



2014

Annual Activity Report

Publications Office

March 2015



2014

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**Publications
Office**

Table of Contents

INTRODUCTION	5
THE PUBLICATIONS OFFICE IN BRIEF	5
THE YEAR IN BRIEF	7
EXECUTIVE SUMMARY	9
KEY PERFORMANCE INDICATORS	9
POLICY HIGHLIGHTS OF THE YEAR (EXECUTIVE SUMMARY OF PART 1)	11
KEY CONCLUSIONS ON RESOURCE MANAGEMENT AND INTERNAL CONTROL EFFECTIVENESS (EXECUTIVE SUMMARY OF PARTS 2 AND 3)	13
INFORMATION TO THE COMMISSIONER	13
1. POLICY ACHIEVEMENTS	14
1.1 ACHIEVEMENT OF SPECIFIC OBJECTIVES.....	14
1.1.1 ABB ACTIVITY: PRODUCTION	14
1.1.2 ABB ACTIVITY: CATALOGUING AND ARCHIVING	19
1.1.3 ABB ACTIVITY: PHYSICAL DISTRIBUTION AND PROMOTION	21
1.1.4 ABB ACTIVITY: PUBLIC WEBSITES	23
1.2 EXAMPLE OF EU-ADDED VALUE AND RESULTS/IMPACTS OF PROJECTS OR PROGRAMMES FINANCED BY THE EU	27
1.3 SPECIFIC EFFORTS TO IMPROVE 'ECONOMY' AND 'EFFICIENCY': NON-SPENDING ACTIVITIES.....	28
1.3.1 GENERAL PUBLICATIONS CONTRACT	28
1.3.2 REORGANISATION OF THE PUBLICATIONS OFFICE.....	28
2. MANAGEMENT OF RESOURCES	29
2.1 MANAGEMENT OF HUMAN AND FINANCIAL RESOURCES BY THE PUBLICATIONS OFFICE.....	30
2.2 BUDGET IMPLEMENTATION TASKS ENTRUSTED TO OTHER SERVICES AND ENTITIES.....	36
2.3 ASSESSMENT OF AUDIT RESULTS AND FOLLOW-UP OF AUDIT RECOMMENDATIONS.....	37
3. ASSESSMENT OF THE EFFECTIVENESS OF THE INTERNAL CONTROL SYSTEMS	38
4. MANAGEMENT ASSURANCE	40
4.1 REVIEW OF THE ELEMENTS SUPPORTING ASSURANCE	40
4.2 OVERALL CONCLUSION ON ASSURANCE AND RESERVATIONS (IF APPLICABLE)	41
DECLARATION OF ASSURANCE	42
ANNEXES	43
ANNEX 1: STATEMENT OF THE RESOURCES DIRECTOR	43
ANNEX 2: HUMAN AND FINANCIAL RESOURCES	44
ANNEX 3: DRAFT ANNUAL ACCOUNTS AND FINANCIAL REPORTS.....	47
ANNEX 4: MATERIALITY CRITERIA.....	63
ANNEX 5: INTERNAL CONTROL TEMPLATES FOR BUDGET IMPLEMENTATION (ICTs).....	64
ANNEX 9: PERFORMANCE INFORMATION INCLUDED IN EVALUATIONS	70

INTRODUCTION

The Publications Office in brief

Mission: access to law and to publications

The task of the Publications Office is to provide direct and free-of-charge access to European law and all publications of the European Union, as well as to publish, on all media and in all formats, the publications of the institutions and other bodies of the European Union, under optimum technical and financial conditions.

Activities

The Office is an interinstitutional body, whose activities comprise the production of the *Official Journal of the European Union*, case-law and general publications, physical and web dissemination of publications, promotion of reuse of public data, cataloguing and archiving of the information and management of the common content and metadata repository (CELLAR) ⁽¹⁾.

The following websites are managed by the Office:

- EUR-Lex – the single gateway to EU law in all 24 EU’s official languages, as well as to its consolidated versions and the collection of summaries of EU legislation. It also allows the follow-up of the legislative process;
- EU Open Data Portal – the single point of access to a growing range of data from the EU institutions. Data are free to use and reuse for commercial or non-commercial purposes;
- TED (Tenders Electronic Daily) – the online version of the *Supplement to the Official Journal*, dedicated to European public procurement;
- EU Bookshop – the digital library of EU publications, containing more than 100 000 titles and their corresponding electronic versions, in more than 50 languages;
- CORDIS (the Community Research and Development Information Service) – the European Commission’s primary public repository and portal to disseminate information on all EU-funded research projects and their results;
- EU Whoiswho – the electronic directory of services in the EU institutions, bodies and agencies, available in all EU’s official languages.

While being a horizontal support service for all EU institutions, bodies and agencies, the Office’s activities are also society oriented: the free access to EU law and the legislative process, together with the long-term preservation activity, play a key role to the transparency and openness of EU institutions, as well as to their accountability and better policy-making process. The reuse of data activity touches a whole reuse community, formed of researchers, statisticians, IT developers, businesses, public administrations, interest groups, etc.; it not only helps foster the transparency and the accountability of EU institutions, but also aims to promote the innovative use of data and unleash their economic potential.

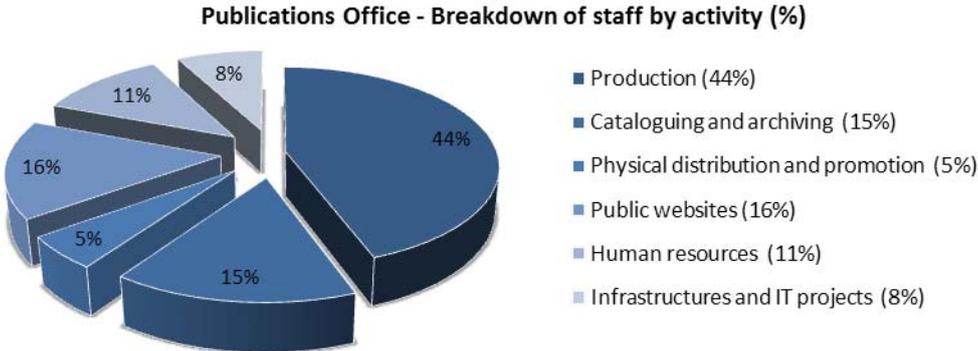
⁽¹⁾ Its current mandate stems from Decision 2009/496/EC, Euratom, as amended by Decision 2012/368/EU, Euratom.

The Office operates in a changing environment and it must constantly adapt to technological improvements and innovations. It has already modernised its traditional services and has been transformed from a traditional publishing house to a centre of excellence in the field of documentation, structuring and dissemination of information produced by all EU institutions. It is currently managing and delivering new services, while seeking to expand them and to ensure that its mission and tasks better respond to the challenges of the digital age.

Governance and organisation

The Publications Office is governed by an interinstitutional Management Committee, which, in the common interest of all institutions, adopts the strategic objectives of the Office, sets the guidelines for the general policies and ensures that the Office contributes within its areas of competence to the formulation and implementation of the institutions’ information and communication policies.

The Office is structured around 4 Directorates and has approximately 640 staff members. The breakdown of staff by activity is presented in the following graph:



31/12/2014

Budget matters

Budget items delegated by the Commission to the Director-General of the Office concern expenditure for administrative purposes and/or contract management and are in direct management. Therefore, compared to shared or indirect budget management, the inherent risk is low.

In 2014, the Office entrusted budget implementation tasks to DG DIGIT, for the hosting of EUR-Lex and other IT services, and to OIL, for building management and personnel policy expenditures.

Accountability and reporting

The Office uses infrastructure (mainly IT), outsourcing and human resources, therefore its main risks and risk-management activities (including internal control) are concentrated on these areas. The reporting of authorising officers by subdelegation contains the financial data, as well as the main points concerning controls and risks, and formally documents any significant problems.

Quarterly information reports on the Office’s production, dissemination and administrative tasks are communicated by the Office’s Director-General to the Management Committee. Each year the Management Committee adopts an Annual Management Report.

The year in brief

Authentic Official Journal on new EUR-Lex and successful implementation of metadata protocol

Within the scope of the new production contract for the Official Journal, which entered into force on 1 April 2014, the authentic Official Journal was uploaded to the new EUR-Lex. This coincided with the implementation of standardised metadata files, as defined by the Interinstitutional Metadata Maintenance Committee (IMMC), for the exchange of legal documents. The progressive adoption of the IMMC standard by EU services and/or third parties will significantly improve interoperability and will create synergy effects across the legislative procedure.

EUR-Lex

The migration of the new EUR-Lex to the main EUR-Lex domain in March brought enhancements and new features for users. The collections available up to now via PreLex and the Summaries of EU legislation have been fully integrated into EUR-Lex. Work continues on seeking solutions for specific needs, such as certain functions of the expert search.

Common repository: daily publication has been fully automated for main document types

The CELLAR, the common repository comprising both content and metadata, is the back end of the Publications Office's new dissemination architecture. Since 1 April 2014, the CELLAR has driven the new EUR-Lex portal, i.e. all contents and metadata accessible through EUR-Lex is served by the CELLAR. In order to guarantee that all information to be published on EUR-Lex is available in due time, the Publications Office is progressively automating the uploading of new content and metadata. As of the end of 2014, automation has been achieved for the main document types: Official Journal (including secondary legislation), pre-legislative documents, case-law and consolidated legislation.

Dissemination: improved online search performance on EU Bookshop

The EU Bookshop service, which offers free-of-charge access to all EU publications, underwent further developments that resulted in better accessibility of e-books and improved search performance. The display of EU general publications on the EU Bookshop website, allowing for their consultation, but also for their download and printing, enhances the image of the Publications Office and of the EU as a modern administration, avoiding unnecessary administrative burden for users.

CORDIS: dissemination and reuse of EU-funded research results

Under the governance of the new Horizon 2020 Common Support Centre, CORDIS (the Community Research and Development Information Service) deepened its focus on the dissemination of research results and implemented a new technical platform that allows improved searches and the reuse of data in multiple formats. CORDIS also celebrated 20 years on the World Wide Web as the EU institutions' first permanent website.

The EU Open Data Portal: reusable datasets from an increasing number of institutions and agencies

Open data represents a core asset for the knowledge-based economy and for government transparency and accountability. Therefore, the EU has been promoting a strategy for the wide and free availability of government information across Europe. As part of this strategy, the EU Open Data Portal, created by Commission Decision 2011/833/EU, is the single point of access to data held by the EU institutions, agencies and other bodies. The Office is responsible for its development, hosting, maintenance and operational activities.

The number of data providers has quadrupled since the launch of the portal at the end of 2012, and the number of datasets has increased significantly. The published data can be downloaded free of charge and reused by everyone.

TED: free access to business opportunities

Substantial efforts were devoted to developing standard forms to comply with the requirements of the new public procurement directives. This entailed modifications in all the IT systems and applications involved in the publication process in order for them to be ready for use by the Member States' contracting authorities and entities once the new regulation establishing standard forms is published (expected early 2015). The year also witnessed another step towards end-to-end e-procurement with the launch of a preliminary test connection between e-tendering and e-submission for open procurement procedures.

Promoting digital publishing

Development of multimedia products is one of the key performance indicators in 2015. A new contract signed on 6 January 2014 reinforced the shift towards multichannel and electronic first/only publication in 2014. The creation of corporate app accounts with the main service providers (Apple App Store, Google Play Store, Windows Phone Store, BlackBerry App World) in 2014, managed by the Office, aims at rationalising and giving more visibility to electronic publications of all institutions and bodies.

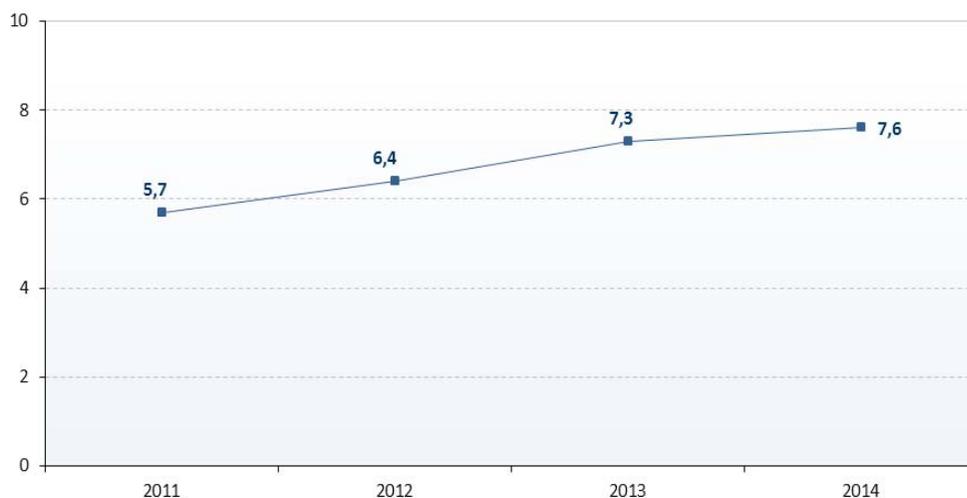
EXECUTIVE SUMMARY

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, by reference to the objectives set in the management plan and the efficiency and effectiveness of internal control systems, including an overall assessment of the costs and benefits of controls.

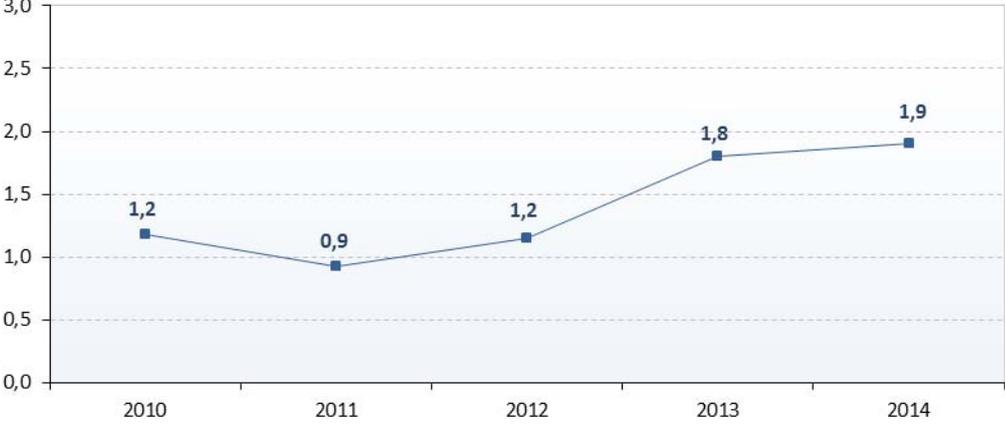
Key performance indicators

Most relevant indicators to measure the policy achievements of the Publications Office	Results 2014	Target 2014
Percentage of Official Journal issues produced without delay in 23 or 24 language versions	99.99 %	100 %
Access to official documents – Status of the single repository (CELLAR):		
(a) System availability Availability of the technical infrastructure (hardware, network, IT systems)	99.10 %	> 99 %
(b) Information availability Availability of OJ authentic (content and metadata) for online access and reuse	100 %	99 %
Number of documentary units (notices) in the CELLAR available for EUR-Lex	7.6 million	7.7 million

Number of documentary units (notices) in CELLAR available for EUR-Lex (million)



Source: OP.C2.

Number of visits to EU Bookshop website	1.9 million	1.6 million
<p style="text-align: center;">EU Bookshop – Number of visits (million)</p>  <p style="text-align: center;"><i>Source: OP.C3.</i></p>		
Percentage of contracts above EUR 1 million evaluated	100 %	100 %

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

In 2014, the Office continued to contribute to the EU institutions' communication strategies and thus to bring the EU closer to the citizens.

In the context of the shift from a traditional model of paper-based publishing to multichannel production, the number of full electronic publications increased, making 2014 the first year of significant production of e-publications after the entry into force of a new comprehensive multimedia contract (signed on 6 January 2014). On one hand, the electronic-first production and the promotion of the print on demand facility resulted in the more efficient use of resources of author services; on the other hand, citizens had a wider choice of channels and formats for the information produced by EU institutions.

The websites managed by the Office underwent significant changes, including efforts aimed at improving the search performance and the overall browsing experience. By integrating the PreLex collection and the summaries of EU legislation, the new EUR-Lex made further steps towards becoming the single access point to EU legal information, allowing, inter alia, the follow-up of the legislative procedures.

A new type of stakeholders is the reuse community, including businesses, IT developers, academia, researchers, statisticians, data aggregators, journalists, public administrations, interest groups, etc. In 2014, the number of datasets available for reuse on the Open Data Portal increased significantly. Moreover, the Open Data Portal put at the disposal of data publishers, application developers and the general public functionalities enabled by the semantic technologies which facilitate the linking of open data and the creation of innovative services. This proved the Office's commitment to better respond to the evolving needs and requirements of individuals and businesses handling digital information.

More specifically, the Publications Office carried out in 2014 the following activities:

Production (EUR 32 million, i.e. 25 % of total financial resources, and 44 % of staff)

- Continued to ensure the smooth production and online publication of the Official Journal, taking into account the integration of the authentic Official Journal in the new EUR-Lex portal and the changes of production providers.
- Contributed to the successful enlargement of the European Union to Croatia, by publishing the secondary legislation in Croatian.
- Ensured the online publication and smooth production of the Summaries of EU legislation, taking into account their integration in the new EUR-Lex portal.

Cataloguing and archiving (EUR 3.6 million, i.e. 2.8 % of total financial resources, and 15 % of staff)

- Achieved the loading of the CELLAR as a single repository for legal information (content and metadata) published by the Office.
- Pursued the efforts in providing 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.

Physical distribution and promotion (EUR 6.9 million, i.e. 5.5 % of total financial resources, and 5 % of staff)

- Continued to ensure efficient distribution services for all EU publications.
- Stepped up the usage of the print on demand facility.

Public websites (EUR 11.5 million, i.e. 9 % of total financial resources, and 16 % of staff)

- Implemented the migration of the new version of EUR-Lex to the main EUR-Lex domain (<http://eur-lex.europa.eu>).
- Designed and implemented new electronic standard forms in an innovative and intuitive way to meet the requirements of the new public procurement legislative package.
- Enhanced the dissemination policy for EU-funded research and their results through CORDIS.
- Increased the production, quality monitoring, dissemination as well as reusability of content of e-books through the EU Bookshop and other means.
- Continued to work on the Open Data Portal, by increasing quantity and quality of datasets from Commission services, as well as from the other EU institutions, agencies and bodies.

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 main elements of this report and assurance declaration will be brought to the attention of Commissioner Navracsics, responsible for relations with the Office, during a meeting dedicated to these matters on 23 April 2015.

1. POLICY ACHIEVEMENTS

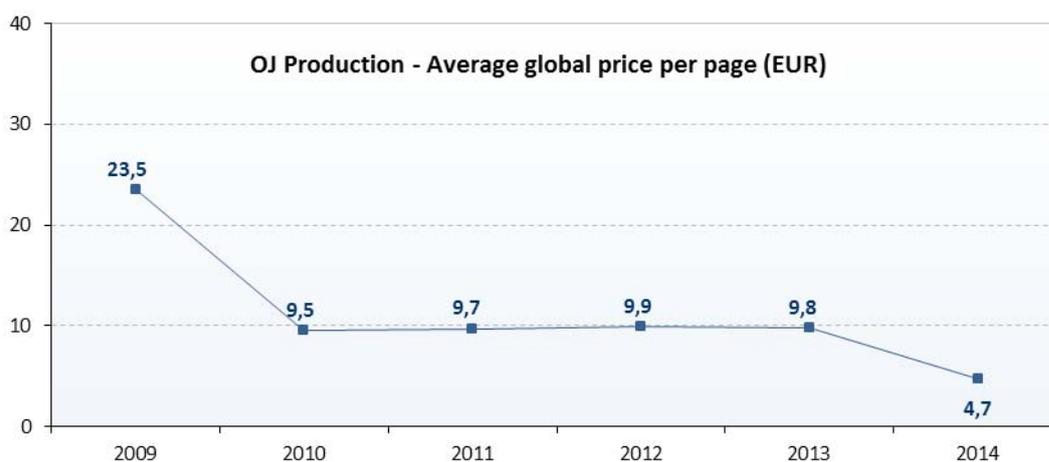
1.1 Achievement of specific objectives ⁽¹⁾

1.1.1 ABB activity: Production

Official Journal: production volume and cost per page

SPECIFIC OBJECTIVE: Produce the Official Journal in all official languages on all media			<input checked="" type="checkbox"/> Non-spending
RESULT INDICATORS	Baseline (year)	Actual 2014	Target 2014
Percentage of Official Journal issues produced without delay in 23 or 24 language versions	99 % (2005)	99.99 %	100 %
Number of: — Official Journal issues — total pages	785 608 060 (2003)	975 1 994 900	900 1 600 000
Average global price per page and trend over time	EUR 23.45 (2009)	EUR 4.68	Expected decrease in price

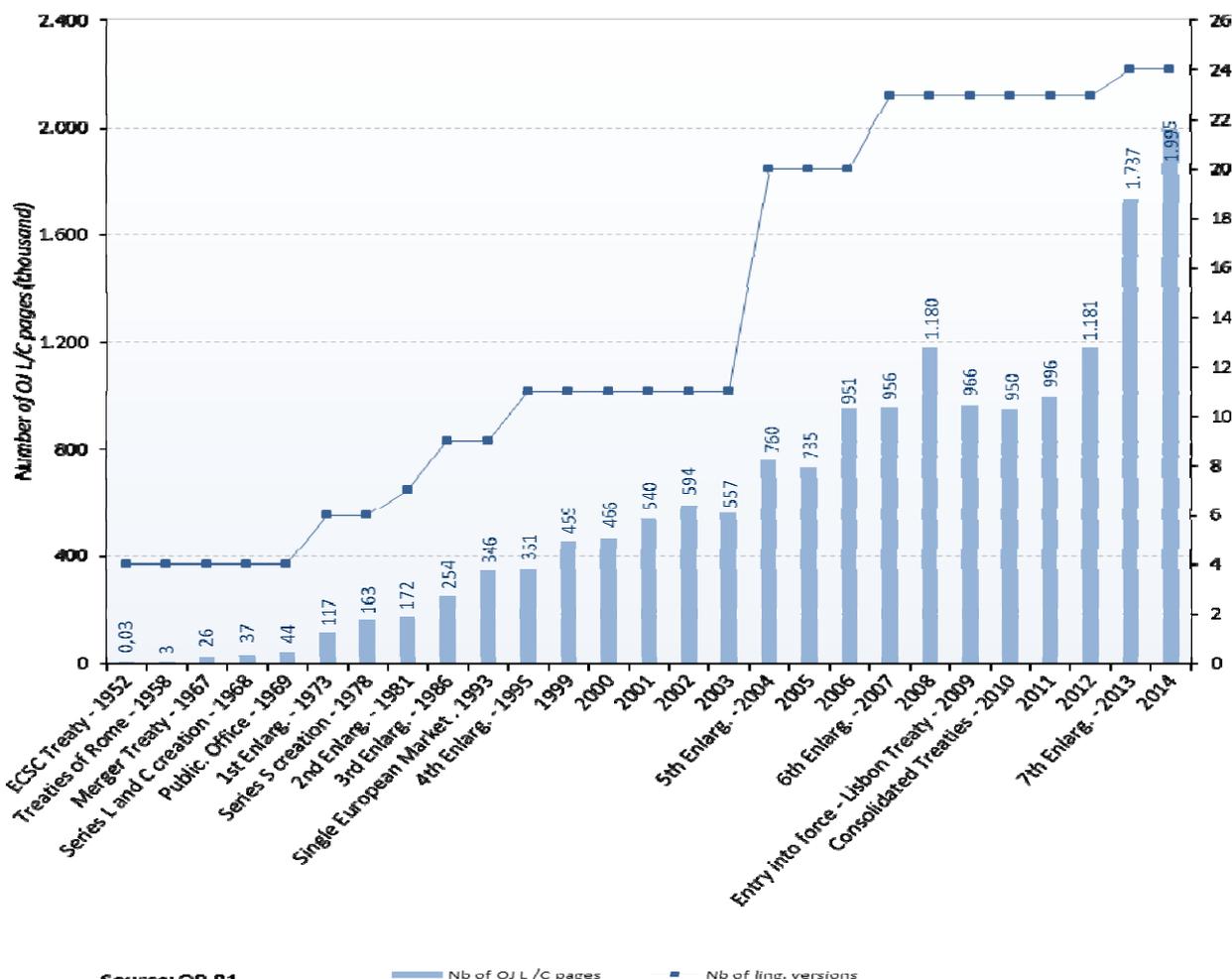
Production of the Official Journal saw an important increase in volume of 41.14 % for the OJ L series and a slight increase of 2.06 % for the OJ C series. This increase in the OJ L series is due to the publication of numerous legislative acts adopted at the end of the legislature and of the association agreements with Moldova and Ukraine.



Source: OP.B1.

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

**OJ L and C PRODUCTION -
Evolution of the number of pages (thousand) and linguistic versions**



Conclusion: The results in regard to the specific objective above are in line with the planning.

Special Edition of the Official Journal

SPECIFIC OBJECTIVE: Prepare the publication of the Special Edition of the Official Journal in the relevant languages in case of enlargement			<input checked="" type="checkbox"/> Non-spending
RESULT INDICATORS	Baseline (year)	Actual 2014	Target 2014
Total number of produced pages of the <i>acquis</i> (Special Edition)	Not applicable	152 448	Last 25 000 pages of Croatian <i>acquis</i> published

In the context of the 2013 enlargement, the publication of secondary legislation in Croatian, representing 154 384 pages as total volume over 3 years, continued in 2014. The last volume (out of 476), representing the remaining 1 936 pages and containing the budget of the accession year, is scheduled for February 2015. It is the first time that the budget of the accession year has been added to the *acquis* list.

Conclusion: The results in regard to the specific objective above are in line with the planning.

Consolidation

SPECIFIC OBJECTIVE: Consolidate European Union acts, i.e. integrate basic instruments of EU law, their amendments and corrections into single documents which are not legally binding			<input checked="" type="checkbox"/> Non-spending
RESULT INDICATORS	Baseline (year)	Actual 2014	Target 2014
Number of legislative acts in force which have been consolidated (in at least one linguistic version)	Not available (new indicator)	3 700	3 550

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. In 2014, more than 1 700 000 PDF pages of consolidated texts were produced, an increase of 3.15 % compared to 2013.

Conclusion: The results in regard to the specific objective above are in line with the planning.

Summaries of EU legislation

SPECIFIC OBJECTIVE: Ensure the online publication and smooth production of the Summaries of EU legislation, taking into account the integration in the new EUR-Lex portal			<input checked="" type="checkbox"/> Non-spending
RESULT INDICATORS	Baseline (year)	Actual 2014	Target 2014
Number of drafted/redrafted and updated summaries loaded in the CELLAR and available for EUR-Lex	Not available (new indicator)	Drafted/redrafted: 193 Updated/corrected: 281	Drafted/redrafted: 270 Updated: 540

Some 132 new summaries were added in 2014 to the collection, while 61 redrafts and 281 updates were done in accordance with the most recent legislation. As new legislation and backlog were covered at the same time, many updates and redrafts were merged into one work (i.e. one redraft covered several updates). In addition, in the context of a new production contract, that started at the end of 2013, certain technical and contractual aspects, as well the new workflow and the roles of different actors needed to be clarified more precisely.

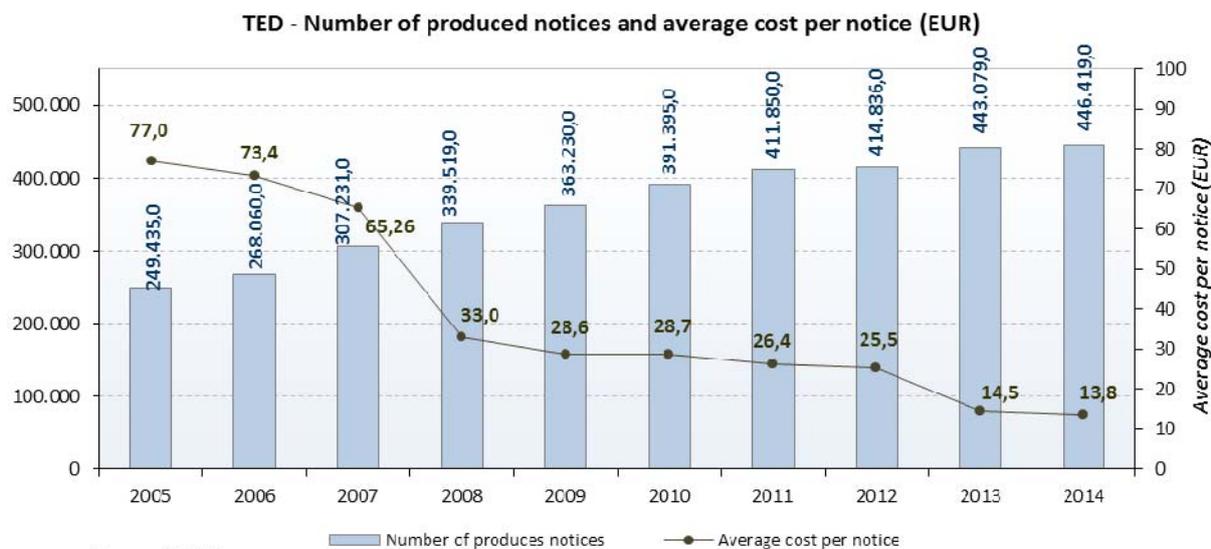
The collections available up to now via the Summaries of EU legislation were fully integrated into the new EUR-Lex.

Conclusion: The results in regard to the specific objective above are in general in line with the planning.

Supplement to the Official Journal

SPECIFIC OBJECTIVE: Make available all tender notices in the <i>Supplement to the Official Journal</i> , including assistance to the awarding authorities throughout the process			<input checked="" type="checkbox"/> Non-spending
RESULT INDICATORS	Baseline (year)	Actual 2014	Target 2014
Number of produced notices	224 142 (2003)	446 419	460 000
Average cost per notice	EUR 77.00 (2005)	EUR 13.75	< EUR 15

During the year, 446 419 public procurement notices were published in the OJ S (i.e. on average 1 778 notices per OJ S edition), corresponding to 10 714 056 documents published in all 24 official languages. While the target was based on trends in the past, the increase in 2014 did not follow the estimated trend; however, the number of published procurement notices increased by 0.75 % compared to 2013. The volume of notices received in structured electronic format stood at 96.3 % of the total.



Conclusion: The results in regard to the specific objective above are in general in line with the planning.

General publications

SPECIFIC OBJECTIVE: Provide high-quality editorial advice to authors and produce EU publications on all media			<input checked="" type="checkbox"/> Non-spending
RESULT INDICATORS	Baseline (year)	Actual 2014	Target 2014
— Number of publication projects assigned	Not available (partly due to a change in the computation methods)	10 312	7 500
— Number of definitive electronic files ordered		23 376	12 000
— Number of graphic design projects assigned		259	300
Number of produced volumes of the European case-law collections	Not available (new indicator)	1 720	1 452
Percentage of requests answered within a deadline of 15 working days	Not available (new indicator)	95.10 %	75 %

The year 2014 confirmed the upward tendency of the production of general publications compared to 2013 (10 312 titles in 2014, compared to 9 153 in 2013), as well as the trend for multichannel and digital-only publishing (23 376 electronic outputs, compared to 15 053 in 2013). The percentage of printed copies, as well as the overall amounts spent on publishing continued to decrease. As far as the number of graphic design projects is concerned, it should be noted that the target was based on the impact evaluation of the European Parliament elections on the production of promotional material related to it, in particular on graphic design projects (posters, leaflets, etc.). However, several projects linked to this event were cancelled by institutions, in most cases due to a lack of budget for communication.

Conclusion: The results in regard to the specific objective above are in general in line with the planning.

SPECIFIC OBJECTIVE: Ensure proofreading and quality control of publications in all official languages			<input checked="" type="checkbox"/> Non-spending
RESULT INDICATORS	Baseline (year)	Actual 2014	Target 2014
Percentage of pages (proofs + manuscript + printed OJ): OJ L, OJ C, budgetary and related documents corrected on time	Not available (new indicator)	99 %	> 98 %
Percentage of deadlines respected for manuscript preparation and proofreading services related to general publications	98 % (2011)	96 %	> 95 %

A total of 2.3 million standard pages were proofread in 2014: 905 473 pages of Official Journal, 585 472 pages of general publications and 712 987 pages of case-law.

Conclusion: The results in regard to the specific objective above are in line with the planning.

1.1.2 ABB activity: Cataloguing and archiving

International identification, cataloguing and indexation of all EU publications

SPECIFIC OBJECTIVE: Ensure analysis, identification, cataloguing and indexation of all EU publications			<input checked="" type="checkbox"/> Non-spending
RESULT INDICATORS	Baseline (year)	Actual 2014	Target 2014
General publications: number of notices produced	Not available (new indicator)	16 179	14 000
Legal documents: number of notices produced	Not available (new indicator)	26 229	15 000

Cataloguing activities are necessary for the identification of publications. During the year, 26 229 legal notices (EUR-Lex) and 16 179 bibliographical notices for general publications were prepared.

As an official registration agency for the digital object identifier (DOI), the Office registered 16 350 DOIs for general publications and for the Official Journal.

Metadata standardisation continues to be a major task for the Office under the guidance of the Interinstitutional Maintenance Metadata Committee (IMMC). Several standardisation activities were initiated in 2014 in the framework of the ISA program and of public procurement documents standardisation.

Conclusion: The results in regard to the specific objective above are in line with the planning.

Storage and long-term preservation of digital information

SPECIFIC OBJECTIVE: Ensure storage and long-term preservation of digital information			<input checked="" type="checkbox"/> Non-spending
RESULT INDICATORS	Baseline (year)	Actual 2014	Target 2014
Number of documentary units (notices) in the CELLAR available for EUR-Lex	5.7 million (2011)	7.6 million	7.7 million
Access to official documents – Status of the single repository (CELLAR): (a) System availability Availability of the technical infrastructure (hardware, network, IT systems) (b) Information availability Availability of OJ authentic (content and metadata) for online access and reuse	Not available (new indicator)	99.10 % 100 %	> 99 % 99.9 %
Preservation of official documents – Volume of data stored in the long term digital archive (EUDOR): (a) System availability Availability of the technical infrastructure (hardware, network, IT systems) (b) Information availability Availability of information (content and metadata) in the archiving	Not available (new indicator)	99.99 % 100 %	> 99 % > 99 %

The common repository, the CELLAR, contains all mandatory legal documents accessible through the new EUR-Lex portal.

Its content represents a total of more than 103 million files, and in terms of storage this means a volume of 11.61 terabytes of data and 3.59 terabytes of metadata. The CELLAR confirmed its position as one of the largest 'triple stores' worldwide (more than 1.353 billion triples), which means it is one of the most important semantic data sources on the Web. It should be noted that its data are by default available as open data.

Within the scope of its mandate for the long-term preservation of official publications, the Publications Office has provided for their archiving throughout 2014. Historical files have been added to the archive; in particular the collections of legal documents in XML format have been completed and are now up to date. By year-end, the electronic archive (EUDOR – the European Document Repository) contained 48 667 455 individual files, which represent a volume of 16 terabytes of data.

There is a slight difference (100 000, i.e. circa 1 %) between the estimated number of notices in the CELLAR available for EUR-Lex and the actual figure. The target was based on trends observed in the past years. However, the result depends on the actual volume of documents produced and published by the institutions. The difference can be explained by the fact that there were fewer acts published in 2014.

Conclusion: The results in regard to the specific objective above are in general in line with the planning.

1.1.3 ABB activity: Physical distribution and promotion

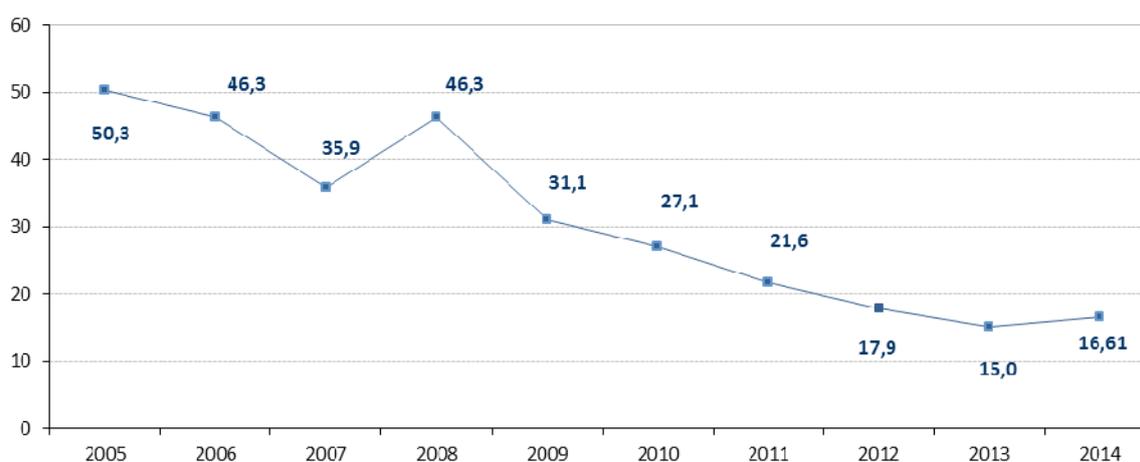
Physical distribution

SPECIFIC OBJECTIVE: Ensure efficient distribution services for all EU publications (addresses, storage, dispatch)			<input checked="" type="checkbox"/> Non-spending
RESULT INDICATORS	Baseline (year)	Actual 2014	Target 2014
Number of copies dispatched per year by the distribution centre of which:	50.3 million (2005)	16.61 million	11 million
— distribution via mailing list		9.63 million (58 %)	5.5 million (50 %)
— orders		6.98 million (42 %)	5.5 million (50 %)
Number of orders fulfilled	Not available (new indicator)	148 000	200 000

The total number of copies of paper publications distributed bucked the trend of decline of recent years, increasing by about 11 % to over 16.5 million copies, primarily due to the mass distribution of copies before the European Parliament elections. The number of copies ordered remained stable, at approximately 7 million, but for the first time in many years the number of copies distributed by mailing lists increased by over 20 % to 9.6 million.

As far as the number of orders fulfilled is concerned, it should be noted that the ordering pattern changed in 2014 both for EU Bookshop orders and for orders placed by the Publications Office's institutional clients directly into the back-office IT system: while more copies were ordered at a time, orders were placed less frequently.

Distribution – Number of copies dispatched (million)



Source: OP.R4.

The number of copies held in stock decreased to under 16 million copies (a reduction of about 16 % compared to 2013). This is due to the ongoing positive reaction by author services to the Office's destocking proposals, before stock is transferred to the premises of a new contractor.

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.

In addition to the daily tasks, 2014 saw the signature of a new integrated logistics service (ILS) contract, and a huge effort was made to start up this contract, in particular adapting the contractor's IT system to replace the in-house IT system GescomX.

Promotional activities

The Office's social networks (Facebook, Google+, Twitter and YouTube) have continued to grow. They are not only drawing more traffic and interest in the Office's main websites but have also become a valued means through which users address queries and provide feedback. Moreover, the Office participated in nine events, promoting both online services and publications. The Office's services were presented to EU officials as well as to groups of visitors, including a delegation from the Ministry of Justice of South Korea.

Conclusion: The results in regard to the specific objective above are in general in line with the planning.

1.1.4 ABB activity: Public websites

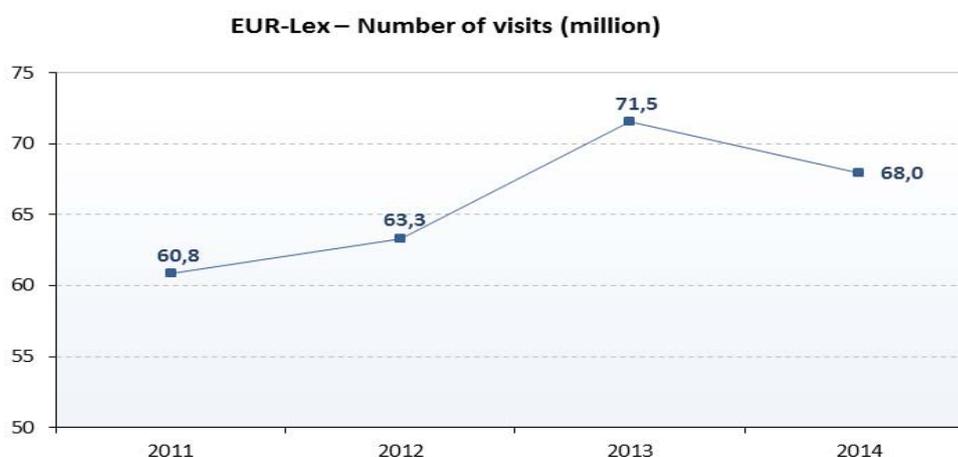
EUR-Lex – integrated online access to law

SPECIFIC OBJECTIVE: 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			<input checked="" type="checkbox"/> Non-spending
RESULT INDICATORS	Baseline (year)	Actual 2014	Target 2014
Number of visits to EUR-Lex website	67.3 million (2007)	68 million	70 million
Number of pages consulted on EUR-Lex website	135 million (2005)	184.7 million	190 million
Percentage of the electronic version of official documents available on the EUR-Lex website at the time of publication	Not available (new indicator)	99.90 %	99 %

Until March 2014, the new version of the EUR-Lex portal was accessible to the general public via a temporary URL (<http://new.eur-lex.europa.eu>). On 24 March 2014, it was migrated to the main EUR-Lex domain (<http://eur-lex.europa.eu>). The previous system has been running in parallel since then and is accessible via <http://old.eur-lex.europa.eu>. The migration of collections from the previous to the new version of EUR-Lex has been finalised and the search tools have been improved. In response to both user feedback and internal quality checks, the user interface has been updated and enhanced.

The switch to the new version of EUR-Lex, requiring users to adjust to the new layout, may account for the slightly lower than expected number of visits and pages consulted on the EUR-Lex website.

The collections available via PreLex and the Summaries of EU legislation have been fully integrated into EUR-Lex. Work has continued regarding the addition of new-generation connectors providing access to national sites via N-Lex.



Source: European Commission, DG Communication, Europa Analytics.

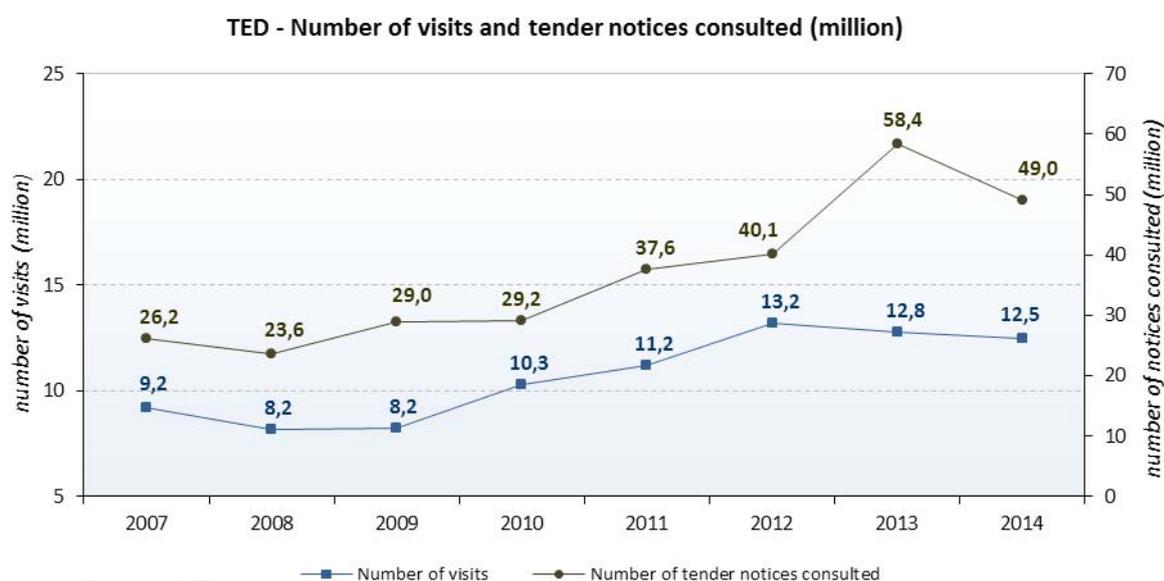
Conclusion: The results in regard to the specific objective above are in general in line with the planning.

TED – free access to business opportunities related to EU public procurement

SPECIFIC OBJECTIVE: Make available all tender notices in the <i>Supplement to the Official Journal</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			<input checked="" type="checkbox"/> Non-spending
RESULT INDICATORS	Baseline (year)	Actual 2014	Target 2014
Number of visits to TED website	9.2 million (2007)	12.5 million	14 million
Number of tender notices consulted on TED website	25.1 million (2005)	49 million	44 million
Percentage of tender notices published in the OJ S within the publication deadlines	99 % (2009)	98.93 %	99 %

In 2014, work focused on developing new forms in accordance with the new public procurement directives and adapting the technical systems associated with their use, with a view to being ready for use by Member States following the publication of the new regulation on standard public procurement forms in early 2015.

In the field of e-procurement, usage of the e-tendering platform (eAccess) continued to expand within the Commission, as well as in the European Parliament and some agencies. A pilot connection between e-tendering and e-submission was launched for open procedures, a major step in integrating the platform in the e-procurement chain.



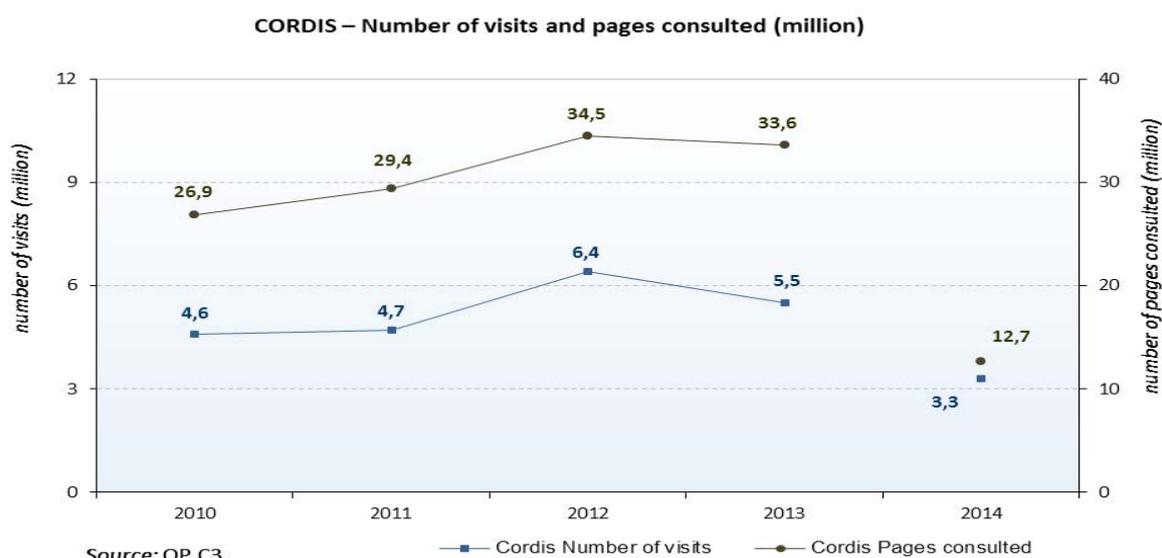
As far as the number of visits to the TED website is concerned, it should be noted that the forecast was ambitious and the trend started from a low base at the start of 2014, following the statistical tool updates.

Conclusion: The results in regard to the specific objective above are in general in line with the planning.

CORDIS – the portal for European research and innovation

SPECIFIC OBJECTIVE: Disseminate information on all EU-funded research projects and their results in the broadest sense and improve access to this information by the research community and the general public, in particular through the CORDIS website (http://cordis.europa.eu)			<input checked="" type="checkbox"/> Non-spending
RESULT INDICATORS	Baseline (year)	Actual 2014	Target 2014
Number of visits to CORDIS website	4.7 million (2011)	3.3 million	4.5 million
Number of pages consulted on CORDIS website	29.4 million (2011)	12.7 million	15 million
Number of research results (*) available on CORDIS (cumulative) (* Sixth and seventh framework programmes.	6 517 (2011)	22 947	16 000

As the primary public repository and website for EU-funded research projects and results since 1990, CORDIS underwent significant changes in 2014, which was also the first year of Horizon 2020, the European Union’s framework programme for research and innovation. Under the new governance of the Horizon 2020 Common Support Centre, CORDIS consolidated its role in the upcoming strategy for the dissemination and exploitation of research results. With 20 years of very good internet search engine rankings, CORDIS remained a popular and trusted source of information and was a regular data provider to the Open Data Portal. The annual survey showed that overall user satisfaction has remained stable. However, there was a noticeable satisfaction increase due to web applications improvements that were launched as part of the new technical platform.



Due to the change of the statistical tool and also in the counting methodology, the number of visits and pages consulted on the CORDIS website was calculated differently in 2014; the results computed with the previous statistical tool are not comparable with the current ones.

Conclusion: The results in regard to the specific objective above are in general in line with the planning.

EU Bookshop – free-of-charge online access to EU publications for all citizens

SPECIFIC OBJECTIVES: Ensure the electronic dissemination of the full catalogue of EU publications (EU Bookshop and digital library)			<input checked="" type="checkbox"/> Non-spending
RESULT INDICATORS	Baseline (year)	Actual 2014	Target 2014
Number of visits to EU Bookshop website	0.5 million (2005)	1.9 million	1.6 million
Number of pages consulted on EU Bookshop website	5.1 million (2005)	9.6 million	9 million
Number of documentary units (notices) on EU Bookshop website	Not available (new indicator)	104 775	105 000

The Publications Office’s dissemination policy to enable free-of-charge online access to EU publications for all citizens is implemented via the EU Bookshop website. In response to the increasing demand for digital publications, the website now offers enhanced visibility and accessibility to e-books. The recently achieved very good search engine ranking has made EU Bookshop a globally respected online information resource on the EU.

Conclusion: The results in regard to the specific objective above are in general in line with the planning.

EU Open Data Portal – reuse of EU institutions’ information

SPECIFIC OBJECTIVE: Facilitate the dissemination and the reuse of the public EU data			<input checked="" type="checkbox"/> Non-spending
RESULT INDICATORS	Baseline (year)	Actual 2014	Target 2014
Number of visits to EU Open Data Portal	Not available (new indicator)	309 187	130 000
Number of pages consulted on EU Open Data Portal	Not available (new indicator)	1 534 760	600 000
Number of documentary units (datasets) proposed in catalogue of EU Open Data Portal	Not available (new indicator)	7 681	7 000

As of 2012, the Office is responsible for the development, hosting, maintenance and operational activities of the EU Open Data Portal, a tool promoting the reuse of EU public-sector information.

The Office has been raising awareness about open data publishing, encouraging Commission Directorates-General, institutions, EU agencies and other bodies to publish on the Open Data Portal and to increase the quantity and quality of datasets. It offers conceptual and operational support to data providers in the data publishing process. The number of data providers has quadrupled since inception of the portal at the end of 2012, and the number of datasets has increased significantly. The first promotional activities relating to data consumers have been initiated.

In line with the terms of the decision on reuse, licences to exploit EUR-Lex and TED data, as well as reproduction and translation licences, were terminated.

Conclusion: The results in regard to the specific objective above are in line with the planning.

1.2 Example of EU-added value and results/impacts of projects or programmes financed by the EU

EU Open Data Portal

Open data portals are a key element of policies aimed at facilitating access to and reuse of public sector information, as well as a core asset for the knowledge-based economy and for government transparency and accountability. They have been and are being created in EU Member States at all government levels: national, regional and local. As part of the EU open data strategy, the European Commission decided to create its own data portal, with the possibility for other EU institutions and bodies to use it to publish their data (Commission Decision 2011/833/EU).

On the basis of its mission and interinstitutional mandate, as well as its expertise in digital and semantic web technologies, the Publications Office accepted in 2012 to take over the EU Open Data Portal from DG Communications Networks, Content and Technology and to become responsible for its further development and maintenance.

The EU Open Data Portal was initially financed within the Competitiveness and Innovation Framework Programme; its financing is currently integrated in the Office's budget. It is a service addressed to all EU institutions, bodies and agencies.

The EU Open Data Portal is already providing access to about 7 700 public datasets available from 53 different data providers (27 Commission services, the European Investment Bank, the European Central Bank, the Committee of the Regions, the Economic and Social Committee and 22 agencies). The Council is currently working towards bringing the first data into the portal in the first quarter of 2015. The European Parliament and the Court of Auditors have also expressed the wish to publish their public data.

The published data can be downloaded free of charge and reused by everyone. The Open Data Portal puts at the disposal of data publishers, application developers and the general public functionalities enabled through the semantic technologies which facilitate, inter alia, the linking of open data and the creation of innovative services.

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

According to the Financial Regulation (Article 30), 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 for the best price. The principle of efficiency concerns the best relationship between resources employed and results achieved.

The respect of these principles is continuously pursued through the implementation of internal procedures and predefined practices. These procedures ensure that activities are executed in an efficient manner (e.g. the different workflows contribute to the efficient cooperation between staff, units, etc.) and according to the principle of economy (e.g. the procurement rules ensure procurement in optimal conditions).

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.

1.3.1 General publications contract

General publications (all institutions and bodies) production costs have significantly decreased over the last two years. The total budget committed per year was as follows:

- EUR 11.65 million EUR for 6 119 titles ordered in 2012 (average cost per title EUR 1 903);
- EUR 8.60 million EUR for 9 423 titles ordered in 2013 (average cost per title EUR 912);
and
- EUR 7.12 million EUR for 10 312 titles ordered in 2014 (average cost per title EUR 690).

The entry into force of a new publishing framework contract on 1 May 2013 has led to an important decrease of the production costs as well as a decrease of the average number of printed copies per title. This new contract covers traditional print but reinforces multi-channel publishing. The decrease of costs is mainly due to competitive tendering along with technical developments in workflow and content management at the Publications Office, as well as a better evaluation of the number of paper copies needed by author services and a shift to digital publishing. This trend is expected to be consolidated in 2015.

1.3.2 Reorganisation of the Publications Office

A major reorganisation was implemented at the beginning of 2013, with the aim of achieving economies of scale through the breaking down of the silo approach based on the types of publications.

In this framework, during 2014, a reduction from six to five proof-readers was possible in the majority of language teams, thus allowing internal redeployment to other units with an increased workload and efficiency gains.

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, who 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:

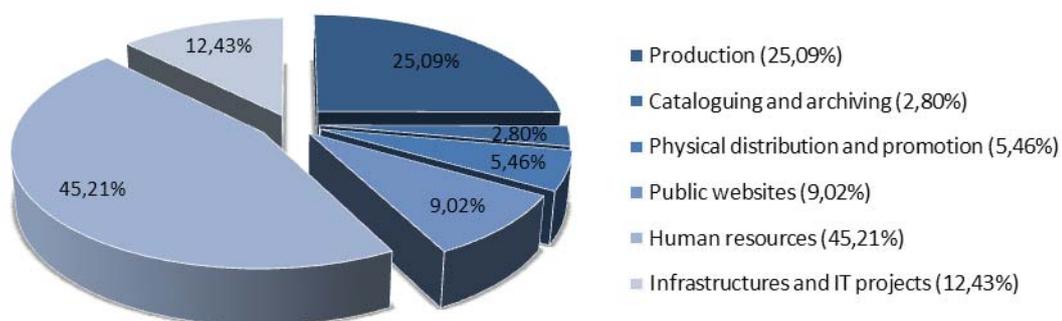
- the reports by the authorising officers by subdelegation (including reports on the financial data and the main points concerning controls and risks, follow-up of actions on audit recommendations, and significant problems);
- the reports from authorising officers of other Directorates-General who manage 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;
- 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.

Publications Office - Breakdown of 2014 budget by activity (%)



In 2014, the Director-General of the Office also managed cross subdelegated budget appropriations for the following main activities:

- CORDIS, which under the seventh framework programme 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;
- ISA Actions, financed on a cross subdelegation received from DG Informatics.

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 building management and personnel policy expenditures 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 is 25 % for *ex ante* controls and 15 % for *ex post* controls, but the actual sampling rate is determined by the sampling process based on risk levels of the controlled areas.

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

Concerning the finalised financial control exercises:

(a) For procurement:

- regarding *ex ante* controls, 174 transactions out of 449 (38.8 %) were examined, representing EUR 73.9 million out of EUR 85.7 million (86.3%);
- four *ex post* payment controls covered 678 files out of 3 907 (17.4 %), representing EUR 19.4 million out of a total of EUR 68.9 million (28.1 %);
- *ex post* commitment controls covered transactions not subject to second level *ex ante* controls and concerned 170 transactions out of 500 (34.0 %), representing EUR 31.9 million out of EUR 199.7 million (16.0 %).

(b) For recoveries:

- *ex ante* controls covered 51 transactions out of 191 (26.7 %) with a value of EUR 6.7 million out of 10.7 (62.6 %);
- *ex post* controls covered transactions not subject to second level *ex ante* controls and concerned 74 transactions out of 284 (26.1 %), representing EUR 1.15 million out of EUR 6.64 million (17.3 %).

Additionally, four credit transfers and nine asset write-off proposal files were checked.

In 2013, the number of *ex ante* controlled files was 232 (33.3 %), while their value was EUR 37.3 million (22.0 %). The number of *ex post* controlled files was 1 086 (22.3 %), while their value was EUR 23.1 million (28.4 %).

The results of controls carried out in 2014 are:

- error rate by number of errors of financial consequence in second level *ex ante* and *ex post* controls:
 - for commitments and payments (procurement): 0.6 %;
 - for recovery orders (revenues): 0.8 %;
- potential financial impact of errors detected in *ex post* financial controls:
 - for commitments and payments (procurement): 0.07 %;
 - for recovery orders (revenues): 0.002 %.

In 2013, the error rate by number was 0.04 %, while the error rate by value was 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.

The financial control results can be extrapolated to determine the amount at risk; given the partially risk based sampling method, this represents the worst case scenario (0.07 for procurement and 0.002 for revenues).

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 evaluations by units for contracts where the section 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 13 cases, concerning 12 contracts;
- reduction of payments: no case registered;
- recovery of payments: no case registered.

In 2014, five complaints were received from unsuccessful economic operators; however, none of them led to an action before courts.

In 2014, the Ombudsman did not receive any new complaint relating to procurement procedures or contract implementation in the Publications Office. The Publications Office responded to the Ombudsman's further remark made in relation to an inquiry closed in 2013.

There were no new proceedings concerning the Publications Office initiated by contractors or economic operators before any court in 2014.

Moreover, four proceedings before the General Court of the European Union were closed.

For the number of procedures and contracts concluded in 2014, 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 produced cost estimations of the main control processes in 2013. To enable comparability, methodology of calculation did not change for 2014.

The information available and the nature of controls enable only to draw conclusions on the Office level and not on individual ICT or stage level. The reason is twofold:

- on one hand, the Office's recoveries do not represent revenues for the EU as whole, as they are transferred by other DGs, institutions and bodies of the EU (under Article 21(3)(e) FR); and
- on the other hand, the control is integrated both as a process and as far as human resources are concerned (recoveries are less than 10 % of the total value of the transactions controlled although, as both commitments and payments are controlled, this does not mean that they are less than 10 % of budget) and thus a separation of costs would not be feasible.

Public procurement control procedures

For procurements, an estimated EUR 0.24 million were invested in controlling 20 procurement procedures with a total value of EUR 60.2 million. Thus 0.39 % of the total contract value was dedicated to control. This compares to 0.18 % in 2013 (when the 23 procedures controlled were valued at 133.1 million).

The procurement procedures are, to a large extent, a regulatory requirement which cannot be curtailed. Therefore, measures to ensure that these procedures are conducted in a regular manner are considered as controls in calculating cost of controls. 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 1.49 million were invested in controlling 5 222 financial transactions worth EUR 198.6 million, out of which EUR 63.8 million represented payments. Thus 2.33 % of the total payment amount was dedicated to control. Each financial transaction controlled cost an estimated EUR 285. In 2013, the values were 1.94 % and 265 EUR respectively.

The time to pay was 11.56 days on average.

Financial control procedures

For *ex post* and second level *ex ante* financial control, an estimated EUR 0.5 million were invested in controlling 1 123 financial transactions worth an estimated EUR 132.3 million. Thus 0.39 % of the total value of transactions checked *ex post* was dedicated to control. Each transaction or procedure checked *ex post* cost an estimated EUR 445. In 2013, the values were 0.68 % and EUR 306 respectively.

Overall controls (including internal audit and evaluation)

Overall controls (including internal audit and evaluation) cost EUR 2.7 million, which is less than 4.27 % of the payment volume. In 2013, the proportion was 4 %.

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. Comparison of financial control results and the proportion of exceptions to materiality criteria, as well as of the time to pay to legal requirements, indicates that controls are effective.

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.

Taking into account a hypothetical error rate of 10 % (without any controls), it can be assumed that controls provide added value. The changes in percentages and costs per transaction originate from the difference in number and value of the transactions.

Fraud prevention and detection

The Publications Office has developed its anti-fraud strategy as foreseen in the Commission's overall anti-fraud strategy⁽¹⁾. The strategy identified controls already in place and some improvement actions. These actions were 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 and the transactions where errors have a financial consequence (as identified by Financial Control) in order to identify risk of fraud and subjects them to more in-depth analysis.

Seven cases identified by Financial Control, representing a total value of EUR 467 538, with a financial consequence of EUR 52 325, were controlled in depth. No indication of risk of fraud was found.

During the reporting year, 11 entries in the Register of exceptions, covering penalties and other contract condition overrides, were analysed. This represented 0.19 % of the total number and 0.04 % of the total value of exceptions registered. This is lower than the materiality limit.

No case was transmitted to OLAF/IDOC for investigation.

⁽¹⁾ COM(2011) 376 of 24.6.2011.

Safeguarding of assets and information

The main assets of the Office are in the IT domain. Information is also mainly stored electronically. Thus, controls for safeguarding of assets and information complement each other. They comprise mainly control of access 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 applications is protected by user IDs and passwords. Access is centrally managed by Unit A4 – IT Infrastructure and Security and needs the authorisation of the supervisor and of the security responsible.

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

Unused material, equipment and archives are stored in secure locations. An inventory is carried out 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.

2.2 Budget implementation tasks entrusted to other services and entities

This section reports and assesses 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 Part 2, the Office has issued cross subdelegations to two Commission services:

- DG 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 209 907. The services used and the budget provided by the Office are covered by service level agreements.
- OIL, for all aspects of financial management (budget and legal commitments, as well as payments) related to the building management and personnel policy expenditure, for the total amount of EUR 10 434 770.

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 agreements require 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, the management of these cross subdelegations was satisfactory in 2014.

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).

The IAC carried out 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: (1) the internal control systems in the implementation of the CORDIS contract and the decision preparation; and (2) the decision process in the area of IT governance. No legality and regularity problems were identified, but recommendations for the improvement of monitoring, documentation and acceptance of deliverables were proposed. Also, the role of service level agreements with service providers was clarified.

The IAC performed the validation of ABAC accesses and found no problems.

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 audited.

During the period of reference, the IAS did not conduct a specific audit at the Office. The Office was, however, one of the sample DGs of the horizontal audit on management and supervision of contracts for the outsourced IT services. Two very important and two important recommendations were formulated. Their implementation is progressing according to schedule; one has already been implemented.

Furthermore, the European Court of Auditors examined the reliability of the internal control systems of the Office. 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. The existing risk register of the Office was reviewed and updated in 2014;
- reports from the Internal Audit Capability;
- reports from the Internal Audit Service 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 prioritisation of three internal control standards (ICS) for 2014. The following actions were implemented:

Standard	Actions implemented
<i>ICS 6 Risk management process</i>	The risk assessment method was reviewed and a methodology for process risk analysis prepared; the assessment will start in 2015.
<i>ICS 8 Processes and procedures</i>	The processes and procedures' reallocation was completed. Procedures were updated, as appropriate, while new procedures were documented.
<i>ICS 12 Information and communication</i>	An internal control awareness survey was conducted.

Conclusion

The internal control coordinator has analysed the information available from the sources indicated above, including a desk review of the exceptions register 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), 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 combined results of the verifications within financial circuits, financial control exercises, evaluations and audits provide information to support the assurance that:

- resources are used for the intended purpose;
- the accounts provide a true and fair view on the execution of the budget and the financial situation of the Office;
- financial management is sound;
- legality and regularity are adhered to;
- the true and fair view principle is adhered to and 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, 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

The Office works in a low-risk environment.

The internal control standards are effectively implemented.

The error rate by number of errors of financial consequence in second level *ex ante* and *ex post* controls and assessment of potential financial impact of errors show that there are no material risks in financial operations and that first-level operational and financial controls are satisfactory.

The annual assessment of compliance with internal control standards, analysis of the register of exceptions, the reports of authorising officers by subdelegation on the key performance indicators, major events during the year and risks in the operations support the conclusions above and that there is no significant risk.

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 Overall conclusion on assurance and reservations (if applicable)

No	Title	Type (financial or reputational)	2014 amount at risk (million EUR)	ABB amount concerned, i.e. scope (million EUR)
No reservations				

Overall conclusion

In view of the control results and all other relevant information available, the AOD's best estimation of the risks relating to the legality and regularity for the expenditure authorised during the reporting year is 0.07 % (between 0 % and 2 %), which implies an amount at risk of about EUR 0.08 million.

As the Office implements no programmes where *ex post* controls, which would give rise to recoveries in subsequent years, are conducted and the error rate is low, the corrective capacity is insignificant.

Taking into account the conclusions of the review of the elements supporting assurance, it is possible to conclude that the internal controls systems implemented by the Publications Office provide sufficient assurance to adequately manage the risks relating to the legality and regularity of the underlying transactions. Furthermore, it is also possible to conclude that the internal control systems provide sufficient assurance with regards to the achievement of the other internal control objectives.

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 view ⁽¹⁾.

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 2015

(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.

ANNEXES

ANNEX 1: Statement of the Resources Director

I declare that in accordance with the Commission's communication on clarification of the responsibilities of the key actors in the domain of internal audit and internal control in the Commission ⁽¹⁾, 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.

Luxembourg, 31 March 2015

(signed)

Eva BEŇOVÁ

⁽¹⁾ SEC(2003)59 of 21.01.2003.

ANNEX 2: Human and financial resources

Human resources (by ABB¹ activity and type of contract) at 31/12/2014

ABB Activity Code	ABB Activity	Human Resources		
		Establishment plan posts ⁽²⁾	Estimates of external personnel (in full-time equivalent units)	Total
26 AWBL-11	Administrative support	124	8	132
26 AWBL-12	Production	286	12	298
26 AWBL-14	Cataloguing and archiving	100	4	104
26 AWBL-15	Physical distribution and promotion	34	2	36
26 AWBL-13	Public websites	102	2	104
Total		646	28	674

⁽¹⁾ Activity Based Budgeting.

⁽²⁾ Including a surcharge of 6 posts allocated to Publications Office.

Financial Resources by ABB activity – Budget implementation 2014
(in EUR, commitment appropriations C1+C4+C5 credits)

ABB Activity	Budget line description	Available credits ¹	Committed credits	% committed/available
PRODUCTION				
26.010901.010201	External staff (administrative assistance) (2)	1 305 000	1 305 000	100.00%
26.010901.0201	Production	6 978 662	4 671 038	66.93%
26.0110	Consolidation of Union law	1 630 000	1 629 993	100.00%
26.0111	Official Journal of the European Union (L and C)	13 887 808	12 901 374	92.90%
26.0112	Summaries of Union legislation	1 962 968	1 321 196	67.31%
26.0201	Procedures for awarding and advertising public supply, works and service contracts (OJ S)	9 495 340	8 907 205	93.81%
16.030204	Budget line subdelegated by DG COMM (Publications)	1 100 000	1 100 000	100.00%
33.0351003	Budget line subdelegated by DG JUST (JURE Collection)	86 485	86 485	100.00%
TOTAL PRODUCTION		36 446 262	31 922 290	87.59%
CATALOGUING AND ARCHIVING				
26.010901.0202	Cataloguing and archiving	1 611 945	1 608 254	99.77%
26.0111	Official Journal of the European Union (L and C)	1 956 606	1 956 606	100.00%
26.0201	Procedures for awarding and advertising public supply, works and service contracts (OJ S)	p.m.	p.m.	
TOTAL CATALOGUING AND ARCHIVING		3 568 551	3 564 860	99.90%
PHYSICAL DISTRIBUTION AND PROMOTION				
26.010901.0203	Physical distribution and promotion	7 606 202	6 803 960	89.45%
26.0111	Official Journal of the European Union (L and C)	0	0	
26.0201	Procedures for awarding and advertising public supply, works and service contracts (OJ S)	141 694	141 694	100.00%
TOTAL PHYSICAL DISTRIBUTION AND PROMOTION		7 747 896	6 945 654	89.65%

PUBLIC WEBSITES				
26.010901.0204	Public websites	3 196 935	3 173 535	99.27%
26.0111	Official Journal of the European Union (L and C)	2 340 607	2 340 607	100.00%
26.0201	Procedures for awarding and advertising public supply, works and service contracts (OJ S)	661 259	661 259	100.00%
08.0205	Budget line co-delegated for CORDIS	5 000 000	4 999 997	100.00%
09.045301	Budget line subdelegated by DG CNECT (Open Data Portal)	0	0	
26.030101	Budget lines subdelegated to the Publications Office by DG DIGIT (ISA Actions)	297 033	297 033	100.00%
TOTAL PUBLIC WEBSITES		11 495 834	11 472 430	99.80%

ADMINISTRATIVE SUPPORT				
26.010901.0101	Expenditure related to staff in active employment	55 371 341	55 371 341	100.00%
26.010901.010201	External staff	1 468 713	1 468 713	100.00%
26.010901.010211	Other management expenditure	529 140	529 140	100.00%
26.010901.0150	Personnel policy and management	152 654	151 907	99.51%
26.010901.0160	Documentation and library expenditure	3 000	3 000	100.00%
Subtotal Human resources		57 524 847	57 524 101	100.00%
26.010901.0103	Buildings and related expenditure	15 801 071	15 797 321	99.98%
26.010901.0151	Infrastructure policy and management	19 000	19 000	100.00%
Subtotal Infrastructures and IT projects		15 820 071	15 816 321	99.98%
TOTAL ADMINISTRATIVE SUPPORT		73 344 918	73 340 421	99.99%

TOTAL PUBLICATIONS OFFICE (delegated, co-delegated and subdelegated lines)	132 603 461	127 245 655	95.96%
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Production

Value of author accounts invoices (invoicing by institution, agency or body)	7 115 965
Value of sales invoices issued	309 382
Total Publications Office + value of author accounts and sales invoices	134 671 002

(¹) Including transfers and reassignments made in 2014.

(²) Part of the external staff (administrative assistance) under Production was committed under Administrative support – External staff.

Note:

Total committed credits (delegated, co-delegated and subdelegated lines)	127 245 655
CORDIS co-delegated commitments	-4 999 997
DG CNECT subdelegated commitments	0
DG JUST subdelegated commitments	-86 485
DG DIGIT subdelegated commitments	-297 033
DG COMM subdelegated commitments	-1 100 000
Total committed credits on delegated lines (see Annex 3, Table 1, Commitments)	120 762 141

ANNEX 3: Draft annual accounts and financial reports

Annex 3 Financial reports – DG OP – 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 contracts (excluding building contracts)

Table 13: Building contracts

Table 14: Contracts declared secret

Additional comments

Annex 3 is reproduced 'as is' from accounting documents supplied by European Commission's Directorate-General for Budget. Not all information supplied can be fully checked by the Publications Office. However, the main comments identified are detailed below.

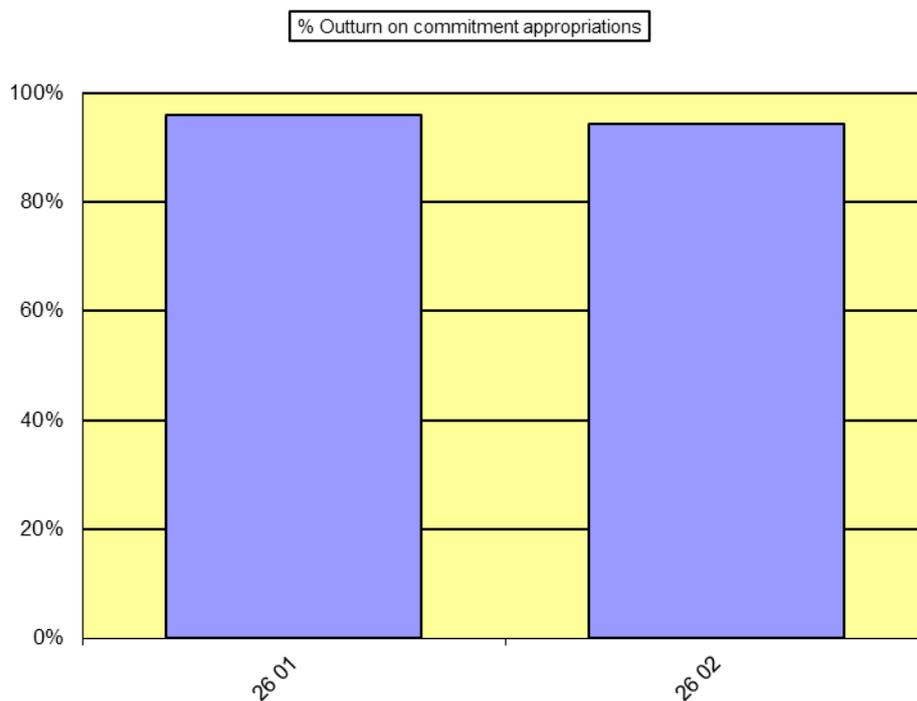
Tables 8 and 9

It should be noted that, in the recovery context report (Table 8), most of the recovery orders issued by the Office concern services provided in accordance with Article 21(3)(e) of the Financial Regulation, therefore they are not to be considered as 'errors'.

As far as Table 9 is concerned, it should be noted that 6 open recovery orders were due at year end.

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2014 (in million EUR)					
			Commitment appropriations authorised (*)	Commitments made	%
			1	2	3=2/1
Title 26 Commission's administration					
26	26 01	Administrative expenditure of the Commission's administration policy area	115.82	111.05	95.88 %
	26 02	Multimedia production	10.30	9.71	94.29 %
Total Title 26			126.12	120.76	95.75 %
Total DG OP			126.12	120.76	95.75 %

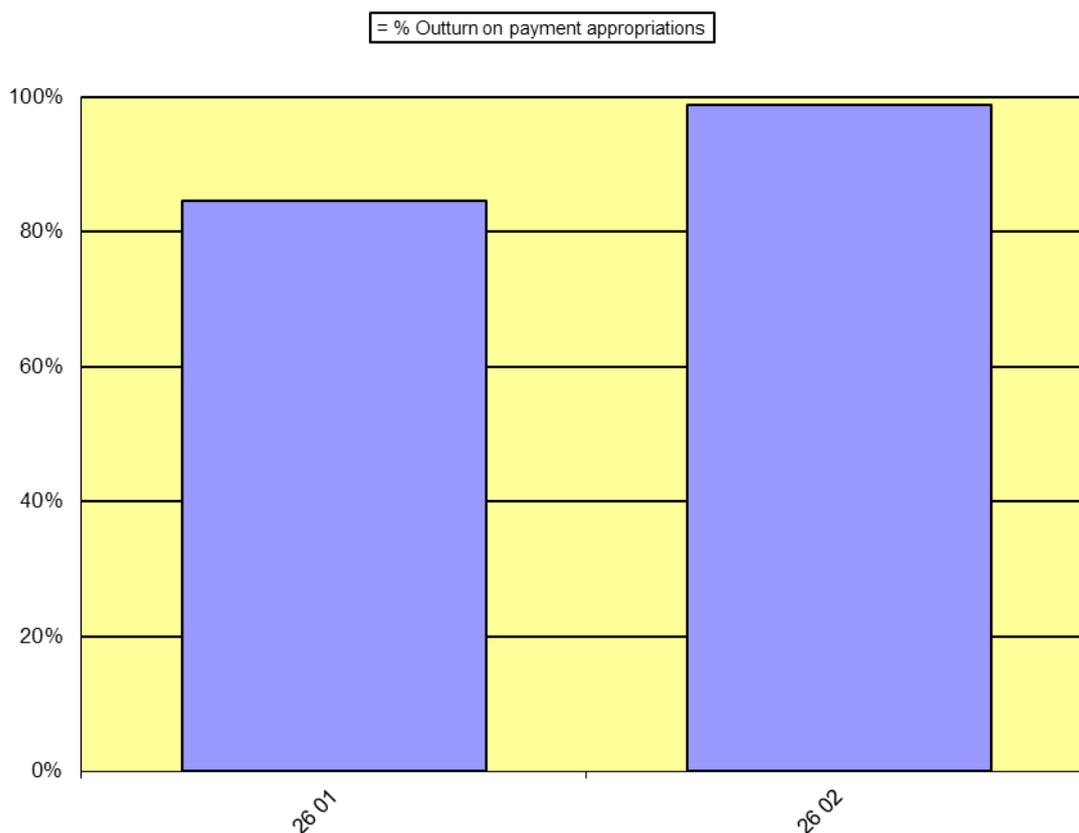
(*) Commitment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments, as well as miscellaneous commitment appropriations for the period (e.g. internal and external assigned revenue).



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

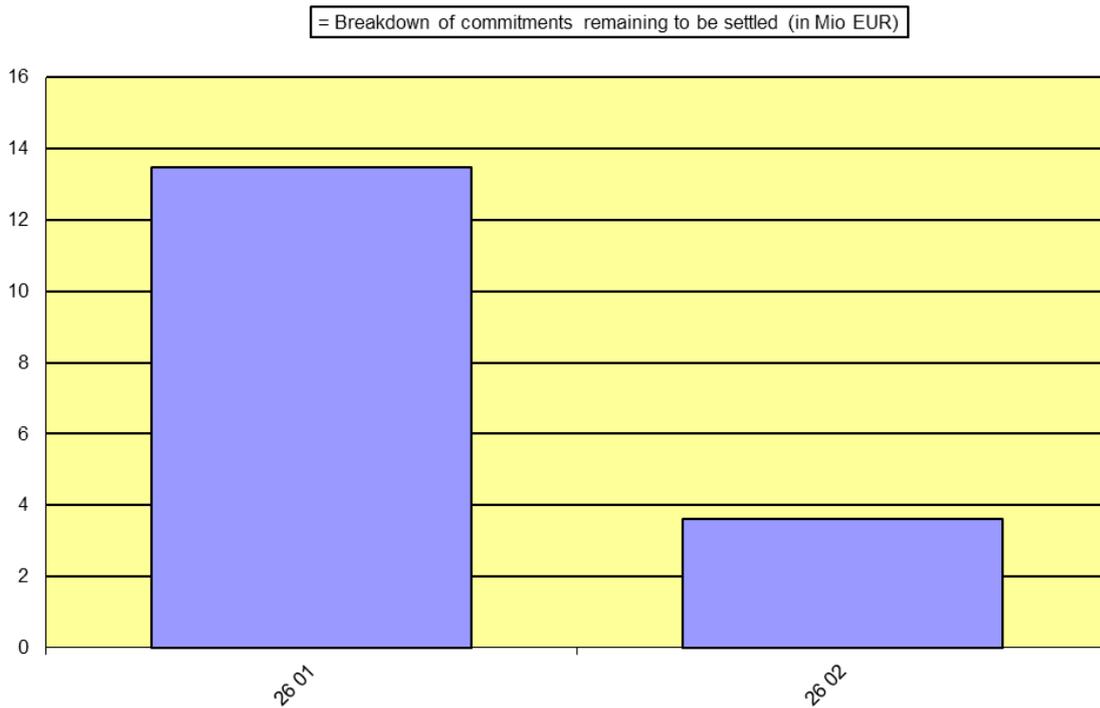
TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS IN 2014 (in million EUR)					
Chapter			Payment appropriations authorised (*)	Payments made	%
			1	2	3=2/1
Title 16					
16	16 03		0	0	
Total Title 16			0	0	
Title 26 Commission's administration					
26	26 01	Administrative expenditure of the Commission's administration policy area	129.81	109.72	84.53 %
	26 02	Multimedia production	9.39	9.28	98.77 %
Total Title 26			139.20	119.00	85.49 %
Total DG OP			139.20	119.00	85.49 %

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



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

TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2014 (in million EUR)									
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 26: Commission's administration									
26	26 01	Administrative expenditure of the Commission's administration policy area	110.76	97.30	13.46	12.15 %	–	13.46	13.99
	26 02	Multimedia production	9.71	6.18	3.53	36.39 %	0.09	3.62	3.36
Total Title 26			120.47	103.47	17.00	14.11 %	0.09	17.08	17.34
Total DG OP			120.47	103.47	17.00	14.11 %	0.09	17.08	17.34



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

TABLE 4: BALANCE SHEET

BALANCE SHEET	2014	2013
A.I. NON CURRENT ASSETS	9 440 133.11	9 758 708.07
A.I.1. Intangible assets	5 036 772.47	5 123 253.19
A.I.2. Property, plant and equipment	4 403 360.64	4 635 454.88
A.II. CURRENT ASSETS	4 255 483.31	5 093 788.10
A.II.1. Inventories	3 527 681.63	3 829 906.76
A.II.4. Exchange receivables	115 200.27	231 189.87
A.II.5. Non-exchange receivables	517 685.30	891 934.55
A.II.7. Cash and cash equivalents	94 916.11	140 756.92
ASSETS	13 695 616.42	14 852 496.17
P.II. NON CURRENT LIABILITIES	-637 857.02	-112 275.36
P.II.2. Long-term provisions	-112 690.36	-112 275.36
P.II.3. Long-term financial liabilities	-525 166.66	0.00
P.III. CURRENT LIABILITIES	-9 487 687.73	-12 055 746.02
P.III.3. Short-term financial liabilities	-244 522.40	-116 584.27
P.III.4. Accounts payable	-155 376.53	-178 334.33
P.III.5. Accrued charges and deferred income	-9 087 788.80	-11 760 827.42
LIABILITIES	-10 125 544.75	-12 168 021.38
NET ASSETS (ASSETS less LIABILITIES)	3 570 071.67	2 684 474.79
P.I.2. Accumulated surplus/deficit	20 480 983.31	-36 657 624.67
Non-allocated central (surplus)/deficit*	-24 051 054.98	33 973 149.88
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.

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

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

TABLE 5: STATEMENT OF FINANCIAL PERFORMANCE

STATEMENT OF FINANCIAL PERFORMANCE	2014	2013
II.1 REVENUES	-20 810 496.84	-20 870 433.46
II.1.1. NON-EXCHANGE REVENUES	-68 325.32	-77 302.99
II.1.1.5. RECOVERY OF EXPENSES		-11 573.40
II.1.1.6. OTHER NON-EXCHANGE REVENUES	-68 325.32	-65 729.59
II.1.2. EXCHANGE REVENUES	-20 742 171.52	-20 793 130.47
II.1.2.1. FINANCIAL INCOME	80.45	2 122.78
II.1.2.2. OTHER EXCHANGE REVENUE	-20 742 251.97	-20 795 253.25
II.2. EXPENSES	64 414 092.40	78 009 041.44
II.2. EXPENSES	64 414 092.40	78 009 041.44
11.2.10. OTHER EXPENSES	44 205 559.38	57 343 288.04
II.2.2. EXP IMPLEM BY COMMISS&EX.AGENC. (DM)	21 320 298.01	21 340 789.16
II.2.6. STAFF AND PENSION COSTS	- 992 134.55	-688 451.35
II.2.8. FINANCE COSTS	-119 630.44	13 415.59
STATEMENT OF FINANCIAL PERFORMANCE	43 603 595.56	57 138 607.98

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.

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

TABLE 6: AVERAGE PAYMENT TIMES FOR 2014 – DG OP

Legal times							
Maximum payment time (days)	Total number of payments	Nr of payments within time limit	Percentage	Average payment times (days)	Nr of late payments	Percentage	Average payment times (days)
30	3 903	3 892	99.72 %	11.33	11	0.28 %	41.82
60	277	276	99.64 %	13.5	1	0.36 %	61

Total number of payments	4 180	4 168	99.71 %		12	0.29 %	
Average payment time	11.56			11.47			43.42

Target times							
Target payment time (days)	Total number of payments	Nr of payments within target time	Percentage	Average payment times (days)	Nr of late payments	Percentage	Average payment times (days)
30	1 396	1 394	99.86 %	12.50	2	0.14 %	34

Total number of payments	1 396	1 394	99.86 %		2	0.14 %	
Average payment time	12.54			12.50			34

Suspensions							
Average Report Approval Suspension Days	Average payment suspension days	Number of suspended payments	% of total number	Total number of payments	Amount of suspended payments	% of total amount	Total paid amount
0	38	70	1.67 %	4 180	2 030 646.64	3.24 %	62 670 845.70

Late interest paid in 2014			
DG	GL Account	Description	Amount (EUR)

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

TABLE 7: SITUATION ON REVENUE AND INCOME IN 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	Outstanding balance		
	1	2	3=1+2	4	5	6=4+5	7=3-6		
50	185 676.24	24 366.66	210 042.90	185 676.24	24 366.66	210 042.9	0		
55	14 834 428.76	20 721.03	14 855 149.79	14 812 762.14	20 721.03	14 833 483.17	21 666.62		
57	81 579.19	0	81 579.19	80 229.24	0	80 229.24	1 349.95		
61	1 937.74	0	1 937.74	1 937.74	0	1 937.74	0		
66	3 107 995.25	114 994.72	3 222 989.97	3 020 473.10	114 994.72	3 135 467.82	87 522.15		
90	22 725.77	0	22 725.77	22 725.77	0	22 725.77	0		
Total DG OP	18 234 342.95	160 082.41	18 394 425.36	18 123 804.23	160 082.41	18 283 886.64	110 538.72		

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

TABLE 8: RECOVERY OF UNDUE PAYMENTS
(Number of recovery contexts and corresponding transaction amount)

INCOME BUDGET RECOVERY ORDERS ISSUED IN 2014	Error		TOTAL Qualified		TOTAL RC (incl. non-qualified)		% Qualified/Total RC	
	Nr	RO Amount	Nr	RO Amount	Nr	RO Amount	Nr	RO Amount
Year of origin (commitment)								
2013	1	1 937.74	1	1 937.74	389	1 042 547.71	0.26 %	0.19 %
2014	2	58 789.63	2	58 789.63	519	2 862 307.89	0.39 %	2.05 %
No Link					36	11 040 228.88		
Sub-total	3	60 727.37	3	60 727.37	944	14 945 084.48	0.32 %	0.41 %

EXPENSES BUDGET	Error		Irregularity		OLAF Notified		TOTAL Qualified		TOTAL RC (incl. non-qualified)		% Qualified/Total RC	
	Nr	Amount	Nr	Amount	Nr	Amount	Nr	Amount	Nr	Amount	Nr	Amount
INCOME LINES IN INVOICES									54	24 445.38		
NON ELIGIBLE IN COST CLAIMS												
CREDIT NOTES	1	26 576.18					1	26 576.18	204	1 069 974.68	0.49 %	2.48 %
Sub-total	1	26 576.18					1	26 576.18	258	1 094 420.06	0.39 %	2.43 %
GRAND TOTAL	4	87 303.55					4	87 304.55	1 202	16 039 504.54	0.33 %	0.17 %

Note: The figures are those related to the provisional accounts and not yet audited by the Court of Auditors. The provisional closure will be based on the recovery context situation at 31/01/2014.

TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2014 FOR OP

	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
2013	14		-100.00 %	160 082.41		-100.00 %
2014		16			110 538.72	
	14	16	14.29 %	160 082.41	110 538.72	-30.95 %

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

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			126 380.88	Private companies	C(2014) 8591	

Total DG	126 380.88
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Number of RO waivers	1
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Note: The figures are those related to the provisional accounts and not yet audited by the Court of Auditors.

TABLE 11: CENSUS OF NEGOTIATED PROCEDURES – DG OP – 2014

Procurement > EUR 60 000

Negotiated procedure legal base	Number of procedures	Amount (EUR)
Article 134(1)(a)	2	1 286 890.00
Article 134(1)(e)	2	2 429 179.08
Total	4	3 716 069.08

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

Internal procedures > EUR 60 000		
Procedure Type	Count	Amount (EUR)
Competitive dialogue [Article 125(b) IR]	1	80 000.00
Exceptional negotiated procedure without publication of a contract notice (Article 134 RAP)	4	3 716 069.08
Open procedure [Article 122(2) IR]	2	255 138.00
Open procedure [Article 127(2) RAP]	17	55 954 834.05
Restricted procedure [Article 127(2) RAP]	1	786 361.00
TOTAL	25	60 792 402.13

TABLE 13: BUILDING CONTRACTS

Total number of contracts:	
Total amount:	

Legal base	Contract number	Contractor name	Description	Amount (EUR)

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 (EUR)

No data to be reported

ANNEX 4: Materiality criteria

The 2 % threshold used by the European Commission and the European Court of Auditors is applied.

Even if a potential financial loss is not material under this quantitative criterion or where the financial impact cannot be quantified with reasonable assurance, the error may still be significant in the light of qualitative criteria, in particular taking into account the reputational risk for the institutions.

However, no significant errors of this type, no significant control system weaknesses or significant reputational events were identified in 2014.

ANNEX 5: Internal control templates for budget implementation (ICTs)

Direct management

Stage 1: Procurement

Main control objectives: ensure procurement procedures do not lead to incorrect attribution of contracts.

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
Irregularities or errors in the procurement procedure may lead to incorrect attribution of contracts.	<p>Each contract above the open procedure threshold (at the moment EUR 130 000) is subject to an evaluation before launching the procurement procedure.</p> <p>The authorising officer by subdelegation decides on the attribution of contract based on the opinion of the CAM ⁽⁶⁾.</p> <p>Composition of evaluation committees is subject to strict rules.</p>	<p>Semi-annual checks of availability of evaluations.</p> <p>Monitoring CAM opinions.</p> <p>Monitoring by the Call for Tenders, Contracts and Copyright Unit.</p>	<p>Costs are estimated by determining the full-time staff equivalent dealing with monitoring and control of procurement procedures.</p> <p>Benefits are qualitative and their main effect is of a preventive nature.</p>	<p>Percentage of evaluations available for launched procedures.</p> <p>Number of opinions given by the CAM.</p> <p>Percentage of contract amount used for control of procurement procedures.</p>

⁽⁶⁾ *Comité des achats et des marchés (CAM).*

Stage 2: Commitments and payments

Main control objectives: ensure commitments and payments are regular and legal.

<p>Main risks It may happen (again) that...</p> <p>Improper application or non-application of contract conditions may lead to unjustified payments.</p>	<p>Mitigating controls</p> <p>Overrides of contract conditions and deviations from procedures are registered in the Register of exceptions which is analysed semi-annually.</p>	<p>How to determine coverage, frequency and depth</p> <p>All exceptions registered are analysed.</p>	<p>How to estimate the costs and benefits of controls</p> <p>Cost is time spent on analysing register of exceptions. Benefits are qualitative and their main effect is of a preventive nature.</p>	<p>Control indicators</p> <p>Number and value of exceptions in relation to the total number and value of financial transactions.</p>
<p>Main risks It may happen (again) that...</p> <p>Deviation from contract conditions may lead to undue advantages.</p>	<p>Mitigating controls</p> <p>Overrides of contract conditions and deviations from procedures are registered in the Register of exceptions which is analysed semi-annually.</p>	<p>How to determine coverage, frequency and depth</p> <p>All exceptions registered are analysed.</p>	<p>How to estimate the costs and benefits of controls</p> <p>Cost is time spent on analysing register of exceptions. Benefits are qualitative and their main effect is of a preventive nature.</p>	<p>Control indicators</p> <p>Number of penalty and other contract condition overrides in the exception register.</p>

<p>Main risks It may happen (again) that...</p>	<p>Mitigating controls</p>	<p>How to determine coverage, frequency and depth</p>	<p>How to estimate the costs and benefits of controls</p>	<p>Control indicators</p>
<p>Errors in preparing and processing budgetary commitments may lead to irregularities or illegal commitments.</p>	<p>Operational and financial verification. Every year until March the financial control performs: — sample based second level ex ante controls of commitments on advance appropriations and commitments, — sample based ex post controls of commitments not subject to second level ex ante controls. Exemption from second level ex ante controls is based on these results.</p>	<p>All transactions are subject to first level verification. The sample size of ex post and second level ex ante controls is expressed in percentage of the number and value of all transactions in the controlled period.</p>	<p>Cost is full-time staff equivalent spent on verification and financial control. Benefits are qualitative and their main effect is of a preventive nature. The Office also considers the difference between: — amounts affected by errors as identified, and — amounts affected by errors without controls being in place (according to a hypothetical error rate).</p>	<p>Coverage of financial control. Error rate. Cost of controls in percentage of transaction value. Cost of control per transaction.</p>

<p>Main risks It may happen (again) that...</p>	<p>Mitigating controls</p>	<p>How to determine coverage, frequency and depth</p>	<p>How to estimate the costs and benefits of controls</p>	<p>Control indicators</p>
<p>Errors during the preparation and processing of payments may lead to irregularities or illegal payments.</p>	<p>Operational and financial verification. Financial control performs ex post controls.</p>	<p>All transactions are subject to first level verification. The sample size of ex post and second level ex ante controls is expressed in percentage of the number and value of all transactions in the controlled period.</p>	<p>Cost is full-time staff equivalent spent on verification and financial control. Benefits are qualitative and their main effect is of a preventive nature. The Office also considers the difference between: — amounts affected by errors as identified, and — amounts affected by errors without controls being in place (according to a hypothetical error rate).</p>	<p>Coverage of financial control. Error rate. Cost of controls in percentage of transaction value. Cost of control per transaction.</p>

Stage 3: Other financial transactions

Main control objectives: ensure transfers and writes-off are regular and legal.

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 requests for transfer of appropriations may be illegal or irregular due to improper preparation or mistakes during preparation.	Financial control checks all requests for transfer.	100 %	Cost is full time staff equivalent devoted to controls. Benefits are qualitative and their main effect is of a preventive nature. Occasional corrections may be undertaken due to financial control observations.	Number of requests checked. Transfer requests in error. Cost of controls in percentage of transaction value. Cost of control per transaction.

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
A write-off request may be illegal or irregular due to improper preparation or mistakes during preparation.	Financial control checks all write-off requests. A write-off committee (or its president) in Luxembourg has to approve all requests.	100 %	Cost is full-time staff equivalent devoted to controls. Benefits are qualitative and their main effect is of a preventive nature. Occasional corrections may be undertaken due to financial control observations.	Number of requests checked. Number of errors detected.

Revenues

Stage 1: Advance recovery orders

Main control objectives: ensure that recovery orders are correctly established for all services rendered.

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
Data in recovery orders established are not correct.	Operational and financial verification and monitoring by the head of the budget cell. Every year until March the financial control performs: — sample based second level <i>ex ante</i> controls of recovery orders, — sample based <i>ex post</i> controls of recovery orders not subject to second level <i>ex ante</i> controls.	All transactions are subject to first level verification. The sample size of <i>ex post</i> and second level <i>ex ante</i> controls is expressed in percentage of the number and value of all transactions in the controlled period.	Cost is full-time staff equivalent spent on verification and financial control. Benefits are qualitative and their main effect is of a preventive nature.	Coverage of financial control. Error rate. Cost of controls in percentage of transaction value. Cost of control per transaction.
Final settlement contains errors.	IT systems are in place to provide data for the establishment of the settlement. Clients are continuously informed of the costs and can check the correctness. In case of additional recovery orders: operational and financial verification and monitoring by the head of the budget cell. Every year until March the financial control performs: — sample based second level <i>ex ante</i> controls of recovery orders, — sample based <i>ex post</i> controls of recovery orders not subject to second level <i>ex ante</i> controls.	All transactions are subject to first level verification. The sample size of <i>ex post</i> and second level <i>ex ante</i> controls is expressed in percentage of the number and value of all transactions in the controlled period.	Cost is full-time staff equivalent spent on verification and financial control. Benefits are qualitative and their main effect is of a preventive nature.	Coverage of financial control. Error rate. Cost of controls in percentage of transaction value. Cost of control per transaction.

Stage 2: Periodic recovery orders (after services were rendered)

Main control objectives: ensure that recovery orders are correctly established for all services rendered.

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
Recovery orders are not established for services rendered for other DGs, institutions or bodies.	<p>IT systems are in place to enable follow-up of establishment of recovery orders for all services where needed.</p> <p>The heads of the budget cells follow the establishment of recovery orders for all services where needed.</p> <p>In case of advance recovery orders, there is a summary settlement at the end of the year.</p>	<p>All transactions are subject to first level verification.</p> <p>Monitoring and analysing exceptions.</p>	<p>Cost is full-time staff equivalent spent on verification and financial control.</p> <p>Benefits are qualitative and their main effect is of a preventive nature.</p>	<p>Cases of recovery orders established late in the exception register.</p>
Data in recovery orders established are not correct	<p>A monthly statement is sent to the clients who have two weeks to check and react.</p> <p>Operational and financial verification.</p> <p>Every year until March the financial control performs:</p> <ul style="list-style-type: none"> — sample based second level <i>ex ante</i> controls of commitments on advance appropriations and commitments, — sample based <i>ex post</i> controls of commitments not subject to second level <i>ex ante</i> controls. 	<p>All transactions are subject to first level verification.</p> <p>The sample size of <i>ex post</i> and second level <i>ex ante</i> controls is expressed in percentage of the number and value of all transactions in the controlled period.</p>	<p>Cost is full-time staff equivalent spent on verification and financial control.</p> <p>Benefits are qualitative and their main effect is of a preventive nature.</p>	<p>Coverage of financial control.</p> <p>Error rate.</p> <p>Cost of controls in percentage of transaction value.</p> <p>Cost of control per transaction.</p>

ANNEX 9: Performance information included in evaluations

Not applicable to the Publications Office.

