

ANNEX 1: Statement of the Director in charge of Risk Management and Internal Control

"I declare that in accordance with the Commission's communication on the internal control framework¹, I have reported my advice and recommendations on the overall state of internal control in the DG Justice and Consumers to the Director-General.

I hereby certify that the information provided in the present Annual Activity Report and in its annexes is, to the best of my knowledge, accurate and complete."

Date 28/03/2019

Giles Goodall

***Risk Management and Internal Control Coordinator, Head of Unit
Communication and Strategic Planning, DG JUST 01***

(Signed)

¹ C(2017)2373 of 19.04.2017.

ANNEX 2: Reporting – Human Resources, Better Regulation, Information Management and External Communication

Human resources

Objective (mandatory): The DG deploys effectively its resources in support of the delivery of the Commission's priorities and core business, has a competent and engaged workforce, which is driven by an effective and gender-balanced management and which can deploy its full potential within supportive and healthy working conditions.

Indicator 1: Percentage of female representation in middle management

Source of data: HR Dashboard

Percentage of female representation in middle management

Baseline: January 2015	Target by end of 2019	Latest known results as per Annual Report
DG JUST incl. SRD HOME/JUST: 47,8% Commission: 31,9%	DG JUST: 50% Commission: 40%	DG JUST: 50% Commission: 40%
Number of first appointments of female managers		
	Target by end of 2019	Latest known results as per Annual Activity Report
	DG JUST: 2 additional first female appointments	DG JUST: 3

Indicator 2 : Percentage of staff who feel that the Commission cares about their well-being

Source of data: Commission staff survey

Baseline: 2014	Target	Latest known results (2018)
DG JUST excl. SRD HOME/JUST: 32,9% SRD HOME/JUST: 31% Commission: 35%	DG JUST: Equal or exceed the EC average in the next staff surveys: 35%	DG JUST: 39% Commission: 52%

Indicator 3 : Staff engagement index¹

Source of data: Commission staff survey

Baseline: 2014	Target	Latest known results (2018)
DG JUST excl. SRD HOME/JUST: 70,1% SRD HOME/JUST: 73,6% EC: 65%	DG JUST: Maintain the current results for the next staff surveys Commission: increase	DG JUST: 68% Commission: 69%

¹ Staff engagement is usually not measured directly but as a combination of factors leading to high engagement levels. The Staff Engagement Index is based on seven factors combined in one overall figure: I have the information, material and resources to do my work well, My colleagues are committed to doing quality work, I have a clear understanding of what is expected from me at work, I have recently received recognition or praise for good work, I feel that my opinion is valued, My manager seems to care about me as a person, My line manager helps me to identify my training and development needs.

Main outputs in 2018:			
Output	Indicator	Target	Latest known results (2018 EU survey)
Female representation in middle management			
General gender-equality outlook and targeted support to aspiring female managers	Reaching the target for first time female middle management appointments set by SEC(2017)359	1 remaining appointment to be reached by end 2018 (ahead of the target date of 1 November 2019)	1 woman above the target appointed
Staff well-being			
Targeted actions under DG JUST HR strategic policy (to be finalized and implemented in 2018) including fit@work offers, well-being oriented L&D offers and staff mobility offers	Percentage of staff who feel that the Commission cares about their well-being	Equal or exceed the EC average in the next staff survey (2016: 35%)	Exceeded the EC average (2016: 35)%
Staff engagement			
Clear setting of political priorities and communication to all staff. Targeted support actions under new DG JUST HR strategy to support middle management development, for talent management and staff performance management.	Staff engagement index ²	Equal or exceed the EC average in the next staff survey (2016:65%)	Exceeded the EC average (2016: 65%)

² The Staff Engagement Index is based on seven factors combined in one overall figure: I have the information, material and resources to do my work well, My colleagues are committed to doing quality work, I have a clear understanding of what is expected from me at work, I have recently received recognition or praise for good work, I feel that my opinion is valued, My manager cares about me as a person, My line manager helps me to identify my training and development needs.

Better regulation

Objective: Prepare new policy initiatives and manage the EU's acquis in line with better regulation practices to ensure that EU policy objectives are achieved effectively and efficiently.

Indicator 1: Percentage of Impact assessments submitted by DG Justice and Consumers to the Regulatory Scrutiny Board that received a favourable opinion on first submission.

Source of data: *own statistics*

Baseline 2015	Interim Milestone 2016	Target 2020	Latest known results (2018)
50% (based on submissions to RSB in 2015)	60%	70%	62.5%

Indicator 2: Percentage of the DG's regulatory acquis covered by ex-post evaluations and Fitness Checks not older than five years.

Source of data: *own statistics*³

Baseline 2015	Interim Milestone 2016	Target 2020	Latest known results (2018)
9%	Positive trend compared to baseline	Positive trend compared to milestone	14,8%

³ Financial programmes are not included.

Information management aspects

Objective (mandatory): Information and knowledge in your DG is shared and reusable by other DGs. Important documents are registered, filed and retrievable			
Indicator 1 (mandatory – data to be provided by DG DIGIT): Percentage of registered documents that are not filed ⁴ (ratio)			
Source of data: <i>Hermes-Ares-Nomcom (HAN)</i> ⁵ statistics			
Baseline 2015	Target 2020	Latest known results (2018)	
4.25%	<2%	1.69%	
Indicator 2 (mandatory - data to be provided by DG DIGIT): Percentage of HAN files readable/accessible by all units in the DG			
Source of data: <i>HAN statistics</i>			
Baseline	Target 2020	Latest known results (2018)	
90.17%	90% (circa 10% of files contain restricted information and are therefore not shareable)	92.3%	
Indicator 3 (mandatory data to be provided by DG DIGIT): Percentage of HAN files shared with other DGs			
Source of data: <i>HAN statistics</i>			
Baseline	Target 2020	Latest known results (2018)	
0.25%	50%	21.5%	
Indicator 4 (optional): existence and degree of implementation of a documented strategy to harness knowledge of DG staff			
Source of data: own data			
Baseline	Interim Milestone (2016)	Target (2017)	Latest known results (2018)
N/A	A strategy exists	Have the strategy implemented	Strategy developed in 2018, action plan to be developed and implemented in 2019.
Indicator 5 (optional): Percentage of briefings managed in accordance with a uniform business process and using a common tool			
Source of data: BASIS			
Baseline	Interim Milestone	Target	Latest known results (2018)
100%	100%	100%	100%
Main outputs in 2018:			
Output	Indicator	Target	Latest

⁴ Each registered document must be filed in at least one official file of the *Chef de file*, as required by the [e-Domec policy rules](#) (and by ICS 11 requirements). The indicator is to be measured via reporting tools available in Ares.

⁵ Suite of tools designed to implement the [e-Domec policy rules](#).

			known results (31/12/2018)
Better use of electronic workflows, to reduce errors, caused by the double circulation, and to reduce paper storage in eligible cases.	Number of registered documents with a fully approved e-signatory (no paper circulation).	90% of registered documents approved in full electronic mode (without paper signatories circulation).	95,80% of documents are registered without paper circulation in parallel
Knowledge Management strategy is developed in line with the Communication on Data, Information and Knowledge Management	Adoption of the new strategy by senior management, (in line with the new Data, Information and Knowledge management Steering Board)	Postponed to 2018	Strategy developed in 2018 and reviewed by senior management in December (formally adopted Jan. 2019)

Communication

Objective (mandatory): Citizens perceive that the EU is working to improve their lives and engage with the EU. They feel that their concerns are taken into consideration in European decision making and they know about their rights in the EU.

Indicator 1: Percentage of EU citizens having a positive image of the EU

Definition: Eurobarometer measures the state of public opinion in the EU Member States. This global indicator is influenced by many factors, including the work of other EU institutions and national governments, as well as political and economic factors, not just the communication actions of the Commission. It is relevant as a proxy for the overall perception of the EU citizens. Positive visibility for the EU is the desirable corporate outcome of Commission communication, even if individual DGs' actions may only make a small contribution.

Source of data: Standard Eurobarometer (DG COMM budget) [monitored by DG COMM [here](#)].

Baseline: November 2014		Target: 2020	Latest known results (autumn 2018)
Total "Positive": 39% Neutral: 37 % Total "Negative": 22%		Positive image of the EU ≥ 50%	Total "Positive": 43% Neutral: 36% Total "Negative": 20%
Annual communication spending (based on estimated commitments):			
Baseline (Year n-1):	Target (Year n):	Total amount spent	Total of FTEs working on external communication
2 000 000	6 000 000	3 637 036 in payments (lower than estimated commitments due to the delay in launching the 5 000 000 campaign on consumer rights as a result of suboptimal quality of offers received in the first evaluation round)	10, excluding 4 intramuros (2 designers, 2 web colleagues).



Main outputs in 2018:			
Output	Indicator	Target	Latest known results (31/12/2018)
Awareness raising on justice topics on social media	Number of followers on Twitter @EU_Justice	A growth rate of 20% by December 2018	42,7 K followers
Awareness raising on consumer topics on social media	Number of followers on Twitter @EU_Consumer	A growth rate of 10% by December 2018	25,7 K followers
Awareness raising campaign on consumer rights	Deduplicated sum of audiences reached by integrated campaign tools	70 000 000	Campaign not launched yet due to low quality of offers received in the tender
Awareness raising action on data protection reform	Number of visits to the web guidance	150 000 visitors	1,891.816 visits to the web guidance in 2018.
Awareness raising campaign for LGBTI equality	Number of EC Representations supported by DG JUST to actively promote LGBTI equality, for instance during IDAHOT and/or national Prides.	10	14 EC REPs and 5 Delegations (see photo below)
Awareness raising campaign fighting violence against women	Number of associated institutional actions (DGs, UN, etc.)	20	81
Colloquium on Fundamental Rights	Number of participants	200	427

Annex 3 Financial Reports - DG JUST - Financial Year 2018**Table 1 : Commitments****Table 2 : Payments****Table 3 : Commitments to be settled****Table 4 : Balance Sheet****Table 5 : Statement of Financial Performance****Table 5 Bis: Off Balance Sheet****Table 6 : Average Payment Times****Table 7 : Income****Table 8 : Recovery of undue Payments****Table 9 : Ageing Balance of Recovery Orders****Table 10 : Waivers of Recovery Orders****Table 11 : Negotiated Procedures (excluding Building Contracts)****Table 12 : Summary of Procedures (excluding Building Contracts)****Table 13 : Building Contracts****Table 14 : Contracts declared Secret****Table 15 : FPA duration exceeds 4 years**

1. Financial Reports

Commitments (Table 1)

the implementation rate reached 99% (EUR 186.74 million out of EUR 188.85 million). Out of the unused amount of EUR 2.11 million including credits to be used in 2019, EUR 0.13 million are lost (vs EUR 2.25 million in 2017). Before the global commitments of 2018 credits not consumed in 2018 (excluding agencies), the current implementation rate reached 44% for all programmes, which is a significant improvement compared to the past (17%).

Payments (Table 2)

the implementation rate reached 96% (EUR 194.79 million out of EUR 203.1 million), which was a big challenge managed with success due to the 45.65 million requested in addition in September. Out of the unused amount of EUR 8.31 million, EUR 4.09 million are lost (vs EUR 0.89 million in 2017) representing 2% of the total credits.

Breakdown of commitments to be settled (Table 3)

The total amount of open commitments to be settled decreased by 5% as compared to 2017 and a rate of settled commitments which increased to 51% (44% as of 2017).

Income (Table 7)

The DG JUST income decreased by 13% comparing with 2017 (EUR 4,3 million vs EUR 5,1million). The overall amount to be recovered remains at the same level compared to the previous year EUR 2.5 million

2. Draft Annual Accounts

Methodology

The annual accounts of DG Justice have been prepared in accordance with the general accounting principles. Estimations have been made where necessary as laid out by the Accountant of the European Commission.

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.

Balance Sheet (Table 4)

Non-current assets show the long-term share of pre-financings. In 2018, there is an decrease of EUR 8 million of non-current assets compared to 2017 explained by the fact that this year DG JUST didn't record any long term pre-financing.

Current assets increase in 2018 with regard to last year explain by the fact that a lot of PF were paid in 01/2018 and 12/2018 due to global transfer request

Current liabilities increased with regard to last year and this is mainly explained by lots Cost Claims step1 open at 31/12 due to the fact that we concentrated on commitments and payment of PF

Economic outturn account (Table 5)

Operating Revenues

Operating revenues decreased in respect with last year mainly due to the decrease in the recovery of Expenses

3. Management reporting

Payment times (Table 6)

In total 1,163 payments have been made in 2018 and increased by 2% in respect with last year (1,145 payments). The overall average payment time for the year amounted to 33 days (with suspension) and 84 % of all payments were made on time. This is mainly due to the need of closure of old problematic files from the completion lines

Recovery Context (Table 8)

This table shows recovery orders and invoices recorded in the financial system 2018 with a mentioning of error or irregularity as reason for issuing the recovery or reducing the invoice.

Most of the undue payments recovered in 2017 are referring to old transaction awarded in 2010 and 2015 (EUR 0.3 million)

Ageing Balance (Table 9)

"

The number of recovery orders decreased by 0,53% as compared to 2017 . It should be noted that during 2017, 11 (new) recovery orders have been issued for a total amount of EUR 0.3 million (i.e. 11,6% of the total amount still to be recovered)."

Negotiated Procedures (Tables 11 and 12)

One negotiated procedures have been concluded in 2017 amounting to EUR 27 million which in 2018 represent 6 million , the rest of 18 is coming from 2015. For what the open procedures are concerned, 4 open procedure contracts were awarded by the relevant Authorising Officer and 1 competitive procedure with negotiation (Art. 135 RAP) with a total value of EUR 4.99 million

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2018 (in Mio €)					
			Commitment appropriations authorised	Commitments made	%
			1	2	3=2/1
Title 18 Migration and home affairs					
18	18 02	Internal security	1	1	100,00 %
Total Title 18			1	1	100,00%
Title 33 Justice and consumers					
33	33 01	Administrative expenditure of the 'Justice and consumers' policy area	4,25	4,09	96,16 %
	33 02	Rights, Equality and Citizenship	90,7	89,52	98,70 %
	33 03	Justice	81,79	80,93	98,95 %
	33 04	Consumer programme	5,72	5,72	99,93 %
Total Title 33			182,47	180,26	98,79%
Total DG JUST			183,47	181,26	98,80 %

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

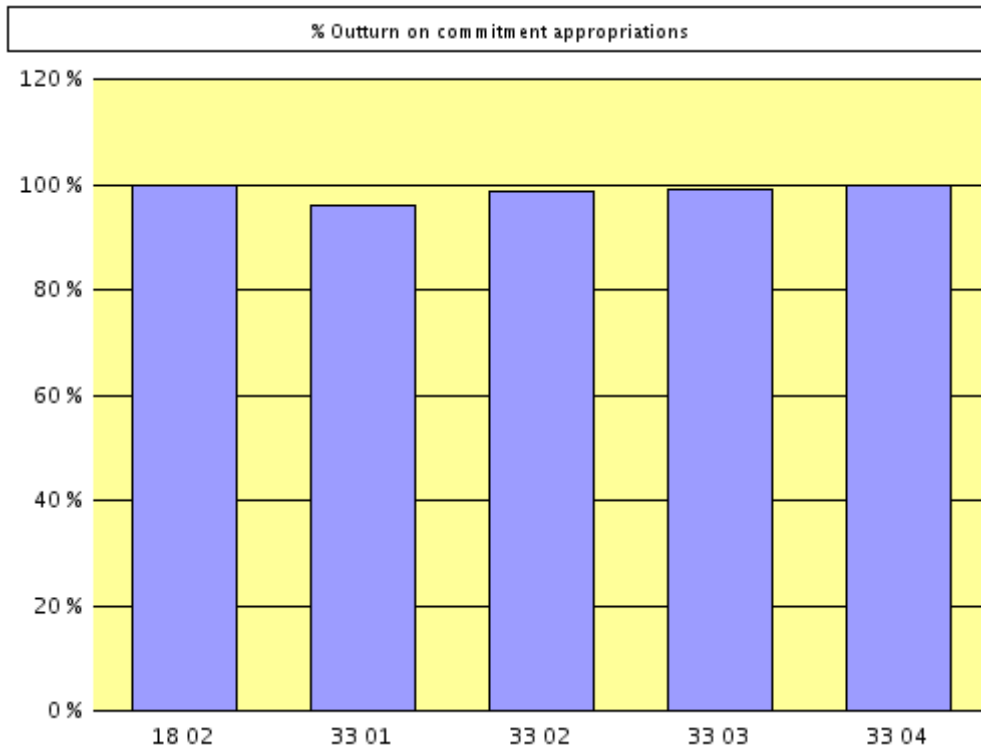


TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS IN 2018 (in Mio €)

Chapter			Payment appropriations authorised *	Payments made	%
			1	2	3=2/1
Title 18 Migration and home affairs					
18	18 02	Internal security	0,5	0	0,00 %
Total Title 18			0,5	0	0,00%
Title 33 Justice and consumers					
33	33 01	Administrative expenditure of the 'Justice and consumers' policy area	4,97	1,55	31,16 %
	33 02	Rights, Equality and Citizenship	102,21	100,13	97,97 %
	33 03	Justice	81,78	79,59	97,32 %
	33 04	Consumer programme	7,48	6,79	90,79 %
Total Title 33			196,43	188,05	95,73%
Total DG JUST			196,93	188,05	95,49 %

* 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).

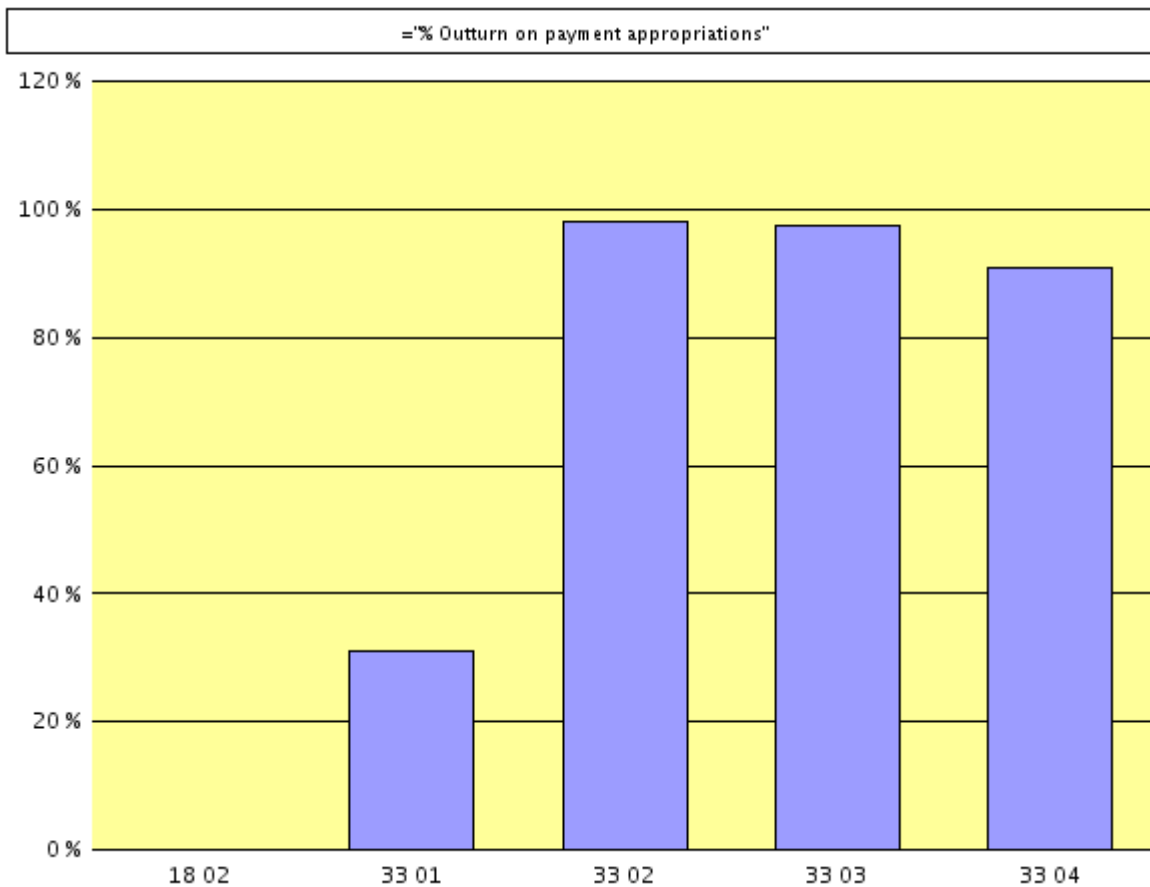
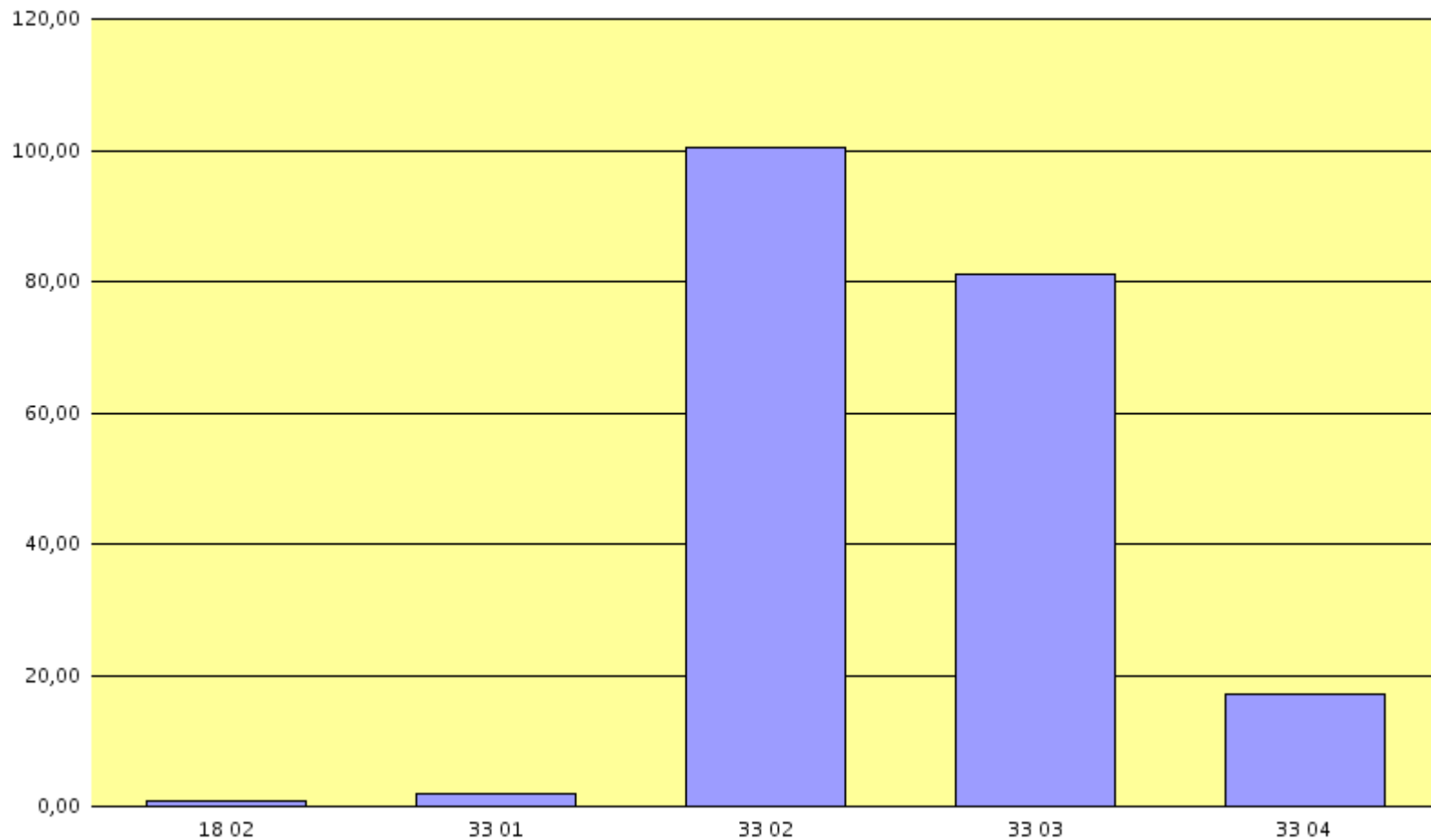


TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2018 (in Mio €)									
Chapter			2018 Commitments to be settled				Commitments to be settled from financial years previous to 2018	Total of commitments to be settled at end of financial year 2018	Total of commitments to be settled at end of financial year 2017
			Commitments 2018	Payments 2018	RAL 2018	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
Title 18 : Migration and home affairs									
18	18 02	Internal security	1	0,00	1	100,00 %	0,00	1,00	0,00
Total Title 18			1	0,00	1	100,00%	0	1	0
Title 33 : Justice and consumers									
33	33 01	Administrative expenditure of the 'Justice and consumers' policy area	4,09	2,16	1,93	47,10 %	0,00	1,93	1,68
	33 02	Rights, Equality and Citizenship	89,52	39,40	50,12	55,99 %	50,27	100,39	111,74
	33 03	Justice	80,93	50,57	30,37	37,52 %	50,70	81,07	80,10
	33 04	Consumer programme	5,72	0,53	5,19	90,67 %	12,04	17,23	18,78
Total Title 33			180,26	92,66	87,6	48,59%	113,02	200,62	212,29
Total DG JUST			181,26	92,66	88,6	48,88 %	113,02	201,62	212,29

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

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



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

TABLE 4 : BALANCE SHEET JUST

BALANCE SHEET	2018	2017
A.I. NON CURRENT ASSETS	7.604.779,17	15.616.130,93
A.I.1. Intangible Assets	7.604.779,17	7.803.051,91
A.I.5. Non-Current Pre-Financing	0,00	7.813.079,02
A.II. CURRENT ASSETS	162.611.034,88	40.663.567,43
A.II.2. Current Pre-Financing	160.470.102,20	38.508.841,82
A.II.3. Curr Exch Receiv & Non-Ex Recoverables	2.140.932,68	2.154.725,61
ASSETS	170.215.814,05	56.279.698,36
P.II. CURRENT LIABILITIES	-69.862,64	-18.506.369,18
P.II.4. Current Payables	-69.862,64	-2.167.981,55
P.II.5. Current Accrued Charges & Defrd Income	0,00	-16.338.387,63
LIABILITIES	-69.862,64	-18.506.369,18
NET ASSETS (ASSETS less LIABILITIES)	170.145.951,41	37.773.329,18
P.III.2. Accumulated Surplus/Deficit	746.338.995,76	587.336.392,45
Non-allocated central (surplus)/deficit*	-916.484.947,17	-625.109.721,63
TOTAL	0,00	0,00

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

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

TABLE 5 : STATEMENT OF FINANCIAL PERFORMANCE JUST

STATEMENT OF FINANCIAL PERFORMANCE	2018	2017
II.1 REVENUES	-466.407,44	-680.502,38
II.1.1. NON-EXCHANGE REVENUES	-1.099.602,07	-1.218.176,92
II.1.1.4. FINES		-19.601,02
II.1.1.5. RECOVERY OF EXPENSES	-763.199,07	-1.121.651,90
II.1.1.6. OTHER NON-EXCHANGE REVENUES	-336.403,00	-76.924,00
II.1.2. EXCHANGE REVENUES	633.194,63	537.674,54
II.1.2.1. FINANCIAL INCOME	-1.451,43	-4.452,29
II.1.2.2. OTHER EXCHANGE REVENUE	634.646,06	542.126,83
II.2. EXPENSES	55.049.238,02	159.683.105,69
II.2. EXPENSES	55.049.238,02	159.683.105,69
II.2.10. OTHER EXPENSES	6.158.079,97	5.957.588,12
II.2.2. EXP IMPL BY COMMISS&EX.AGENC	-19.011.992,95	76.984.975,83
II.2.3. EXP IMPL BY OTH EU AGENC&BODIES	67.885.848,66	77.407.809,24
II.2.6. STAFF AND PENSION COSTS		-671.750,00
II.2.8. FINANCE COSTS	17.302,34	4.482,50
STATEMENT OF FINANCIAL PERFORMANCE	54.582.830,58	159.002.603,31

Explanatory Notes (facultative):

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

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TABLE 5bis : OFF BALANCE SHEET JUST

OFF BALANCE	2018	2017
OB.1. Contingent Assets	1.565.678,55	899.398,83
GR for pre-financing	1.565.678,55	899.398,83
OB.3. Other Significant Disclosures	0	-193.658.103,65
OB.3.2. Comm against app. not yet consumed	0,00	-193.658.103,65
OB.4. Balancing Accounts	-1.565.678,55	192.758.704,82
OB.4. Balancing Accounts	-1.565.678,55	192.758.704,82
OFF BALANCE	0,00	0,00

Explanatory Notes (facultative):

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TABLE 6: AVERAGE PAYMENT TIMES FOR 2018 - DG JUST

Legal Times							
Maximum Payment Time (Days)	Total Number of Payments	Nbr of Payments within Time Limit	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)
30	852	760	89,20 %	16,33	92	10,80 %	54,57
45	5	4	80,00 %	29,5	1	20,00 %	83
60	142	128	90,14 %	30,64	14	9,86 %	71,29
90	164	84	51,22 %	62,21	80	48,78 %	127,13

Total Number of Payments	1163	976	83,92 %		187	16,08 %	
Average Net Payment Time	32,63			22,21			87,01
Average Gross Payment Time	39,6			27,99			100,18

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	49	166	14,27 %	1163	9.533.063,92	5,22 %	182.603.982,36

Late Interest paid in 2018			
DG	GL Account	Description	Amount (Eur)
JUST	65010100	Interest on late payment of charges New FR	17 302,34
			17 302,34

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 2018

Chapter		Revenue and income recognized			Revenue and income cashed from			Outstanding balance
		Current year RO	Carried over RO	Total	Current Year RO	Carried over RO	Total	
		1	2	3=1+2	4	5	6=4+5	
52	REVENUE FROM INVESTMENTS OR LOANS GRANTED, BANK AND OTHER INTEREST	1.345,45	355,2	1.700,65	1.345,45	81,56	1.427,01	273,64
60	CONTRIBUTIONS TO UNION PROGRAMMES	336.403	0	336.403	291.403	0	291.403	45.000
66	OTHER CONTRIBUTIONS AND REFUNDS	1.561.381,24	2.465.870,95	4.027.252,19	1.304.541,84	315.550,77	1.620.092,61	2.407.159,58
71	FINES AND PENALTIES	0	15.327,26	15.327,26	0	0	0	15.327,26
Total DG JUST		1.899.129,69	2.481.553,41	4.380.683,1	1.597.290,29	315.632,33	1.912.922,62	2.467.760,48

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

Annex 3 Financial Reports - DG JUST
Report printed on 28/03/2019

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

INCOME BUDGET RECOVERY ORDERS ISSUED IN 2018 Year of Origin (commitment)	Irregularity		Total undue payments recovered		Total transactions in recovery context (incl. non-qualified)		% Qualified/Total RC	
	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount
2010	1	289,34	1	289,34	1	289,34	100,00%	100,00%
2011	1	48.532,27	1	48.532,27	1	48.532,27	100,00%	100,00%
2012	7	135.481,79	7	135.481,79	8	141.714,67	87,50%	95,60%
2013	6	70.489,25	6	70.489,25	7	78.151,7	85,71%	90,20%
2014	7	26.120,16	7	26.120,16	8	47.088,02	87,50%	55,47%
2015	5	23.072,03	5	23.072,03	14	230.816,51	35,71%	10,00%
2016					12	252.058,48		
2017					10	882.597,8		
2018					1	3.771,16		
Sub-Total	27	303.984,84	27	303.984,84	62	1.685.019,95	43,55%	18,04%

EXPENSES BUDGET	Error		Irregularity		OLAF Notified		Total undue payments recovered		Total transactions in recovery context (incl. non-qualified)		% Qualified/Total RC	
	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount
INCOME LINES IN INVOICES												
NON ELIGIBLE IN COST CLAIMS			86	334.559,72			86	334.559,72	86	334.559,72	100,00%	100,00%
CREDIT NOTES			29	780.020,02			29	780.020,02	34	906.434,16	85,29%	86,05%
Sub-Total			115	1.114.579,74			115	1.114.579,74	120	1.240.993,88	95,83%	89,81%

GRAND TOTAL			142	1.418.564,58			142	1.418.564,58	182	2.926.013,83	78,02%	48,48%
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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 31/01/2017.

TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2018 FOR JUST

	Number at 1/01/2018	Number at 31/12/2018	Evolution	Open Amount (Eur) at 1/01/2018	Open Amount (Eur) at 31/12/2018	Evolution
2002	1	1	0,00 %	326.827,80	326.827,80	0,00 %
2012	2	2	0,00 %	334.205,58	334.205,58	0,00 %
2013	3	3	0,00 %	166.078,34	147.368,46	-11,27 %
2014	3	2	-33,33 %	556.276,68	432.637,97	-22,23 %
2015	2	2	0,00 %	965.666,46	961.116,46	-0,47 %
2016	1	1	0,00 %	26.598,04	4.278,04	-83,92 %
2017	9	3	-66,67 %	234.707,03	88.293,29	-62,38 %
2018		11			301.839,40	
	21	25	19,05 %	2.610.359,93	2.596.567,00	-0,53 %

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

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TABLE 10 : RECOVERY ORDER WAIVERS IN 2018 >= EUR 60.000

	Waiver Central Key	Linked RO Central Key	RO Accepted Amount (Eur)	LE Account Group	Commission Decision	Comments
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Total DG JUST	
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Number of RO waivers	
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There are no waivers below 60 000 €

None of your Recovery Order Waivers (if any) reaches EUR 60.000

TABLE 11 : CENSUS OF NEGOTIATED PROCEDURES - DG JUST - 2018**Internal Procedures > € 60,000**

Negotiated Procedure Legal base	Number of Procedures	Amount (€)
Art. 134.1(f) (i) (Without prior publication) Supplies : additional deliveries	1	27.000.000,00
Total	1	27.000.000,00

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

Internal Procedures > € 60,000

Procedure Legal base	Number of Procedures	Amount (€)
Competitive procedure with negotiation (Art. 135 RAP)	1	4.992.163,00
Exceptional Negotiated Procedure without publication of a contract notice (Art. 134 RAP)	1	27.000.000,00
Open Procedure (Art. 104(1) (a) FR)	4	11.093.403,00
Total	6	43.085.566,00

Additional Comments:

TABLE 13 : BUILDING CONTRACTS

Legal base	Contract Number	Contractor Name	Description	Amount (€)

TABLE 14 : CONTRACTS DECLARED SECRET

LC Responsible Organi	LC Contract/Grant Type	LC Date	Legal base	Contract Number	Contractor Name	Description	Amount (€)

TABLE 15 : FPA duration exceeds 4 years - JUST

None of your FPA (if any) exceeds 4 years

Annex 4: Materiality criteria & Methodology for measuring the residual amount at risk and determining its materiality

INTRODUCTION

Deciding whether a weakness is significant is a **matter of judgement** by the Authorizing Officer by Delegation, who remains responsible for the declaration of assurance, including any reservations to it. In doing so, he should **identify the overall impact of a weakness** and **judge whether it is material** enough so that the non-disclosure of the weakness is likely to have an influence on the decisions or conclusions of the users of the declaration. The benchmark for this judgement is the materiality criteria which the AOD sets at the moment of designing the internal control system under his/her responsibility.

For DG JUST, the materiality of residual weaknesses identified (i.e. after mitigating and corrective measures) is assessed on the basis of qualitative and/or quantitative criteria, in line with the instructions for the preparation of the Annual Activity Report.

The **qualitative assessment** includes an analysis of the causes and the types of error (including whether they are repetitive) to conclude on the nature, context and/or scope of the weaknesses identified. This may refer to significant control system weaknesses or critical issues reported by the Authorizing Officers by Sub-Delegation (or as part of the IcaT exercise), the European Court of Auditors (ECA), the Internal Audit Service (IAS), DG BUDG or OLAF. Also, the duration and any mitigating controls or corrective actions are taken into consideration.

The **quantitative assessment** aims at estimating any financial impact ("amount at risk") resulting from the errors detected. In line with the standard materiality threshold proposed by the instructions for the preparation of Annual Activity Reports, DG JUST has set the materiality level for each distinct control system with coherent risk characteristics for the amount at risk resulting from the *residual* errors at 2% of relevant payments made in the reporting year, or in case of multi-annual approach over the programming period.

This analysis and the conclusions are presented concisely in the body of the Annual Activity Report where the information reported under each building block is summarised and **which logically supports the five statements** included in the Declaration of Assurance (true and fair view, resources used for the intended purpose, sound financial management, legality and regularity, and non-omission of significant information) **for all significant expenditure categories and control systems**.

DG JUST implements its operational budget through two main different methods of implementation: direct management (grants, procurement, sometimes cross-subdelegated to other DGs) and indirect management (payments to traditional agencies). As these methods of implementation have a different risk profile and its own control and supervision arrangements, the observed quantified weaknesses should be assessed per each distinct control system grouped as follows:

- 1) Direct management – grants
- 2) Indirect management – subsidies to EU Agencies
- 3) Direct management - Procurement and other expenditure

In addition to and separately from the materiality assessment as described below, DG JUST calculates the weighted *average error rate* for its total annual payments and the resulting "overall amount at risk" by applying the relevant (cumulative) *detected* error rate to the relevant annual payments, for each management mode and type of activity. This weighted average error rate is disclosed along the *average recoveries and financial corrections* implemented within the last five years to reach a conclusion on the risk exposure and "estimated future corrective capacity" of the DG, which is presented in the AAR Chapter 2.1.

Annex 4: Materiality criteria & Methodology for measuring the residual amount at risk and determining its materiality

CHAPTER A – QUALITATIVE CRITERIA FOR DEFINING SIGNIFICANT WEAKNESSES

For all methods of implementation under its operational budget, the different parameters relevant in DG JUST for determining significant weaknesses are the following ones:

- ✓ Significant control system weaknesses: significant control system weakness detected during the period, in reports made by Authorizing Officers by Sub-delegation and/or by the ex-post audits carried out.

As far as traditional agencies are concerned, and in the framework of the single audit model, the DG's assurance is mainly based on supervisory and monitoring activities, and a verification of the functioning of the control system performed by the Internal Audit Service of the Commission and the European Court of Auditors (DAS), and the outcome of the discharge procedure
- ✓ Significant shortcoming in internal control standards appearing in the yearly survey on internal control standards implementation by management.
- ✓ Insufficient audit coverage and/or inadequate information from the internal control systems.
- ✓ Critical issues outlined by the European Court of Auditors, the Internal Audit Service, DG BUDG and OLAF.

When assessing the significance of any weaknesses, the following factors are taken into account:

- the nature and scope of the weakness;
- the duration of the weakness;
- the existence of compensatory measures (mitigating controls which reduce the impact of the weakness)
- the existence of effective corrective actions to correct the weaknesses (action plans and financial corrections) which have had a measurable impact.

When significant weaknesses are identified, a quantification of the amount at risk should be carried out when possible (See Chapter B).

In addition, **events** or weaknesses which have a significant *reputational* impact on DG JUST, or indirectly on the Commission, will be reported irrespective of the amount of damage to the DG JUST' administrative and operational budget and will be considered for issuing a reservation on a reputational basis.

CHAPTER B – QUANTITATIVE CRITERIA FOR DEFINING RESERVATIONS

To quantify the potential financial impact of errors detected, it is necessary:

- ✓ **STEP 1: To determine the residual error rate** by
 - Determining the percentage of error in the audited sample of the population;
 - Determining the level of exposure across the entire population (by applying the detected error rates to the whole value of the population and to deduct the amounts corresponding to any corrective actions taken that have already effectively reduced the exposure);
- ✓ **STEP 2: To determine the "amount at risk";**
- ✓ **STEP 3: To determine the (financial) materiality**, compared to the relevant payments for a given control system

Annex 4: Materiality criteria & Methodology for measuring the residual amount at risk and determining its materiality

Steps 1, 2 and 3 differ from one control system to another, and are presented in this Chapter.

In addition, considering the multi-annual aspects of the programmes managed for grants under direct management, for this type of expenditure DG JUST favours a *multi-annual approach* by evaluating the *cumulative* budgetary impact of the *residual* errors over the whole programming period. As a consequence, the calculation of errors, corrections and materiality of the residual amount at risk are done on a "cumulative basis". For other activities, the materiality and risk are assessed on an annual basis.

1. DIRECT MANAGEMENT – GRANTS

For the direct management of grants, the assessment of the residual error rate and amount at risk not detected by the supervision and ex-ante elements of the internal control system is carried out through an analysis of the accumulated results of the ex-post audits.

STEP 1 – Cumulative Residual Error Rate

A. Adequacy of the audit scope

Auditable population (scope of the analysis) = value of all relevant payments (i.e. interim and final payments, plus related cleared pre-financing) relating to the programming period for which the payment was made and/or the pre-financing cleared before 31st December of the reporting year (= "closed" grants)

Audited population = value of "closed" grants audited, relating to the programming period, and for which the audit report was finalised before 31 December of the reporting year

Unit E.4 of DG HOME performs audits for (a) direct management for DG HOME and DG JUST and for (b) shared management audits for DG HOME. Both Director Generals, therefore, decided to invest the scarce ex-post resources into a maximum-return & maximum-assurance ex-post strategy. As a consequence, the "targeted" sampling strategy is *not risk-based* but rather "maximum-assurance"-based. It aims at detecting and correcting a maximum of anomalies in the DG's operational expenditure and maximising the deterrent effect, by auditing recurrent beneficiaries and/or high-value grants, regardless of their either low, medium or high expected error rates in %.

Over the years, such an approach is considered representative enough if a sufficient coverage, set at 10% of the auditable population, is reached. Indeed, even with "annual" programmes, a cumulative approach is possible, per (fairly homogeneous) "generation" of programmes.

The selection of the grants to be audited is based on a statistical selection method - the Monetary Unit Sampling (MUS). If necessary, a complementary sample (non-statistical risk-based) may be selected with a view to address specific risks of a programme, coverage issues, project area and/or a specific project.

Statistical sample selection – MUS

Statistical sampling methods provide for the selection of a sample that represents the population and therefore allow to project (extrapolate or estimate) to the population the value of a parameter (the "variable") observed in the sample. On this basis, statistical

Annex 4: Materiality criteria & Methodology for measuring the residual amount at risk and determining its materiality

sampling methods allow to conclude whether a population is materially misstated or not, and if so, by how much (error amount).

The Monetary Unit Sampling [MUS] is a statistically representative method in line with DG BUDG AAR Instructions - Guidance on the calculation of error rates, the financial exposure as amount at risk, the materiality for a potential reservation and the impact on the AOD's declaration – 2015 version

The MUS technique presents the following advantages:

- the selected samples have a good level of representativeness of the whole population. The conclusions of the audited sample of grants (i.e. as presented in the respective audit reports) can therefore provide useful indicators for the evaluation of the granting activity of the DG that has to be reported in the Annual Activity Report (AAR);
- all the grants that are present in the population can be selected, irrespective of the level of risk they present.

Complementary sample

When deemed appropriate, a complementary sample may be selected on a non-statistical basis (e.g. risk-based) in order to address specific areas of concern. This selection of the complementary sample may take into account specific risk indicators as (i) the presence of grants governed by regulations/conditions that are particularly complex or that have been object of recent significant changes, (ii) operating Grants referring to recurrent beneficiaries that have not been audited during the last 3 years; (iii) 'first year' Operating Grant, (iv) the presence of several grants referring to the same beneficiary; (v) the beneficiary has been recently audited and the errors/irregularities detected by the auditors could be present also in other grants etc.

Each detailed list of grants to be audited per programme is subsequently presented to the AOSD in charge, which could identify other grants with a high risk profile which were not included in the annual draft audit plan.

B. Results of the audits finalised since the start of the programming period

(Cumulative) detected error (amount) = For audited grants, total grant value as initially paid after the ex-ante controls minus grant value as calculated after the ex-post control¹

(Cumulative) detected error rate (%) = Detected error divided by the grant value as initially paid after the ex-ante controls

C. Determination of the residual error rate

Uncorrected detected errors (amount) = All detected errors pending recovery

Cumulative residual error rate in the audited population (%) = Uncorrected amount divided by the audited population

Residual error rate in the entire population (%) = Uncorrected errors detected in the audited population plus detected error rate multiplied by the non-audited population divided by the auditable population

¹ Positive amounts only. In case, following this calculation, the result would be a negative amount, it should be brought back to zero.

Annex 4: Materiality criteria & Methodology for measuring the residual amount at risk and determining its materiality

STEP 2: Financial exposure from errors in terms of cumulative "amount at risk"

Cumulative Amount at risk (net amount) = uncorrected errors detected plus non-audited population multiplied by (cumulative) detected error rate

STEP 3: Materiality and potential reservation

When the residual error rate is not to below 2% set as a multiannual target, a reservation should be considered.

In the present case this multi-annual analysis leads to a reservation. The related actual financial exposure on the authorised payments of the reporting year is calculated by multiplying the cumulative residual error rate by the sum of direct grants payments based on cost statements actually processed and pre-financings cleared in the reporting year.

2. INDIRECT MANAGEMENT: PAYMENTS TO TRADITIONAL AGENCIES

STEP 1 – Residual Error Rate

The Community subsidy is paid to the Agencies through maximum four payments a year, on the basis of an analysis of the real cash flow needs of the Agencies. Once an admissible payment request is registered by DG JUST, payments are made within 30 calendar days. If information comes to the notice of DG JUST which puts in doubt the eligibility of expenditure appearing in a payment request, DG JUST may suspend the time limit for payment for further verifications and/or take any appropriate measures in accordance with the principles of sound financial management. This above mentioned information includes suspicion of irregularity committed by the Agency in the implementation of the subsidy and suspected or established irregularity committed by the Agency in the implementation of a contract or another grant agreement or grant decision funded by the General Budget of the European Union or by any other budget managed by the Agency. If the balance of the budgetary outturn account is positive, it shall be repaid by the Agency to the Commission during the first semester of year N+1 on the basis of a debit note issued by the Commission.

The controls operated on the use of these payments, i.e. either management's supervision of audits carried out by the Internal Audit Service (IAS) or the European Court of Auditors (ECA) may result in the detection of compliance errors or irregularities. These are mainly **payment or recovery (amount) errors**: i.e. cases where, without the error, the amount paid to or recovered from beneficiary would have been different. In this case, as long as it remains uncorrected, the difference in amount is to be treated as an error with its consequences on the (cumulative) error rate.

STEP 2: Financial exposure from errors in terms of "amount at risk"

The real actual 'net'² financial impact of the errors defined under step 1 is considered as amount at risk, and (if very significant) its 'quantitative' materiality is considered for a potential financial reservation.

Step 3: Materiality and potential reservation

² Any correction actually made by the Commission should be deducted from the detected error.

Annex 4: Materiality criteria & Methodology for measuring the residual amount at risk and determining its materiality

To determine the materiality of the amount at risk the total amount at risk is divided by the total value of payments made in a given year for each Agency. If the amount at risk exceeds 2%, a reservation should be considered.

Besides a financial risk, other elements are considered for issuing a reservation due to a reputational risk in relation to Agencies' activities. Such information may stem, for example, from critical issues raised by the Internal Audit Service or Court of Auditors on the Agencies' management and control systems. In view of the seriousness of the findings, a reputational reservation is considered e.g. when affecting a significant part of the related activity, when being systemic, when causing a (risk of) fall-out in press and/or public, etc.

3. PROCUREMENT AND OTHER EXPENDITURE

STEP 1 – Residual Error Rate

Procurement-related errors can occur both in contracts awarded by the Commission and in contracts awarded by grant beneficiaries who subsequently submit the expenditure for reimbursement.

Errors incurred by grant beneficiaries are covered under the section related to grants, whereas this section covers the errors potentially occurring in contracts awarded by DG JUST.

The DG's own controls and/or internal and external audits (Internal Audit Service or the European Court of Auditors) carried out on these operations, may result in the detection of compliance errors or irregularities. These can be classified in two categories for the purpose of assessing their impact on the assurance:

- ✓ **Payment (amount) errors:** i.e. cases where, without the error, the amount paid would have been different. In this case, as long as it remains uncorrected, the difference in amount is to be treated as an error with its consequences on the error rate;
- ✓ **Procedural (contract selection and award) errors** are those which seriously impair the application of the principles of "open, fair, transparent competition" and "award to the best qualified bidder", i.e. cases where the contractor selected might have been different if the procedure would have been correct. In these cases, the size of the error is, by default, set at 100% of the transaction amount and included into the calculation of DG JUST's error rate. This is in line with ECA's new approach and is necessary to comply with the principle of transparency and allow stakeholders to compare the Commission's error rate with the one published by the ECA.

STEP 2: Financial exposure from errors in terms of "amount at risk"

The financial exposure differs depending on the type of errors:

- ✓ For **payment (amount) errors:** the amount at risk is the real actual 'net'³ financial impact of the errors and its 'quantitative' materiality is considered for a potential financial reservation. These financial procurement errors are taken into consideration for the application of the quantitative materiality criteria

³ Any correction actually made by the Commission should be deducted from the detected error.

Annex 4: Materiality criteria & Methodology for measuring the residual amount at risk and determining its materiality

- ✓ For **procedural (contract selection and award) errors**, DG JUST considers that even when the contractor should/could have been different, this does not always mean that the full (100%) value of the contract is 'at risk' (or that the taxpayer's money would be entirely 'lost'). Consequently, these kinds of errors cannot be considered for making a financial reservation (given that in terms of materiality the actual financial impact cannot be quantified in a consistent way with the payment errors) and are therefore not included in the calculation of the actual financial exposure (amount at risk). However, given that DG JUST acknowledges the seriousness of breaching any of the key principles of public procurement, these types of procurement errors are considered for making a potential *reputational* reservation, rather than a financial one (*e.g. when affecting a significant part of the related activity, when being systemic and affecting more/all of DG JUST's procurement processes, when causing a fall-out in press and/or public, etc. – see below*).

Step 3: Materiality and potential reservation

For payment (amount) errors: The materiality of the amount at risk is obtained by dividing the total amount at risk by the total value of payments made in a given year for procurement and other expenditure. If the amount at risk exceeds 2%, a *financial* reservation should be considered.

For **procedural (contract selection and award) errors**, in view of the seriousness of the (type) of procurement error, a *reputational* reservation is considered *e.g. when affecting a significant part of the related activity, when being systemic and affecting more/all of DG JUST's procurement processes, when causing a fall-out in press and/or public, etc.*

ANNEX 5: Relevant Control System(s) for budget implementation (RCSs)

The main distinct internal control systems are (a) direct management – grants, (b) direct management - procurement and (c) indirect management (EU subsidies to Union Agencies). These layers are determined by the differences in the ex-ante and ex-post control approach put in place in DG Justice and Consumers to control and obtain assurance for each type of expenditure

ICT 1: Grants direct management

Stage 1: Programming, evaluation and selection of proposals

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

Main control objectives: Ensuring that the Commission selects the proposals that contribute the most towards the achievement of the policy or programme objectives (effectiveness); Compliance (legality & regularity); Prevention of fraud (anti-fraud strategy) provide a brief description of the main control objectives.

Main risks It may happen (again) that ...	Mitigating controls	How to determine coverage, frequency and depth	Cost-Effectiveness indicators (three E's)
<p>Delays occur in adopting the Financing Decision or AWP. The AWP is published later than 31 March of the year of implementation.</p> <p>The AWP/Call does not adequately reflect the objectives pursued and/or the eligibility, selection and award criteria are not adequate to ensure the evaluation of the proposals</p> <p>The AWP/Call overlaps or is incompatible with other programmes (by own DG or other DGs)</p> <p>The AWP/Call does not contain the information required in the regulatory framework (FR 84, 128;</p>	<p>Communication between the financial and policy units on objectives/ instruments (regular meetings)</p> <p>Hierarchical validation within the authorising department</p> <p>Inter-service consultation, including all relevant DGs</p> <p>Adoption by the Commission</p> <p>Use of templates based on DG BUDG templates</p> <p>Templates-based verification; comitology procedure</p> <p>Publication procedure</p>	<p>Coverage: 100% of all AWP/calls</p> <p>Frequency: during the preparation of each AWP/call</p> <p>Depth: Templates includes a list of the requirements of the regulatory provisions identified.</p>	<p>Effectiveness:</p> <p>Awarded budget over available budget</p> <p>Average points elected over average total eligible</p> <p>Number of litigation cases over redress procedures</p> <p>Efficiency:</p> <p>Time to publication</p> <p>Cost-effectiveness:</p> <p>Total costs for Stage 1 over number of projects evaluated</p> <p>Total costs for Stage 1 over value of projects evaluated</p>

Main risks It may happen (again) that ...	Mitigating controls	How to determine coverage, frequency and depth	Cost-Effectiveness indicators (three E's)
RAP 94, 188, 189) Calls for proposals and AWP's are not adequately published.			Costs: estimation of cost of staff involved in the preparation and validation of the annual work programme and calls. Benefits: higher performance of reaching the objectives/better quality results of the call

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

Main control objectives: Ensuring that the most promising projects for meeting the policy objectives are among (a good balance of) the proposals selected (effectiveness); Compliance (legality & regularity); Prevention of fraud (anti-fraud strategy)

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	Cost-Effectiveness indicators (three E's)
Delays due to request of missing documents (the grant application does not contain all information and supporting documents required for its evaluation A beneficiary is awarded several grants from the EU budget for a single action (Risk of double financing/ risk of non-cumulative award) The pre-announced selection and award criteria are not adequately and consistently applied for the evaluation of proposals The action is not clearly defined in the grant application A grant is awarded for an action which has already begun but the applicant cannot demonstrate the need for starting the action prior to signature of the grant agreement or notification of the grant decision	Detailed procedures for calls foresee time to gather missing documents Where relevant, crossed checks with other DGs on possible double-financing if grants have been awarded to the same beneficiary from by other DG (ABAC/LEF) The Guide for applicant and the kick-off meetings ensure a common understanding of the requirements. Very detailed application forms have been developed and used since 2013 calls. Since 2013, we make clear that the actions starts after the signature of the grant agreement	Coverage: All proposals checked (checked at least by 2-3 independent evaluators) and double checked by internal committee. Where relevant, proposals are crossed checked with other DGs, checks made depending on programme Depth: cross checking where appropriate for specific cases (FTS)	Please refer to the indicators above for stages 1A and 1B Costs: estimation of cost of staff involved in the evaluation and selection of proposals. Cost of the appointment of experts and of the logistics of the evaluation. Benefits: best quality projects selected;

Stage 2: Contracting: Transformation of selected proposals into legally binding grant agreements

Main control objectives: Ensuring that the actions and funds allocation is optimal (best value for public money; effectiveness, economy, efficiency); Compliance (legality & regularity); Prevention of fraud (anti-fraud strategy)

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	Cost-Effectiveness indicators (three E's)
<p>The beneficiary lacks operational and/or financial capacity to carry out the actions.</p> <p>Budget resources are not sufficiently available (on time)</p> <p>The grant agreement is signed late; the time to grant is not respected.</p> <p>The grant agreement does not contain all applicable provisions</p> <p>Complexity due to the obligation to have multi partners structure for each project</p> <p>The estimated budget of the grant application significantly overestimates the amounts necessary to carry out the action or WP and this is not identified in the recommendations of the evaluation committee</p>	<p>Review and checks during the contracting phase of technical action plan and budget for consistency and plausibility; in-depth financial verification and taking appropriate measures for high risk beneficiaries.</p> <p>Project Officers implement evaluators' recommendations in discussion with selected applicants.</p> <p>Strict follow up of budget appropriations; the payment clause is customized if the payment appropriations are not available on time.</p> <p>Internal reporting</p> <p>Hierarchical validation within the authorising department. Use of Commission contractual templates.</p> <p>The budget is checked before the award decision, which increases the economy and efficiency of the distributions of funds.</p>	<p>Coverage</p> <ul style="list-style-type: none"> - 100% of the selected proposals and beneficiaries are scrutinised. - 100% of drafts grant agreements. <p>Depth may be determined after considering the type or nature of the beneficiary and/or of the modalities (e.g. substantial subcontracting) and/or the total value of the grant.</p>	<p>Effectiveness: Value of grant agreements signed over grant amounts requested in applications (%)</p> <p>Efficiency Indicators: Time-to-Contract</p> <p>Cost effectiveness: Total cost of staff for Stage 2 over total value of grant agreements signed Total cost of staff for Stage 2 over total number of grant agreements signed</p> <p>Costs: Estimation of cost of staff involved in the contracting process.</p> <p>Benefits: Difference between the budget value of the proposals and that of the corresponding grant agreements. No/value of awards decisions transformed into grant agreements Maximize the use of available commitments</p>

Stage 3: Monitoring of the execution. This stage covers the monitoring the operational, financial and reporting aspects related to the project and grant agreement

Main control objectives: ensuring that the operational results (deliverables) from the projects are of good value and meet the objectives and conditions (effectiveness & efficiency); ensuring that the related financial operations comply with regulatory and contractual provisions (legality & regularity); prevention of fraud (anti-fraud strategy); ensuring appropriate accounting of the operations (reliability of reporting, safeguarding of assets and information)

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	Cost-Effectiveness indicators (three E's)
<p>Risk of poor financial management by beneficiaries and intermediaries</p> <p>The Commission reimburses non eligible costs; risk of irregular transactions to be proceed</p> <p>The beneficiary unduly obtain financial profit as a result from systemic or recurrent errors, irregularities, fraud, etc.</p> <p>Changes to contracts are not properly documented or authorised</p> <p>Payments are made late (interest claims)</p>	<p>Programme website, guidance notes, ex-ante sector guidance, information meetings with beneficiaries, helpdesk at COM</p> <p>Controls carried out by operational desks on technical implementation report in order to deliver the "conforme aux faits"</p> <p>Controls carried out by financial desks on financial and legal matters in order to deliver the "bon à payer"</p> <p>Network of Financial Initiating Agents (FIA)</p> <p>New checklists have been developed in 2012 to better reflect the roles of the parties involved in the financial circuits</p> <p>Clarifying procedure on verifying the non-profit rule</p> <p>Procedure for registration of exceptions</p> <p>Monthly reporting to</p>	<p>Coverage: 100% of files</p> <p>Depth:</p> <ul style="list-style-type: none"> - for desk checks of expenditure: control with reference to corroborative documents (progress reports and final technical implementation report but no reference to underlying documents in case of desks checks- - for controls carried out for "conforme aux faits": control with reference to corroborative documents (technical implementation report) and eventually corroborative information incorporating an element of independent oversight (e.g. audit certificate or other verification) but no reference to underlying documents - for controls carried out for "bon à payer": control without reference to underlying documents, but with reference to and including access to the underlying documentation (e.g. timesheets, invoices, physical verification, etc) corroborative documents (technical implementation report) and eventually corroborative information incorporating an element of 	<p>Effectiveness:</p> <p>Budget amount of the cost items rejected (ineligible costs in cost claims) over total value of cost claims</p> <p>Efficiency indicators:</p> <p>Time-to-payment</p> <p>Cost-effectiveness:</p> <p>Total costs for Stage 3 over total number of claims processed</p> <p>Total costs for stage 3 over total value of claims processed</p> <p>Costs: estimation of cost of staff involved in the actual management of running projects.</p> <p>Benefits: budget value of the costs claimed by the beneficiary, but rejected by the project officers. (ineligible amounts in cost claims)</p>

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	Cost-Effectiveness indicators (three E's)
	management on late payments	independent oversight (e.g. audit certificate or other verification)	

Stage 4: - Ex-Post control

A - Reviews, audits and monitoring

Main control objectives: Measuring the effectiveness of ex-ante controls by ex-post controls; detect and correct any error or fraud remaining undetected after the implementation ex-ante controls (legality & regularity; anti-fraud strategy); addressing systemic weaknesses in the ex-ante controls, based on the analysis of the findings (sound financial management); Ensuring appropriate accounting of the recoveries to be made (reliability of reporting, safeguarding of assets and information)

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	Cost-Effectiveness indicators (three E's)
<p>Risk of irregular expenditure co-financed remaining undetected</p> <p>Risk of fraudulent activities remaining untracked</p>	<p>At any time during the implementation period and for 5 years after partial or final payment, the Commission can carry out on the spot controls and/or audits with substantive testing of a sample of transactions.</p> <p>Ex-post controls are performed by the Shared Resources Directorate for DG Justice. The auditable population is represented by files where final payment was made in year N to N-4.</p>	<p>Coverage: As a general rule, between 15 and 25% of the expenditure of an annual programme checked over the 5 years period.</p> <p>Ex-post controls are made based on a risk assessment</p> <p>Depth: Control with reference to and including access to the underlying documentation that is available at the stage of the process in question, for all inputs and outputs (e.g. timesheets, invoices, physical verification, etc).</p> <p>Possibly, the auditors will also perform controls with reference to fully independent corroborative information (e.g., database which justifies certain elements of the claim, 3rd party or Commission assessment of milestones achieved, etc.)</p>	<p>Effectiveness:</p> <p>Residual error rate</p> <p>Number of projects with errors;</p> <p>Follow-up ratio: Number of files followed up by AOSD within 3 months (target 90%)</p> <p>Efficiency indicators:</p> <p>Success ratio;</p> <p>Recovery Implementation ratio: N° of recovery orders (RO) issued after ex-post audit (target set as 75% by end-March N+1)</p> <p>Cost effectiveness</p> <p>Total (average) annual cost of audits compared with benefits (%)</p> <p>Costs:</p> <p>Estimation of cost of staff involved in the coordination and execution of the audit strategy.</p> <p>Cost of the appointment of audit firms for the outsourced audits.</p> <p>Benefits:</p> <p>Prevented amount (deterrent effect), not quantifiable</p> <p>Detected amount</p>

B - Implementing results from ex-post audits/controls

Main control objectives: Ensuring that the (audit) results from the ex-post controls lead to effective recoveries (legality & regularity; anti-fraud strategy); Ensuring appropriate accounting of the recoveries made (reliability of reporting)

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	Cost-Effectiveness indicators (three E's
The errors, irregularities and cases of fraud detected are not addressed or not addressed timely	<p>Systematic registration of audit/control results to be implemented by the operational units.</p> <p>Financial and operational validation of recovery in accordance with financial circuits.</p> <p>Authorisation by Authorising Officer</p> <p>Working Group on the coherence of ex-post/ex-ante controls in Shared Resources Directorate</p> <p>Through a regular analysis, the audit team ensures that the recommendations (issue of recovery orders or supplementary payments) were implemented.</p>	<p>Coverage: 100% of final audit results <i>with a financial impact.</i></p>	<p>Please refer to the indicators above for stages 4A and 4B</p> <p>Costs: estimation of cost of staff involved in the implementation of the audit results.</p> <p>Benefits: corrected amount.</p>

ICT 2 - Procurement direct management

Stage 1: Procurement procedure

A - Planning Needs assessment & definition of needs

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

<p>Main risks It may happen (again) that...</p>	<p>Mitigating controls</p>	<p>How to determine coverage, frequency and depth</p>	<p>Cost-Effectiveness indicators (three E's)</p>
<p>Precise procurement needs not clearly defined Inappropriate choice of procurement procedure and calculation of threshold due to the in-depth knowledge necessary. Procurement is highly regulated. Detailed rules exist with even more in depth guidance based on experience and jurisprudence of court judgements The best offer/s are not submitted due to the poor definition of the tender specifications Technical options can be influenced by political considerations (large scale IT systems)</p>	<p>Procurement needs are clearly defined and justified from an economic or operational point of view and approved by the Authorising Officer. Technical training in procurement. Ex-ante sector ensures continuous support in procedural matters Financial circuits involving ex-ante verifications with procedural expertise still in place even after 2017 reorganisation. Financial checklists have been updated in 2017 to better reflect the roles of the parties involved in the financial circuits (OIA in policy units and AOSD are Directors/DDG for commitments) Selection criteria clearly defined and approved by the Authorising officer</p>	<p>Coverage: 100% of calls for tender Frequency: every time necessary, during the preparation of a call</p>	<p>Effectiveness: Number of projected tender cancelled; Numbers of "valid" complaints or litigations cases filed Efficiency/cost-effectiveness: average cost per tender Costs: estimation of cost of staff involved Benefits: Enough and good quality offers received, (partly quantifiable)</p>

B – Evaluation and selection of the offers

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

<p>Main risks It may happen (again) that...</p>	<p>Mitigating controls</p>	<p>How to determine coverage, frequency and depth</p>	<p>Cost-Effectiveness indicators (three E's)</p>
<p>Risk of delay and lengthy evaluation process;</p> <p>Insufficient quality of the evaluation report, which may have impact on the award decision; errors or mismanagement risk costing substantial resources (human and financial), if they are contested, even unsuccessfully, especially if they reach the courts;</p> <p>Conflict of interests</p> <p>Non-compliance with legal and regulatory formalities (publication, transparency, time limits, opening of tenders, etc.)</p> <p>The risk of over-dependency of contractors is high due to the limited number of economic providers/need for specialist</p>	<p>Evaluation committees are set up to prepare the selection of the contractors, except for low value contracts; Until June 2017, an advisory body (Joint Procurement Committee) is consulted with regard to procurement files above the Directive thresholds. After June 2017, an internal control process (2nd analysis of files within Unit 04) is put in place as a replacement of the JPC. s (JPC). Adequate communication to unsuccessful tenderers is systematically guaranteed.</p> <p>Declaration of lack of conflict of interest (required for each member of committee but also for the manager); Every member of staff with significant financial responsibility may be defined as occupying a "sensitive post". Staff should not occupy a sensitive post for more than five years.</p> <p>Transparency measures: calls for tender are published in the Official Journal and on the Europa website. Updated information and FAQ are posted regularly on the website; e-submission now used.</p> <p>Procedures are set up to analyse the risk of over-dependency of contractors. Sound competition among providers together with</p>	<p>Coverage: 100% of the offers analysed. Depth: all documents transmitted; in terms of justification of the draft award decision 100% of the members of the opening committee and the evaluation committee 100% checked.</p>	<p>Please refer to indicators above for stages 1A and 1B Costs: estimation of staff costs involved</p> <p>Benefits: Compliance with Financial Regulation (rejected files HPC) Number of litigations/complaints to courts/Ombudsman. The best offer is selected (Quantified benefit).</p>

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	Cost-Effectiveness indicators (three E's)
	quality and affordability of services of providers is ensured by periodic reviews (development of prices, business trends, main players, market shares, any barriers to entrants, etc)		

Stage 2: Financial transactions monitoring

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

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	Cost-Effectiveness indicators (three E's)
<p>Non-compliance with the legal and regulatory requirements</p> <p>Lack of necessary experience and skills or inadequate arrangements for monitoring the contractor's performance and for verifying the final services/supplies work</p> <p>Delayed payments causing late interests</p>	<p>Standards contracts of DG BUDG are used. Computerized systems (Excel, ABAC, Ares) are used to record the contracts and related transactions.</p> <p>Financial circuits put in place in DG Justice are organised as follows: OIA in policy units, OVA, FIA and FVA in Just04, AOSD in policy directorates for commitments and in 04 for payments</p> <p>Monthly follow-up of time to pay through reporting (monitoring of invoices due to avoid late interest)</p>	<p>Coverage: 100% of the contracts are controlled.</p> <p>Depth: all documents transmitted</p>	<p>Effectiveness: Amount of penalties Amount of errors and regularities averted over total payments (credit notes/recovery context)</p> <p>Efficiency: Time-to-pay Late interest payment</p> <p>Cost-efficiency % of costs over annual amount disbursed</p> <p>Costs: estimation of cost of staff involved</p> <p>Benefits: Amount of irregularities, errors and overpayments prevented by the controls (credit notes) Partly non-quantifiable</p>

Stage 3: Supervisory measures

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

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	Cost-Effectiveness indicators (three E's)
<p>An error or non-compliance with regulatory and contractual provisions, including technical specifications, or a fraud is not prevented, detected or corrected by ex-ante control, prior to payment</p>	<p>Verification that processes are working as designed:</p> <ul style="list-style-type: none"> • Risks are assessed at the programme level within the yearly risk analysis exercise. A follow-up of critical risks for DG Justice is ensured every 6 months. For important risks corrective measures are taken to mitigate the risks • Internal control standards are complied with. Exceptions and non-compliance events are recorded in a monitoring table and communicated to the Internal Control Coordinator. <p>All audit instances are entitled to perform audits on procurement (Court of Auditors, Internal Audit Service, or Budg).</p>	<p>Coverage: Court of Auditors' audit based on MUS sample on all payments in a year and the IAS audit plan</p> <p>Depth: review of the procedures implemented (procurement and financial transactions)</p>	<p>Results of the assessment of implementation of Internal Control Standard 8 "Processes and procedures"</p> <p>Costs: estimation of cost of staff involved.</p> <p>Benefits: Amounts detected associated with fraud & error. Deterrents & systematic weaknesses corrected.</p>

ICT 3 – Expenditure in indirect management

Stage 1: - Operations: monitoring, supervision, reporting Ex-Post controls

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

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	Cost-Effectiveness indicators (three E's)
<p>The agency does not respect the provisions of Article 60.2 of FR, Art. 38 of RAP</p> <p>The agency does not respect the provisions of Article 60.3 of the FR</p>	<p>The agencies are audited by IAS of the Commission (as internal auditor) and by the Court of Auditors (as external audit)</p> <p>The COM is member in the Management Board of the agency</p> <p>The Memoranda of Understanding signed with agencies regulate financial relations between the parent DG and the agency</p>	<p>Coverage: 100% of agencies are supervised</p> <p>Frequency: management board meetings, yearly CoA report; IAS audits</p>	<p>Effectiveness: Number of serious IAS and CoA findings of control failures; budget amount of the errors concerned;</p> <p>Efficiency/cost-efficiency indicators: Cost over amount entrusted to agency</p> <p>Costs: estimation of cost of staff involved in the actual monitoring of the agency</p> <p>Benefits: the (average annual) total budget amount entrusted to agency</p>

Stage 2: Commission contribution: payment or suspension/interruption

Main control objectives: Ensuring that the Commission fully assesses the management situation at the entrusted entity, before either paying out the (next) contribution for the operational and/or operating budget of the entity, or deciding to suspend/interrupt the (next) contribution (legality & regularity, sound financial management, anti-fraud strategy).

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	Cost-Effectiveness indicators (three E's)
<p>The Commission does not suspend/interrupt payments despite the detection of systemic errors which call into question the reliability of the ICS of the agency, the L&R of transactions.</p>	<p>Memoranda of Understanding signed with each agency specify the conditions for interruptions/suspension of payments</p>	<p>Coverage: 100% of the payments made to agencies Frequency: quarterly. Depth: information provided by internal/external auditors</p>	<p>Effectiveness: Budget amount of the suspended/interrupted payments Efficiency indicators: Time-to-pay Cost effectiveness: Average cost per agency Costs: estimation of cost of staff involved in the OV and FV of the contribution payments/recoveries Benefits: the (average annual) total budget amount entrusted to the agency; budget recovered or not paid out;</p>

ANNEX 9 to DG Annual Activity Report 2018 (as of 01/02/2019)

Id	Title of the study	Reason	Study overview	Type	Associated services	Study cost	Comments	Reference
i. Evaluations finalised or cancelled in 2018								
a. Evaluations finalised in 2018								
6750	Modernisation of judicial cooperation in civil and commercial matters: Service of documents	CWP	Study to assess the Service of documents Regulation No. (EC)1393/2007.	Evaluation		201875.0	The evaluation and impact assessment of the Council Regulation (EC) No 1393/2007 were done back-to-back, the study covers both strands of work.	Annex to SWD (2018) 286
6834	Interim evaluation of the Justice Programme 2014-2020	MFF	The interim evaluation report assessed the achievement of the Programme's objectives, the efficiency of the use of resources and the Programme's European added value with a view to determining whether funding in areas covered by the Programme shall be renewed, modified or suspended after 2020. The scope for simplification of the Programme, its internal and external coherence, and the continued relevance of all objectives and actions were also part of the evaluation. (Art. 14, Regulation 1382/2013).	Evaluation		326490.0	Contract also covers the interim evaluation of the Rights, Equality and Citizenship Programme 2014 - 2020	SWD (2018) 356; SWD (2018) 357 (summary)
6748	Modernisation of judicial cooperation in civil and commercial matters: Taking of Evidence	CWP	Judicial co-operation on taking of evidence in civil and commercial matters in the EU (Taking of Evidence Regulation No 1206/2001).	Evaluation		201875.0	The evaluation and impact assessment of the Taking of Evidence Regulation (No 1206/2001) were done back-to-back; the study covers both strands of work.	Annex to SWD (2018) 285
6837	Interim evaluation of the Rights, Equality and Citizenship Programme 2014-2020	MFF	The interim evaluation report assesses the achievement of the Programme's objectives, the efficiency of the use of resources and the Programme's European added value with a view to determining whether funding in areas covered by the Programme shall be renewed, modified or suspended after 2020. The scope for simplification of the Programme, its internal and external coherence, and the continued relevance of all objectives and actions were also part of the evaluation. (Art. 13, Regulation 1381/2013).	Evaluation		326490.0	The contract also covers the interim evaluation of the Justice Programme 2014 - 2020	SWD (2018) 358; SWD (2018) 359 (summary)

Id	Title of the study	Reason	Study overview	Type	Associated services	Study cost	Comments	Reference
6784	Mid-term evaluation of the EU framework for National Roma Integration Strategies	O	The evaluation assessed the implementation status and the achievements of the EU Framework for National Roma Integration Strategies and more broadly the European and national mainstream and targeted policy, legal and funding instruments that have been aligned and mobilised to address Roma inclusion, also in order to provide insights for the development of possible future new policy proposals for the post-2020 period.	Evaluation	Directorate-General for Education and Culture, Directorate-General for Employment, Social Affairs and Inclusion, Directorate-General for Migration and Home Affairs, Directorate-General for Neighbourhood and Enlargement Negotiations, Directorate-General for Regional and Urban Policy, Directorate-General for Health and Food Safety, Secretariat-General	366950.0	December 2016 EPSCO Council called on Commission to carry out such an evaluation	SWD (2018) 480
6790	Emergency travel document for unrepresented EU citizens	CWP	Evaluation of Decision 96/409/CFSP and its practical application and, with a view to carrying out an impact assessment for a possible future initiative aimed at facilitating the exercise of consular protection for unrepresented EU citizens by enhancing security features of the European emergency travel document.	Evaluation	Directorate-General for the Budget, Directorate-General for Humanitarian Aid and Civil Protection (ECHO), European External Action Service, Directorate-General for Migration and Home Affairs, Secretariat-General, Legal Service	350000.0	Follows up on the Communication on Security. The evaluation was carried out alongside the impact assessment (back-to-back).	SWD(2018) 273; Ares(2018)1274588
b. Evaluations cancelled in 2018								
6801	Evaluation of the existing EU acquis on Gender Equality	O	The objective would be to evaluate the application and impact of the existing Directives and Decisions on equal treatment between women and men with the aim to identify gaps and implementation challenges. The evaluation will assess the effectiveness, efficiency, relevant, coherence and value-added of the acquis on Gender Equality.	Evaluation		500000.0	Different areas of the gender acquis were, are been evaluated or about to be evaluated. The approach to the evaluation of the acquis was hence reviewed building on this "topic-specific" approach.	
II. Other studies finalised or cancelled in 2018								
a. Other studies finalised in 2018								
6740	Assessment of the e-Justice Action Plan 2014-2018	CWP	The purpose of the study is to assess the e-Justice Action Plan 2014-2018, in order to see to what extent the projects included have been implemented and if the results are satisfactory.	General study	Council of the European Union	245805.0		978-92-79-85876-5 ; https://publications.europa.eu/en/home
6778	Eurobarometer survey providing comparative information on the functioning of national justice systems	O	To feed the EU Justice Scoreboard	General study		300000.0		Eurobarometer Flash 461 & 462; http://ec.europa.eu/commfrontoffice/publicopinion/index.cfm/General/index

Id	Title of the study	Reason	Study overview	Type	Associated services	Study cost	Comments	Reference
6777	Collection of data on the justice systems of EU Member States (2017)	O	Collection of certain information and data to feed into the EU Justice Scoreboard - this study will inform the 2018 EU Justice Scoreboard.	General study		200000.0	The study is part of a four year framework contract signed with the Council of Europe Commission for the evaluation of the efficiency of Justice (CEPEJ) and will feed into the 2018 Justice Scoreboard.	ISBN 978-92-79-79985-3; https://publications.europa.eu/en/home
6845	Consumer market study on real estate services	O	The study examines the transparency of the information of the market intermediaries, unfair contract terms and real estate transactions in cross-border markets.	General study		798800.0		ISBN 978-92-9200-889-5 ; https://publications.europa.eu/en/home
6830	Behavioural study on transparency in online platforms	O	The purpose of the study is to understand the impact on consumer trust and behaviour of enhanced transparency of online platforms towards their private users (consumers) in three specific areas: criteria for ranking items, identity of contracting parties involved in transaction, and quality controls on review, rating and endorsement systems.	General study		278684.0	Support to DSM work and to the follow-up to REFIT of consumer and marketing law.	978-92-9200-879-6 ; https://publications.europa.eu/en/home
6774	Study on the extent to which and how Member States used the ESF and the ERDF in the programming periods 2007-2013 and 2014-2020 to support their justice system	O	Collection of comparative evidence on how Member States used ESIF to support their justice reforms during two consecutive programming periods.	General study		419373.0		Will be published in 2019
6755	Study analysing the economic aspects of cloud computing contracts	O	Study analysing the economic aspects of cloud computing contract problems for SME commercial customers, to provide evidence on the detriment suffered by these companies due to unfair and unbalanced contract terms.	General study	Directorate-General for Communications Networks, Content and Technology	315012.0	Linked to the Commission Communication: European Cloud Initiative - Building a competitive data and knowledge economy in Europe (COM(2016)178).	ISBN 978-92-79-45908-5; https://publications.europa.eu/en/web/general-publications/publications
6831	Consumer market study on online market segmentation through personalised pricing/offers in the EU	O	The study assessed the economic value of personalised pricing/offers and how this is divided between sellers, consumers and in the broader economy. It explored sellers' awareness of and compliance with the requirements of relevant acquis and identified to what extent consumers experience problems that relate to transparency, protection of private information and understanding of how the latter is used by online sellers/providers.	General study		798500.0	The study could inform the enforcement of existing competition and consumer protection rules and/or new legislative initiatives (e.g. in the context of the fitness check of EU consumer and marketing law).	ISBN 978-92-9200-929-8 ; https://publications.europa.eu/en/home

Id	Title of the study	Reason	Study overview	Type	Associated services	Study cost	Comments	Reference
6791	EP pilot study on E-voting and postal voting	O	Pilot study supported by the EP in order to inquire about the potential measures to facilitate the participation in the EU EP elections, namely by introducing E-voting and postal-voting.	General study	Directorate-General for Communications Networks, Content and Technology, Directorate-General for International Cooperation and Development, Directorate-General for Migration and Home Affairs, Secretariat-General	1000000.0	EP Pilot Project	Will be published in 2019
9225	Eurobarometer on democracy and elections - ebs 477 (2018)	O	Survey to feed into the Colloquium on Fundamental Rights 2018, the Citizenship Report 2020. It will also contribute to promote and enhance the exercise of rights deriving from EU citizenship.	General study	Directorate-General for Communication	458739.12		Ebs 477 (2018), http://ec.europa.eu/commfrontoffice/publicopinion/index.cfm/Survey/getSurveyDetail/instruments/SPECIAL/surveyKy/2198
6794	Study on Member State citizenship for investment schemes	O	To survey Member State regulation of such schemes, and to understand practice and numbers involved.	General study	Directorate-General for Migration and Home Affairs, Secretariat-General	187700.0	Follow-up to the 2017 EU Citizenship Report.	https://ec.europa.eu/info/policies/justice-and-fundamental-rights/eu-citizenship/eu-citizenship_en
6736	Compliance assessment study on the Counterfeiting Directive 2014/62/EU	L	Structured and systematic assessment of the completeness and conformity of national measures implementing Directive 2014/62/EU	General study	Directorate-General for Economic and Financial Affairs	169450.0		Will not be published
6758	Study on Digitalisation of Company Law	O	The objective of the study is to underpin the policy work of the Commission in the area of digitalisation of company law, in particular with a view to evaluating the practical problems caused by the current insufficient use of digital tools in company law and the possibilities for policy measures in this regard.	General study		247540.0	Mapping of current situation, in particular existing problems, assessing the feasibility of potential policy options and evaluating the impacts of potential policy options.	978-92-79-97267-6; https://publications.europa.eu/en/home
6761	Study on cross-border transfers of registered offices and of cross-border divisions of companies;	CWP	Assessment and quantification of drivers, problems and impacts related to cross-border transfers of registered offices and of cross-border divisions of companies.	General study		315025.0	Linked to the company law package included in the 2017 CWP.	ISBN 978-92-79-97266-9; https://publications.europa.eu/en/home
6843	Behavioural study on consumer engagement in circular economy	O	The study explores and tests effective ways to engage consumers in a circular economy and will provide insights on consumer attitudes and behaviour concerning product durability and reparability aspects.	General study	Directorate-General for Energy, Directorate-General for the Environment, Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs, Joint Research Centre	549245.0	Consumer economic interest in the context of the implementation of the Circular Economy plan.	ISBN 978-92-9200-885-7 ; https://publications.europa.eu/en/home
6842	Market study on Energy: Pre-contractual information and billing in the energy market – improved clarity and comparability	O	The main objective is to conduct a behavioural study of the energy preferences of consumers and their behaviour biases linked to pre-contractual and contractual information and related obstacles to optimal consumer choice.	General study	Directorate-General for Energy, Joint Research Centre	694650.0	The study fed into the Winter Energy package.	ISBN 978-92-9200-926-7; https://publications.europa.eu/en/home

Id	Title of the study	Reason	Study overview	Type	Associated services	Study cost	Comments	Reference
6829	Behavioural study on marketing through online social media	O	The study investigates business models and practices linked to marketing through online social media, as well as their impact on consumer behaviour.	General study		497865.0	Support to DSM work and to enforcement activities.	ISBN 978-92-9200-945-8; https://publications.europa.eu/en/home
6749	Assessment of the state of collective redress in the European Union in the context of the implementation of the Recommendation of the Commission on common principles for injunctive and compensatory collective redress mechanisms in the Member States concerning violations of rights granted under Union Law	L	Study on the the state of collective redress in the European Union in the context of the implementation of the Recommendation of the Commission on common principles for injunctive and compensatory collective redress mechanisms in the Member States concerning violations of rights granted under Union Law Recommendation.	General study	Directorate-General for Competition, Directorate-General for Employment, Social Affairs and Inclusion, Directorate-General for the Environment, Directorate-General for Financial Stability, Financial Services and Capital Markets Union, Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs, Directorate-General for Mobility and Transport	197732.0	The study underpins the Commission report on the implementation in Member States, based on practical experience, of Commission Recommendation on collective redress as provided for in the Recommendation.	http://ec.europa.eu/newsroom/just/item-detail.cfm?item_id=612847
b. Other studies cancelled in 2018								
6767	Study on the setting up of an on-line platform for more efficient corporate governance	O	The on-line platform should complement the implementing acts to be adopted under the Shareholders Rights Directive: it would be developed with a view to improving the exchange of best practice between companies and investors. The purpose of the study would first be to map potential contributors and interested parties, a possible set up of the platform and options to ensure future sustainable funding and, in a second step, to design and develop such on-line platform.	General study		300000.0	The study is no longer foreseen, the relevant budget was used to support the setting up of the platform and it's users interface (human resources)	
6764	Feasibility study of an on-line platform for more efficient corporate governance	O	The revised Shareholders Rights Directive brings improvements in the area of corporate governance and mandates the Commission to develop Implementing Acts. However, further measures are needed to improve the efficiency of corporate governance. Additional soft actions could be envisaged to complement regulation in particular the development of an on-line platforms for exchange of best practices between companies and investors, which could be also further used for specific pilot projects. The purpose of the study is to assess technical and uptake feasibility of such platform.	General study		50000.0	Linked to the new Shareholder Rights Directive, which foresees adoption by the Commission of guidance and Implementing Acts to create uniform conditions for application. The feasibility was assessed in-house, the planned study hence abandoned.	

Id	Title of the study	Reason	Study overview	Type	Associated services	Study cost	Comments	Reference
6715	Compliance assessment study on the European protection order in civil and in criminal justice Directive 2011/99/EU	O	Structured and systematic assessment of the completeness and conformity of national measures implementing Directive 2011/99/EU	General study		200000.0		
6793	Study on best practices for the exercise of political rights	O	To promote practices such as offering possibilities for advance voting, information tools to increase electoral transparency at the European level, taking targeted measures to inform mobile EU citizens about their political rights, etc.	General study	Directorate-General for Communications Networks, Content and Technology, Directorate-General for International Cooperation and Development, Directorate-General for Migration and Home Affairs, Secretariat-General	200000.0	The study was abandoned and replaced by other activities carried out internally.	
6844	Study to assess and quantify the drivers, problems and effects related to creditworthiness assessment and access to credit databases	O	The study aims to assess and quantify the drivers, problems and effects related to creditworthiness assessments and the access to credit databases.	General study	Directorate-General for Financial Stability, Financial Services and Capital Markets Union	400000.0	Financial Service action plan of 2017 CWP. The study was abandoned as covered by the study that will inform the evaluation of the Consumer Credit Directive	
6859	Study on the application of the Package Travel Directive	L	The study will support the Commission's obligations under Article 26 of the Directive on Package Travel to report to the Council and the Parliament on the provisions applying to online bookings made at different points of sale and the qualification of such bookings as packages, linked travel arrangements or stand-alone travel services.	General study	Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs, Directorate-General for Mobility and Transport	150000.0	The assessment required to meet the reporting obligations under the Directive will not be outsourced through a study but done in-house with the assistance of a group of experts.	
6802	Study on attitudes of migrants towards female genital mutilation	O	The objective of this study would be to examine attitudes and behaviours of migrant population towards female genital mutilation in their country of origin and in the European diaspora	General study		300000.0	The study would duplicate the work done by the agency EIGE; the project was hence abandoned.	

1. INDICATORS ON LEGALITY AND REGULARITY

		2018	2017	
Grant management				
Stage 1	1	Available budget for calls	81.647.330 €	76.509.000 €
	2	Number of projects evaluated	796	670
	3	Value of projects evaluated	348.572.197,66 €	279.126.230 €
	4	Number of projects selected	254	198
	5	Value of projects selected	119.720.722,66 €	91.428.123 €
	6	budget selected projects/available budget	146,63%	119,50%
	7	Number of litigation cases/redress procedures	0	0
	8	EC Contribution requested in the awarded application	97.501.758,27 €	76.448.753 €
	9	Number of Grant agreements signed	254	198
	10	Value of Grant agreements signed	96.892.229	74.240.041
	11	Average amount of a grant signed	381.465 €	374.950 €
	12	Reduction in EC contribution	609.529 €	2.208.712 €
	13	% Reduction in EC contribution	-0,63%	-2,89%
Stage 2	14	% of late payments	22,04 %	15,83 %
	15	Invoice registration time (days)	6	4
	16	Exceptions	0	0
	17	No of unfavourable ex-ante opinions	0	0
	18	No of files transmitted to OLAF	0	0
Stage 2&3	19	Exceptions	0	0
	20	Budget implementation rate	118,67%	97,03%
	21	Number of final cost claims processed	212	186
	22	Value of final cost claims processed	57.189.088 €	49.367.422 €
	23	Value of pre-financed amounts cleared	48.331.187 €	40.928.548 €
	24	RAL Initial Amount	57.154.822 €	56.799.423 €
	25	RAL Final Amount	55.555.499 €	57.154.822 €
	26	% RAL Reduction	2,80 %	-0,63 %
	27	Number of PF recoveries	47	35
	28	Value PF recoveries	3.156.464 €	2.984.066 €
	29	Number of payments made	465	402
	30	Amount of payments made	91.856.789 €	69.103.865 €
	31	Ineligible amount	335.797 €	751.957 €
	32	Share of ineligible amount	0,59 %	1,52 %
	33	Amount paid	8.522.104 €	7.686.917 €
Stage 4	34	Number of ex-post controls	37	35
	35	Average amount of a grant audited	470.195 €	409.443 €
	36	% of projects audited that contained errors detected by ex-post controls	89,19%	94,00%
	37	Absolute value of proposed correction	747.368 €	548.362 €
	40	No of projects with errors	33	28
	41	Follow-up ratio: number of files followed by AOSD within 3 months (target 90%)	81%	100%
	42	Implementation ratio for recovery orders	100%	100%
44	Cumulated detected error rate (2007-2020)	3,60%	3,47%	
45	Cumulated residual error rate (2007-2020)	2,70%	2,65%	
Procurement				
Stage 1	1	Number of tenders	5	3
	2	Number of contracts signed	238	210
	3	Value of contracts signed	37.757.842 €	30.828.282 €
	4	Unfavourable ex-ante opinions	1	0
Stage 2	5	Exceptions and non-compl.events	23	5
	6	Number of payments made	683	687
	7	Value of payments	26.198.272 €	20.923.624 €
	8	Redress procedures	0	0
Indirect management				
Stage 1	1	Payment amount suspended or interrupted	0 €	0 €
	2	Number of payment	12	14
	3	Amounts paid (decentralised agencies)	68.495.737 €	78.115.487 €
	4	Amount paid (SLA/AAR)	773.358 €	674.857 €
	5	Amount paid (executive agencies)	1.781.975 €	1.732.260 €
	6	Total amount paid	71.051.070 €	80.522.604 €

2. INDICATORS ON COST-EFFECTIVENESS

Grant management

		2018	2017
	1 Overall Cost of controls / payments made	5,1%	7,8%
Stage 1	2 Total costs "Programming, evaluation and selection"	1.646.712 €	1.559.038 €
	3 Cost per project evaluated	2.069 €	2.327 €
	4 Cost / value of projects evaluated	0,47%	0,56%
Stage 2	5 Total costs "Contracting" & MONITORING	2.189.494 €	1.482.060 €
	6 Cost per grant signed	8.620 €	7.485 €
	7 Costs / value of grants signed	2,26%	2,00%
Stage 3	8 Total costs "Ex-posts controls" (including direct, indirect&overheads)	807.321 €	887.697 €
	9 Average total cost of an ex-post control	21.819 €	25.363 €
	10 Amount of grant audited	17.397.208 €	14.330.505 €
	11 Total Cost of "Ex-posts controls" / Value of grants audited	4,64%	6,19%

Procurement

		2018	2017
	1 Overall Cost of controls / payments made	6,9%	8,6%
Stg 1	2 Total costs "Procurement procedure"	1.816.604 €	914.322 €
	3 Average cost per tender	363.321 €	304.774 €

Indirect management

		2018	2017
	1 Overall Cost of controls / payments made	0,76%	0,5%
S1	2 Total costs "Monitoring and supervision"	523.200 €	382.520 €

3. INDICATORS ON EFFICIENCY

Grant management

		2018	2017
	Time-to-inform (days) (time-to-award)	157	150
	Time-to-grant (days)	100	113
	Time-to-pay (days)	45	38

Procurement

		2018	2017
	Time-to-pay	26	24

Indirect management

			2017
	Time-to-pay decentralised agencies (days)	16	13

The detailed figures on the cost of control at Commission[1] level shall be reported here, but the reasons for any high estimated cost of controls have to be reported in the body part of the report.

Table Y Overview of the estimated cost of controls at Commission (EC) level:

Control System N°1 - Direct Management / grants																	
Ex ante controls								Ex post controls						Other direct costs	Total**		
STAGES	FTE (number)	Other FTE (number)	FTE total cost (in EUR)	External cost (in EUR)	EC total cost (in EUR)	Total payments made (in EUR)*	Ratio (%)*: Total ex ante control cost in EUR ÷ funds managed in EUR	FTE (number)	FTE total cost (in EUR)	External cost (in EUR)	EC total cost (in EUR)	total value verified and/or audited (in EUR)	Ratio (%): Total ex post control cost in EUR ÷ total value verified and/or audited in EUR		EC total estimated cost of controls (in EUR)	Total payments made	Ratio (%)*: Total cost of controls ÷ funds managed
Stage 1: Programming, evaluation and selection of proposals	3AD+3AST+0,5AST+0,5CA	(3AD+3AST)*0,25+1,5*0,5AST	1.260.075,00	386.637,20	1.646.712,20			0,98AD+0,66AST+0,21ca+0,45SNE	289.629,00	517.692,00	807.321,00	17.397.207,97	4,64%	1.646.712,20			
Stage 2: Contracting and Monitoring	1AD+9AST+2CA+(1AST+0,8AST+9/12AST+0,5CA)*0,5	(3AD+3AST)*0,25+1,5*0,5AST	1.777.312,50	412.181,80	2.189.494,30									2.189.494,30			
Stage 3: Ex-post control														807.321,00			
Total			3.037.387,50	798.819,00	3.836.206,50	91.856.789,18			289.629,00	517.692,00	807.321,00	17.397.207,97	4,64%	4.643.527,50	91.856.789,18	5,06%	
Control System N°2 - Direct Management / procurements																	
Ex ante controls								Ex post controls						Other direct costs	Total**		
Grade	FTE (number)	Other FTE (number)	EC total cost (in EUR)	External cost (in EUR)	EC total cost (in EUR)	Total payments made (in EUR)*	Ratio (%)*: Total ex ante control cost in EUR ÷ funds managed in EUR	FTE (number)	EC total cost (in EUR)	External cost (in EUR)	EC total cost (in EUR)	total value verified and/or audited (in EUR)	Ratio (%): Total ex post control cost in EUR ÷ total value verified and/or audited in EUR		EC total estimated cost of controls (in EUR)	Total payments made	Ratio (%)*: Total cost of controls ÷ funds managed
Stage 1: Procurement and financial transaction	5AST+10/12AST+0,8AST+(1AST+0,8AST+9/12AST+0,5CA)*0,5+0,5CA+1AST+0,5AST+0,5AST+1AD	(3AD+3AST)*0,5+1,5AST	1.816.604,17		1.816.604,17	26.198.272,08	6,93%							1.816.604,17	26.198.272,08	6,93%	
Control System N°3 - Indirect management - Decentralised Agencies																	
Ex ante controls								Ex post controls						Other direct costs	Total**		
Grade	FTE (number)		EC total cost (in EUR)	External cost (in EUR)	EC total cost (in EUR)	Total payments made (in EUR)*	Ratio (%)*: Total ex ante control cost in EUR ÷ funds managed in EUR	FTE (number)	EC total cost (in EUR)	External cost (in EUR)	EC total cost (in EUR)	total value verified and/or audited (in EUR)	Ratio (%): Total ex post control cost in EUR ÷ total value verified and/or audited in EUR		EC total estimated cost of controls (in EUR)	Total payments made	Ratio (%)*: Total cost of controls ÷ funds managed
Stage 1+2: monitoring, supervision and reporting+budget control	3AD+0,2AST		523.200,00			68.495.737,00	0,76%							523.200,00	68.495.737,00	0,76%	
OVERALL estimated cost of control at EC level																	
Ex ante controls								Ex post controls						Other direct costs	Total**		
	FTE		EC total cost (in EUR)			funds managed (in EUR)*	Ratio (%)*: Total ex ante control cost in EUR ÷ funds managed in EUR	FTE	EC total costs (in EUR)			total value verified and/or audited (in EUR)	Ratio (%): Total ex post control cost in EUR ÷ total value verified and/or audited in EUR		EC total estimated cost of controls (in EUR)	Total payments made	Ratio (%)*: Total cost of controls ÷ funds managed
			5.377.191,67	798.819,00	5.652.810,67	186.550.798,26			289.629,00	517.692,00	807.321,00	17.397.207,97		6.983.331,67	188.053.608,26	3,71%	

* ratio possibly "Not Applicable (N/A)" if a RCS specifically covers an Internal Control Objective such as safeguarding sensitive information, reliable accounting/reporting, etc

** any 'holistic' control elements (e.g. with 'combined' ex-ante & ex-post characteristics) can be mentioned in the total column (without being in either one of the ex-ante or ex-post columns), provided that a footnote clarifies this (their nature + their cost). Example: MS system audits in shared management.

Note : It should be noted that allocating the staff by programme is too complicated and irrelevant because there are the same activities (same percentage) and same actions. Consequently DG JUST choose to do the calculation of the estimated cost of control by the type of activity:direct management with grant and procurement and indirect management for the agencies.