a whole.

Actions taken: prioritised internal control standards

Concerning the overall state of the internal control system, generally the Office complies with the three assessment criteria for effectiveness, i.e.:

- staff having the required knowledge and skills;
- systems and procedures designed and implemented to manage the key risks effectively;
- no instances of ineffective controls that have exposed the Office to its key risks.

Further enhancing of the effectiveness of the Office's control arrangements led to the prioritising of three ICS for 2013. The following actions were implemented:

Standard	Actions implemented
<i>ICS 7 Operational structure</i>	The subdelegations in the new structure were reviewed and updated. An electronic workflow was implemented, accompanied by simplification.
<i>ICS 8 Processes and procedures</i>	The processes and procedures were re-allocated and the needs for review identified. A series of procedures were already updated and process modelling was extended to new areas.
<i>ICS 11 Document management</i>	Data protection responsibilities have been reallocated and the greater majority of data protection notifications and privacy statements were updated. The filing plan of the Office was adapted to the new organisation.

Conclusion

The internal control coordinator has analysed the information available from the sources indicated above, including a desk review of the exception registers and discussion with all Heads of Unit in the Publications Office.

The internal control standards have been effectively implemented. In addition, the Publications Office has taken measures to further improve the efficiency of its internal control systems in the areas of operational structure (subdelegations), processes and procedures, and protection of personal data.

4. MANAGEMENT ASSURANCE

This section reviews the assessment of the elements reported in Parts 2 and 3 and draws conclusions in support of the declaration of assurance, namely, whether it should be qualified with reservations.

4.1 Review of the elements supporting assurance

Completeness of the coverage of the budget delegated to the AOD and the reliability of the information reported in Parts 2 and 3

With regard to financial resources delegated to the Office and not subdelegated to other services, the results of the combined actions of the verifying agents involved in the financial circuits, the financial controls, the evaluators and the auditors provides information to support the assurance about the facts that:

- resources are used for the intended purpose;
- financial management is sound;
- legality and regularity are adhered to;
- the true and fair view principle is adhered to and that no significant information is omitted.

With regard to financial resources delegated to the Office and subdelegated to other services, assurance can be obtained from reports issued by authorising officers of these services.

In addition, compliance with internal control standards (ICS), as described in Part 3, contributes to meeting other internal control objectives such as safeguarding of assets and information, and prevention, detection and correction of fraud and irregularities for both expenditure and revenue operations.

Summary analysis of the information reported in Parts 2 and 3

Risk analysis and internal control review

The internal control coordinator reviews, on a yearly basis, the compliance with all internal control standards and conducts a risk analysis exercise resulting in the updating of the risk register.

The Office works in a low-risk environment.

The internal control standards are effectively implemented.

Comité des achats et des marchés (public procurement procedures)

The Office outsources a substantial part of its work. The in-house *Comité des achats et des marches* (CAM) issued one negative opinion in 2013.

In 2013, the Ombudsman did not receive any new case relating to procurement procedures or to contract implementation in the Office.

There were no new proceedings concerning the Office initiated by contractors or economic operators before any Court in 2013.

Financial Control

Error rate by number of errors of financial consequence in second level *ex ante* and *ex post* controls: 0.04%.

Potential financial impact of errors detected in *ex post* financial controls: 0.13%.

Financial control results show that there are no material risks in financial operations and that first-level operational and financial controls are satisfactory.

Analysis of the register of exception

Analysis of the exceptions register shows that the number of exceptions is minimal and that there is no significant risk.

Evaluations

Evaluations are conducted according to the procedure defined by the Director-General.

The evaluations contributed to the quality of preparation of renewed contracts and showed that objectives of the actions evaluated were attained.

Reports of authorising officers by subdelegation (including those for cross subdelegations)

The report on the key performance indicators, major events during the year and risks in the operations is under their responsibility.

Comments are analysed by the Director-General and/or the internal coordinator as part of the risk analysis and the Internal Control Standards compliance review.

Article 66(2) of the Financial Regulation

No application of Article 66(2) of the Financial Regulation (instructions confirmed in writing by the delegating authority) was made.

Auditors' reports and observations having a potential impact on the declaration of assurance

None.

Conclusion

In conclusion, management has reasonable assurance that, overall, suitable controls are in place and working as intended, risks are being appropriately monitored and mitigated, and necessary improvements and reinforcements are being implemented. The Director-General, in her capacity as authorising officer by delegation has signed the Declaration of Assurance.

4.2 Reservations and overall conclusion on assurance (if applicable)

No	Title	Type (financial or reputational)	2013 amount at risk (million EUR)	ABB amount concerned, i.e. scope (million EUR)
No reservations				

Declaration of Assurance

I, the undersigned,

Director-General of the Publications Office

In my capacity as authorising officer by delegation

Declare that the information contained in this report gives a true and fair view¹.

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

This reasonable assurance is based on my own judgement and on the information at my disposal, such as the results of the self-assessment, ex post controls, the work of the internal audit capability, the observations of the Internal Audit Service and the lessons learnt from the reports of the Court of Auditors for years prior to the year of this declaration.

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

Luxembourg, 31 March 2014

(signed)

Martine Reicherts

¹ True and fair in this context means a reliable, complete and correct view on the state of affairs in the service.

