

ANNEX 1: STATEMENT OF THE RESOURCES DIRECTOR

I declare that, in accordance with the Commission's communication on clarification of the responsibilities of the key actors in the domain of internal audit and internal control in the Commission¹, I have reported my advice and recommendations to the Director-General/Head of Service on the overall state of internal control in the DG/service.

I hereby certify that the information provided in Parts 2 and 3.1 of the present AAR and in its annexes 2 to 6 is, to the best of my knowledge, accurate and exhaustive.

Signed

Jean-Pierre Vandersteen
Director

¹ [SEC\(2003\)59 - 21.01.2003.](#)

ANNEX 2: HUMAN AND FINANCIAL RESOURCES BY ABB ACTIVITY

Code ABB Activity	ABB Activity	Human Resources by ABB activity ²		
		Establishment Plan posts	External Personnel	Total
16 02	Communication and the Media	149	13	162
16 03	"Going Local" communication	248	386	634
16 04	Analysis and communication tools	74	7	81
16 05	Fostering European Citizenship	60	6	66
16 AWBL-01	Administrative support for Communication Directorate-General	93	15	108
16 AWBL-02	Policy strategy and coordination for Communication Directorate-General	31	5	36
Total		655	432	1.087

² General remark: the above data rely on the snapshot of Commission personnel actually employed in each DG/service as of 31/12/2011. These data do not constitute full-time-equivalent units throughout the year.

IMPLEMENTATION OF THE GLOBAL ENVELOPE (IN EUROS)³

BUDGET LINES CONCERNED: 16 01 02 11 00 01 TO 16 01 02 11 00 06

Budget line	Budget line description	Appropriations 2011 (C1)			Appropriations carried over (C8)	
		Available Appropriations 2011	Commitments 2011	Payments 2011	Amounts of appropriations carried over from 2010	Implementation on Appropriations carried over from 2010 (%)
16.010211.00		12.879				
16.010211.00.01.10	Missions expenses	3.040.000	3.040.000	2.533.209	314.362	100%
16.010211.00.01.30	Representation expenses	8.750	6.585	2.593	185	100%
16.010211.00.02.20	Meetings costs	107.225	107.225	31.356	18.678	100%
16.010211.00.02.40	Conference costs	36.500	36.500	28.508	5.232	100%
16.010211.00.03	Meetings of committees	16.000	16.000	7.300	0	
16.010211.00.05	Development of management and information system	133.891	133.891	72.333	237.411	99,60%
16.010211.00.06	Further training and management system	366.226	355.674	159.702	143.398	100%
	TOTAL	3.721.472	3.695.875	2.835.001	719.266	

³ Data as of 31/12/2011, received from BUDG A6 on 06/01/2012 following the 2013 budget circular.

ANNEX 3: DRAFT ANNUAL ACCOUNTS AND FINANCIAL REPORTS

Annex 3 Financial Reports - DG COMM - Financial Year 2011

Table 1 : Commitments

Table 2 : Payments

Table 3 : Commitments to be settled

Table 4 : Balance Sheet

Table 5 : Economic Outturn Account

Table 6 : Average Payment Times

Table 7 : Income

Table 8 : Recovery of undue Payments

Table 9 : Ageing Balance of Recovery Orders

Table 10 : Waivers of Recovery Orders

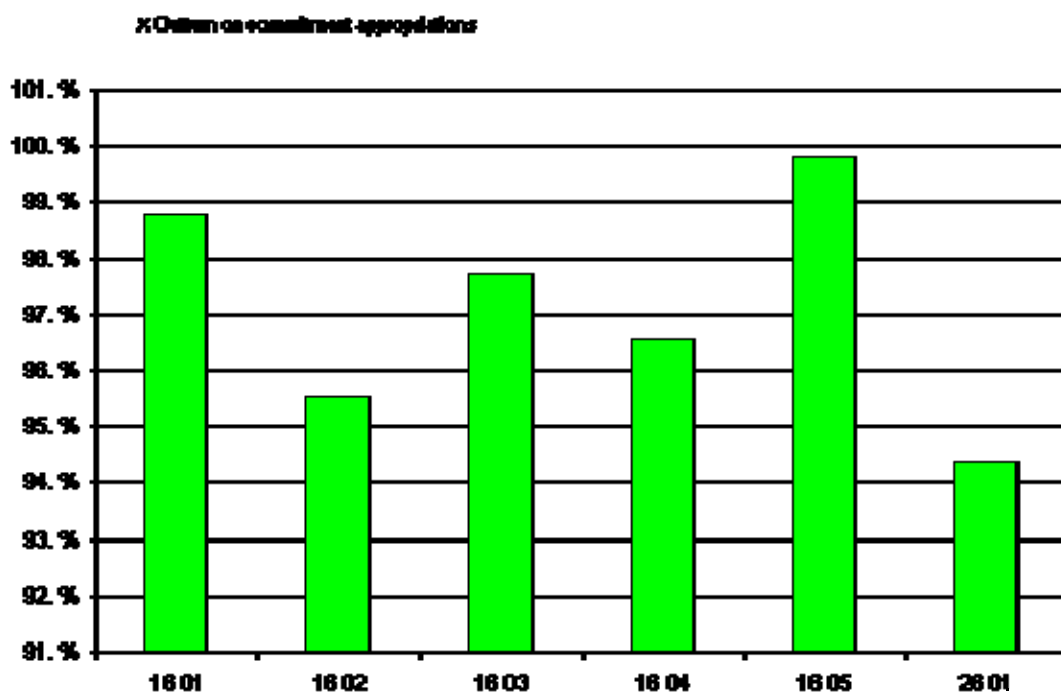
Table 11 : Negotiated Procedures (excluding Building Contracts)

Table 12 : Summary of Contracts (excluding Building Contracts)

Table 13 : Building Contracts

Table 14 : Contracts declared Secret

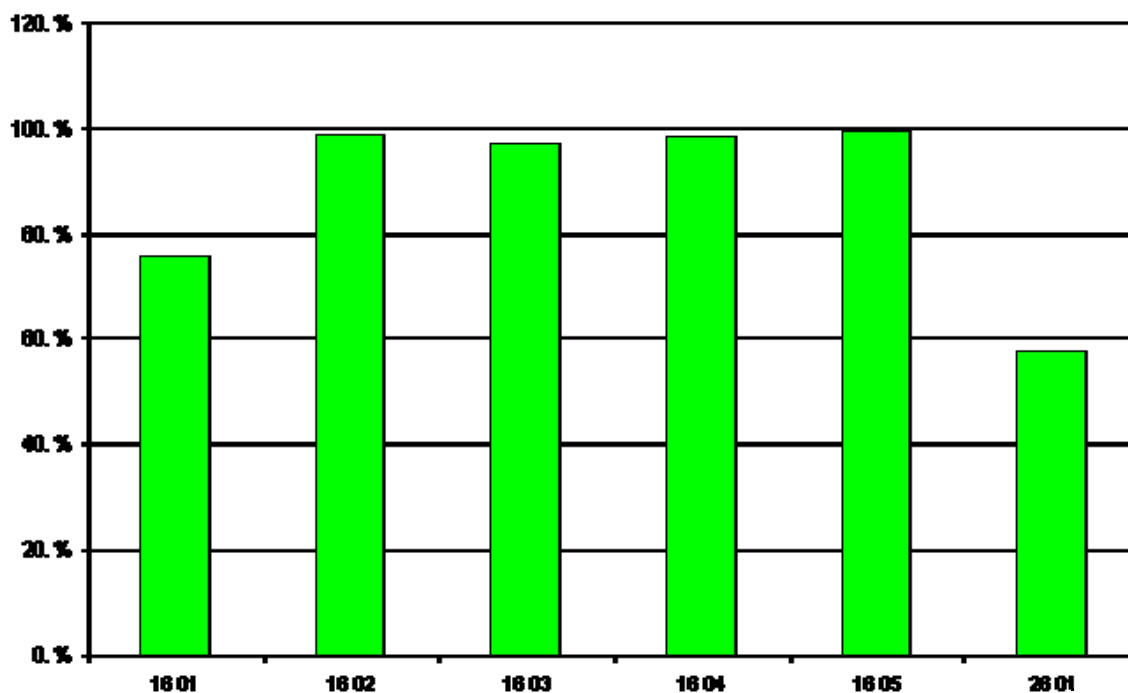
TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2011 (in Mio EUR)				
Chapter		Commitment appropriations authorised⁴	Commitments made	%
		1	2	3=2/1
Title 16 : Communication				
16 01	Administrative expenditure of Communication policy area	47,36	46,76	98,75 %
16 02	Communication and the media	45,00	42,99	95,53 %
16 03	Going Local communication	36,91	36,06	97,71 %
16 04	Analysis and communication tools	23,18	22,38	96,56 %
16 05	Fostering European Citizenship	15,23	15,20	99,80 %
Total Title 16		167,68	163,40	97,45 %
Title 26 : Commission's administration				
26 01	Administrative expenditure of Commission's administration policy area	0,32	0,30	94,37 %
Total Title 26		0,32	0,30	94,37 %
Total DG COMM		168,00	163,70	97,44 %



⁴ Commitment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, amending budgets as well as miscellaneous commitment appropriations for the period (e.g. internal and external assigned revenue).

TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS IN 2011 (in Mio EUR)				
Chapter		Payment appropriations authorised⁵	Payments made	%
		1	2	3=2/1
Title 16 : Communication				
16 01	Administrative expenditure of Communication policy area	58,09	44,09	75,90 %
16 02	Communication and the media	35,24	34,81	98,79 %
16 03	Going Local communication	37,52	36,51	97,32 %
16 04	Analysis and communication tools	26,17	25,82	98,65 %
16 05	Fostering European Citizenship	10,55	10,51	99,60 %
Total Title 16		167,56	151,73	90,55 %
Title 26 : Commission's administration				
26 01	Administrative expenditure of Commission's administration policy area	0,46	0,27	57,72 %
Total Title 26		0,46	0,27	57,72 %
Total DG COMM		168,03	152,00	90,46 %

x Outturn on payment appropriations



⁵ Payments appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, amending budgets as well as miscellaneous commitment appropriations for the period (e.g. internal and external assigned revenue).

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2011 (in Mio EUR)

Chapter	2011 Commitments to be settled				Commitments to be settled from financial years previous to 2011	Total of Commitments to be settled at end of financial year 2011 (incl.corrections)	Total of Commitments to be settled at end of financial year 2010 (incl.corrections)	
	Commitments 2011	Payments 2011	RAL 2011	% to be settled				
	1	2	3=1-2	4=1-2//1	5	6=3+5	7	
Title 16 : Communication								
16 01	Administrative expenditure of Communication policy area	46,74	35,05	11,69	25,01 %	0	11,69	10,73
16 02	Communication and the media	42,99	11,39	31,60	73,50 %	8,09	39,69	41,11
16 03	Going Local communication	36,06	22,34	13,73	38,06 %	2,02	15,75	17,84
16 04	Analysis and communication tools	22,38	7,39	14,99	66,96 %	2,57	17,56	22,26
16 05	Fostering European Citizenship	15,20	7,83	7,37	48,48 %	0,18	7,55	3,09
Total Title 16		163,38	84,01	79,37	48,58 %	12,86	92,23	95,03
Title 26 : Commission's administration								
26 01	Administrative expenditure of Commission's administration policy area	0,30	0,16	0,14	46,27 %	0	0,14	0,15
Total Title 26		0,30	0,16	0,14	46,27 %	0	0,14	0,15
Total DG COMM		163,68	84,17	79,51	48,58 %	12,86	92,37	95,17

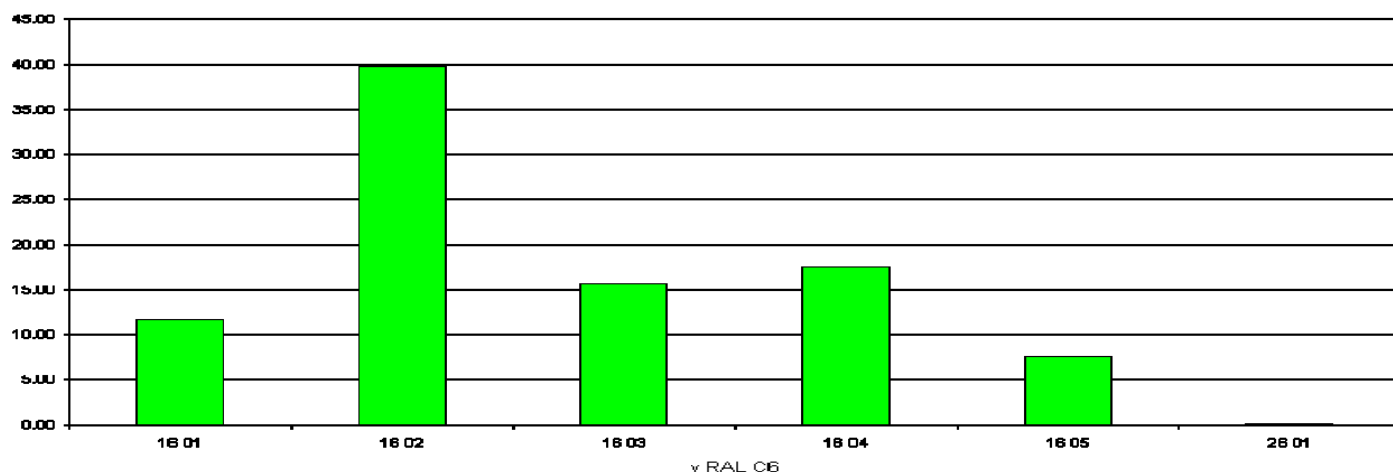
Breakdown of Commitments remaining to be settled (in Mio EUR)


TABLE 4 : BALANCE SHEET COMM

BALANCE SHEET⁶	2011	2010
A.I. NON CURRENT ASSETS	39.561.799,90	41.184.972,14
A.I.1. Intangible Assets	1.498,12	730,51
A.I.2. Property. Plant and equipment	39.560.001,78	41.178.732,99
A.I.6. LT Receivables	300,00	5.508,64
A.II. CURRENT ASSETS	17.990.634,54	13.350.855,34
A.II.2. Short-term Pre-Financing	9.896.692,72	3.600.516,60
A.II.3. Short-term Receivables	7.988.095,45	9.633.075,00
A.II.5. Cash and Cash Equivalents	105.846,37	117.263,74
ASSETS	57.552.434,44	54.535.827,48
P.II. NON CURRENT LIABILITIES	-20.889.345,23	-20.594.387,92
P.II.4. Other long-term Liabilities	-20.889.345,23	-20.594.387,92
P.III. CURRENT LIABILITIES	-20.246.279,07	-16.142.109,41
P.III.4. Accounts Payable	-20.246.279,07	-16.142.109,41
LIABILITIES	-41.135.624,30	-36.736.497,33
NET ASSETS (ASSETS less LIABILITIES)	16.416.810,14	17.799.330,15
P.I.2. Accumulated Surplus / Deficit	0	0
Non-allocated central (surplus)/deficit ⁷	-16.416.810,14	-17.799.330,15
TOTAL	0	0

⁶ 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 among 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.

⁷ This figure is a balancing amount presented here so as to reflect the fact that the accumulated result of the Commission is not attributed to each DG.

TABLE 5 : ECONOMIC OUTTURN ACCOUNT COMM

ECONOMIC OUTTURN ACCOUNT	2011	2010
II.1 SURPLUS/ DEF. FROM OPERATING ACTIVITY	147.508.330,11	134.448.602,79
II.1.1. OPERATING REVENUES	641.261,47	-177.030,02
II.1.1.1. Other operating revenue	641.261,47	-177.030,02
II.1.2. OPERATING EXPENSES	146.867.068,64	134.625.632,81
II.1.2.1. Administrative Expenses	41.241.239,46	40.087.394,96
II.1.2.2. Operating Expenses	105.625.829,18	94.538.237,85
II.2. SURPLUS/DEF. NON OPERATING ACTIVITY	3.024,25	2.429,64
II.2. FINANCIAL OPERATIONS	3.024,25	2.429,64
II.2.1. Financial revenue	-9.676,85	-5.781,97
II.2.2. Financial expenses	12.701,10	8.211,61
ECONOMIC OUTTURN ACCOUNT	147.511.354,36	134.451.032,43

TABLE 6: AVERAGE PAYMENT TIMES FOR 2011 - DG COMM

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)
3	5				5	100,00 %	8,20
7	5	2	40,00 %	6,00	3	60,00 %	11,67
14	12	12	100,00 %	8,58			
16	32	31	96,88 %	9,16	1	3,13 %	19,00
30	18.902	18.184	96,20 %	12,21	718	3,80 %	44,19
45	1.154	1.098	95,15 %	15,84	56	4,85 %	65,96
60	138	138	100,00 %	21,91			

Total Number of Payments	20.248	19.465	96,13 %		783	3,87 %	
Average Payment Time	13,74			12,47			45,36

Target Times							
Target Payment Time (Days)	Total Number of Payments	Nbr of Payments within Target Time	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)
3	5				5	100,00 %	8,20
7	5	2	40,00 %	6,00	3	60,00 %	11,67
14	12	12	100,00 %	8,58			
16	32	31	96,88 %	9,16	1	3,13 %	19,00
20	423	281	66,43 %	12,22	142	33,57 %	33,20
30	19.768	18.918	95,70 %	12,24	850	4,30 %	44,77
45	3	3	100,00 %	22,33			

Total Number of Payments	20.248	19.247	95,06 %		1.001	4,94 %	
Average Payment Time	13,74			12,23			42,82

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
2	29	669	3,30 %	20.248	21.393.194,24	13,69 %	156.266.359,68

Late Interest paid in 2011			
DG	GL Account	Description	Amount (EUR)
COMM	65010100	Interest on late payment of charges New FR	8.531,48

TABLE 7 : SITUATION ON REVENUE AND INCOME IN 2011

Chapter	Revenue and income recognized			Revenue and income cashed from		Outstanding		
	Current year RO	Carried over RO	Total	Current Year RO	Carried over RO	Total	balance	
	1	2	3=1+2	4	5	6=4+5	7=3-6	
Title 5: REVENUE ACCRUING FROM THE ADMINISTRATIVE OPERATION OF THE INSTITUTIONS								
50	PROCEEDS FROM THE SALE OF MOVABLE PROPERTY (SUPPLY OF GOODS) AND IMMOVABLE PROPERTY	29.047,70	0	29.047,70	29.047,70	0	29.047,70	0
51	PROCEEDS FROM LETTING AND HIRING	1.065,64	0	1.065,64	1.065,64	0	1.065,64	0
52	REVENUE FROM INVESTMENTS OR LOANS GRANTED. BANK AND OTHER INTEREST	5.643,23	0	5.643,23	5.643,23	0	5.643,23	0
57	OTHER CONTRIBUTIONS AND REFUNDS IN CONNECTION WITH THE ADMINISTRATIVE OPERATION OF THE INSTITUTIONS	108.362,72	14.125,76	122.488,48	108.362,72	14.125,76	122.488,48	0
58	MISCELLANEOUS COMPENSATION	15.565,02	0	15.565,02	15.565,02	0	15.565,02	0
59	OTHER REVENUE FROM ADMINISTRATIVE OPERATIONS	653,39	0	653,39	653,39	0	653,39	0
	Total Title 5	160.337,70	14.125,76	174.463,46	160.337,70	14.125,76	174.463,46	0
Title 6: CONTRIBUTIONS AND REFUNDS IN CONNECTION WITH UNION/COMMUNITY AGREEMENTS AND PROGRAMMES								
60	CONTRIBUTIONS TO UNION/COMMUNITY PROGRAMMES	120.000,00	0	120.000,00	120.000,00	0	120.000,00	0
66	OTHER CONTRIBUTIONS AND REFUNDS	754.408,50	242.950,32	997.358,82	391.953,09	223.871,71	615.824,80	381.534,02
	Total Title 6	874.408,50	242.950,32	1.117.358,82	511.953,09	223.871,71	735.824,80	381.534,02
Title 9: MISCELLANEOUS REVENUE								
90	MISCELLANEOUS REVENUE	1.444,28	0	1.444,28	1.444,28	0	1.444,28	0
	Total Title 9	1.444,28	0	1.444,28	1.444,28	0	1.444,28	0
Total DG COMM		1.036.190,48	257.076,08	1.293.266,56	673.735,07	237.997,47	911.732,54	381.534,02

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

RECOVERY ORDERS ISSUED IN 2011 Year of Origin (commitment)	Error		Irregularity		No error / irregularity		TOTALS	
	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount
2005	2	4.775,08			2	3.106,00	4	7.881,08
2006	8	179.584,41	11	61.373,53			19	240.957,94
2007	2	54.678,00	2	7.388,09			4	62.066,09
2008			1	109,13	6	13.130,23	7	13.239,36
2009	1	133.979,71	1	12.880,00	15	179.512,54	17	326.372,25
2010	6	50.676,82	4	34.799,79	42	212.951,83	52	298.428,44
2011	1	120,09			11	23.425,39	12	23.545,48
No Link	1	1.267,10			9	42.605,64	10	43.872,74
	21	425.081,21	19	116.550,54	85	474.731,63	125	1.016.363,38

EXPENSES		
	Number	Amount
INCOME LINES IN INVOICES	0	

	Number	Non-Eligible Amount
NON ELIGIBLE AMOUNT IN COST CLAIMS	0	

	Number	Credit Note Amount
CREDIT NOTES	0	

TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2011 FOR DG COMM

Year of Origin	Number at 01/01/2011	Number at 31/12/2011	Evolution	Open Amount (EUR) at 01/01/2011	Open Amount (EUR) at 31/12/2011	Evolution
2004	1	1	0 %	2.068,13	2.068,13	0 %
2008	1		-100,00 %	24.302,31		-100,00 %
2009	3	1	-66,67 %	130.258,54	5.348,89	-95,89 %
2010	15	2	-86,67 %	124.205,76	11.661,59	-90,61 %
2011		15			362.455,41	
Totals	20	19	-5,00 %	280.834,74	381.534,02	35,86 %

TABLE 10 : RECOVERY ORDER WAIVERS IN 2011 >= EUR 100.000						
	Waiver Central Key	Linked RO Central Key	RO Accepted Amount (EUR)	LE Account Group	Commission Decision	Comments
Total DG COMM						
Number of RO waivers			0			
<i>Justifications: No data to be reported</i>						

TABLE 11 : CENSUS OF NEGOTIATED PROCEDURES - DG COMM - YEAR 2011

Contracts > EUR 60.000

Negotiated Procedure Legal base	Number of Procedures	Amount (EUR)
Art. 126 1b	1	252.850,00
Total	1	252.850,00

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

Internal procedures > EUR 60.000	2010		2011	
	Contract Class	Count	Amount (EUR)	Count
Service	38	96.089.613,25	21	114.134.633,30
Supply	8	2.461.890,63	5	2.034.937,00
Building	1	194.440,00	1	160.000,00
TOTAL	47	98.745.943,88	27	116.329.570,30

Procedure Type	Count	Amount (EUR)	Count	Amount (EUR)
Negotiated Procedure with at least one candidate (Art 129.3 IR)			4	1.906.560,00
Negotiated Procedure without publication of a contract notice Art. 126 IR	8	32.032.605,82	1	252.850,00
Open Procedure (Art. 122.2 IR)	33	65.854.020,06	18	113.815.559,30
Restricted Procedure(Art. 122.2 IR)	3	359.320,00	3	283.000,00
Competitive Dialogue (Art. 125b IR)	3	499.998,00		
Negotiated Procedure with at least three candidates (Art. 129.2 IR)			1	71.601,00
TOTAL	47	98.745.943,88	27	116.329.570,30

External procedures > EUR 10.000	2011	
Contract Class	Count	Amount (EUR)
Service	1	35.000.000,00
TOTAL	1	35.000.000,00

Procedure Type	Count	Amount (EUR)
Open Procedure (Art. 122.2 IR)	1	35.000.000,00
TOTAL	1	35.000.000,00

TABLE 13 : BUILDING CONTRACTS

Total number of contracts :	0			
Total amount :				
Legal base	Contract Number	Contractor Name	Description	Amount (EUR)

TABLE 14 : CONTRACTS DECLARED SECRET

Total Number of Contracts :	1			
Total amount :	15.800,00			

Legal base	Contract Number	Contractor Name	Type of contract	Description	Amount (EUR)
Art. 126 1j	0469184	UAB VILNIAUS ARCHITEKTUROS STUDIJA* VAS	Service	VIL - SERVICES OF AN ARCHITECT/CONSULTANT RE NEW BUILDING SEARCH	15.800,00

ANNEX 4: MATERIALITY CRITERIA

1. In quantitative terms

The main criteria are based on the results of ex ante checks performed on commitments, payments and recovery orders done in 2011. To assess the quality of the financial transactions carried out by DG COMM, we must take into account the results of ex ante control covering the whole period of 2011 with regard to commitment and payment credits.

As explained in part 3.1.1, DG COMM considers that its internal control system is working effectively.

The control objective is to ensure that the residual error rate, i.e. the level of errors which remain undetected and uncorrected, does not exceed 2% of the budget managed by DG COMM in 2011:

- The starting point to determine the effectiveness of the controls in place is the cumulative level of error expressed as the percentage of errors detected by ex ante controls. However, to take into account the corrective incidence of the ex ante controls, this error level has to be adjusted by subtracting errors detected and corrected as a result of the controls.
- Taking into account the amount of payment credits executed in 2011 (EUR 152.000.000), reservations should be made if the risk of error on legality and regularity of the underlying transactions is greater than EUR **3.040.000** (2% * EUR 152.000.000). If the residual error is less than 2%, no reservation should be made.

The residual error for DG COMM is close to 0% (0,00002%).

2. In qualitative terms

In qualitative terms, 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).

This is mainly linked to the exception reporting, work done by the Internal Audit Capability (IAC) and ex post control on the spot.

ANNEX 5: INTERNAL CONTROL TEMPLATE(S) FOR BUDGET IMPLEMENTATION (ICT)

Characteristics of DG policy environment:

DG COMM manages two types of expenses:

- Administrative expenses (including real estate expenses related to Representations) executed by using procurement procedures.
- Operational expenses, executed by signing procurement contracts and grant agreements.

Key inherent risk to this environment:

The main risk is the dispersion of the Authorising Officers by Sub-Delegation (AOSD) function because of the financial autonomy of Representations (27). When added to the number of 14 spending units at headquarters in Brussels, the total of financial decision centres in DG COMM is 41.

Another inherent risk is linked to the very large number of types of action, contractors and beneficiaries.

Management mode:

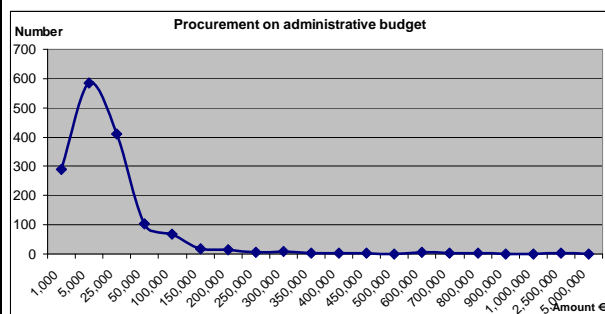
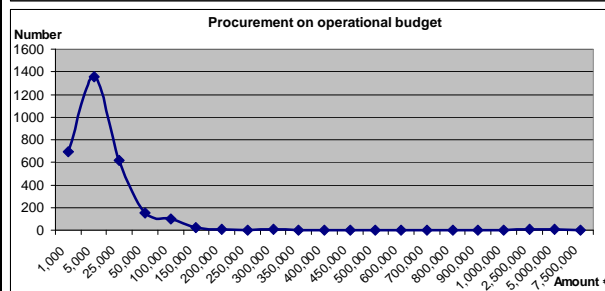
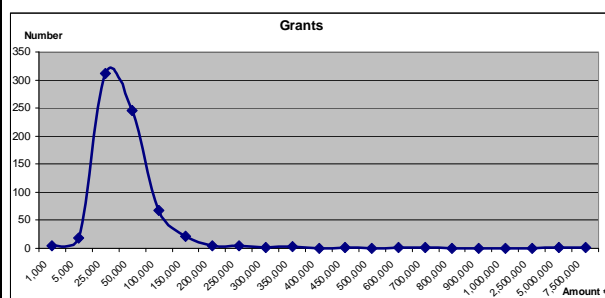
Direct centralised, with elements of indirect centralised management related to the Management Partnerships signed with several Member States since 2005 (See Annex 6).

Key figures:

In 2011, DG COMM has produced 25.579 transactions for a total value of EUR 316.716.363 broken down in the following manner:

- 5.206 commitments for a value of EUR 163.700.000.
- 20.248 payment order for a value of EUR 152.000.000.
- 125 recovery orders for a value of EUR 1.016.000.

Graphs illustrating the number of transactions and the average amount



Management and control systems : stages and main actors	
<p>Selection process (of beneficiaries, intermediaries, agencies, contractors etc), including preventive measures.</p>	<ul style="list-style-type: none"> - Calls for tenders for procurement procedures include selection and exclusion criteria in line with the Financial Regulation. - The same approach is followed as regards calls for proposals for grants. - The type of procurement procedure for a given tender is decided on the basis of the expected amount of the contract, following the procurement procedures set up in the Financial Regulation.
<p>Communication and information measures to improve the quality of financial management and provision of supporting data by beneficiaries, contractors and intermediaries.</p>	<ul style="list-style-type: none"> - Calls for tenders include the information relevant to potential contractors. - Information requirements are also complied with in the case of calls for proposals.
<p>Detective and corrective controls:</p> <ul style="list-style-type: none"> - Checks and monitoring during the initial phases of the programme/contract. - Checks and monitoring during the final/ closure phases of the programme/contract. 	<p>First level checks are carried out by the AOSD in order to verify the "certified correct" (operational sectors) and give the "passed for payment" (financial sectors). AOSD ensure the follow up and monitoring of their actions.</p>
<p>Preventive and corrective controls and audit: Desk reviews, on-the-spot audits carried out either <i>ex ante</i> or <i>ex post</i>.</p>	<p>Centralised 2nd level control implemented in DG COMM follows a strategy aiming to ensure the best possible coverage in terms of controlled value, without excluding the control of small transactions, and taking into account specific risks deriving from the profile of certain operations. The controls are as follows:</p> <ul style="list-style-type: none"> • Ex ante control, prior to commitment, of all procurement procedures above EUR 60.000. • 2nd level ex ante control of transactions (commitments, payments, recovery orders), by sampling (via MUS-DICE⁸). • Documentary ex post control by sampling of whole dossiers (commitments and linked payments). • On-the-spot ex post control of beneficiaries of grants, by sampling. • Assessment of the implementation of the priority ICS in DG COMM.

⁸ Ex ante control is performed on a daily basis through of the MUS-DICE (Monetary Unit Sampling - Decentralised Integrated Control Environment) system put in place by DIGIT and BUDGET DGs in 2003.

Feedback which enables control activities to be optimised	
<p>Verification that processes are working as designed.</p>	<p>The results of the controls are communicated to the relevant AOSD in real time throughout the year, including recommendations for improvement. All ex post control reports, both documentary and on-the-spot, follow a contradictory procedure. Through this contradictory procedure the remarks of the AOSD and, where relevant, of the beneficiaries of grants, are taken into consideration. Whenever possible, these remarks are taken into account in the final version of the report, which is sent to the AOSD, the Director-General, the Director of Resources, and the Internal Audit Capability. This continuous exchange of information ensures the follow up and guidance in the correction of identified errors.</p>
<p>Monitoring of performance of independent bodies, 3rd party auditors, externally contracted auditors.</p>	<p>Conclusions and recommendations deriving from independent bodies such as the Court of Auditors, the IAC or the Internal Audit Service (IAS) are taken into account and their implementation is followed up (e.g. through the IAS GRC/AMS Issue Track database).</p>
<p>High level management reporting (e.g. to the Director-General and its role in monitoring problem issues).</p>	<p>The Director-General receives the reports mentioned above. He receives also the summary of the annual control exercise. Regular meetings were organised with the cabinet on the subject of audit, internal control and fraud prevention.</p>

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

1. Programme concerned

Under budget line 16.0304 – Communicating Europe in Partnership, a part of the appropriations is implemented through communication operations organised in partnership with the Member States through indirect centralised management via delegation agreements. It aims to create synergies between the means of action employed by the Member States, the European Parliament and the Commission and coordinate their information and communication activities.

2. Annual budgetary amount entrusted to these bodies

Country	Name of the intermediary body	Signature of the Delegation Agreement	Budget committed in 2011 (EUR)
Austria	Bundespressdienst des Bundeskanzleramts	July 2008	449.137,70
Belgium	Le S.P.F. Chancellerie du Premier Ministre	March 2008	1.113.827,65
Estonia	State Chancellery of the Republic of Estonia	October 2010	241.327,76
Finland	Centre for International Mobility (CIMO)	September 2009	373.767,50
France	Secrétariat Général des Affaires européennes	July 2011 (2 nd)	838.368,64
Germany	Presse- und Informationsamt der Bundesregierung	February 2010 (2 nd)	999.960,54
Greece	Hellenic Centre of European Studies	June 2009	212.343,90
Hungary	Ministry of Foreign Affairs of the Republic of Hungary	July 2011 (2 nd)	349.450,00
Italy	Dipartimento per il coordinamento delle politiche comunitarie della Presidenza del Consiglio	February 2011 (2 nd)	909.711,54
Latvia	Ministry of Foreign Affairs of Latvia	July 2009	349.363,01
Lithuania	Information and Public Relations Department of Ministry of Foreign Affairs	October 2009	349.040,38
Malta	Malta-EU Steering & Action Committee (MEUSAC)	March 2009	237.646,39
Poland	Ministry of Foreign Affairs	February 2009	575.449,97
Portugal	Centre d'information européen Jacques Delors	December 2011 (2 nd)	509.357,37
Slovakia	Ministry of Foreign Affairs	October 2010	204.000,00

Slovenia	Government Communication Office (UKOM)	January 2011 (2 nd)	347.131,60
Spain	Ministry of Foreign Affairs – Secretariat for European Affairs	September 2009	512.678,00
Sweden	International Programme Office for Education and Training (IPK)	April 2009	525.436,00
Total			9.097.997,95

3. Duration of the delegation

All the delegation agreements are signed for four years.

4. Justification of recourse to indirect centralised management

To make synergies between the resources of the European institutions and their national interlocutors for concerted strategies designed to provide the public with consistent, appropriate information on the role of the European Union and its achievements, gaining from the experience and using the special information channels of the public authorities at national, regional or local level.

5. Justification of the selection of the bodies

The Commission Communication on Implementing the Information and Communication Strategy of the European Union⁹, foresees, among others, the possibility to propose to Member States to conclude a "Management Partnership" (MP) to be implemented via indirect central management.

Commission Decision C(2004) 4841 adopted on 14 December 2004 set a legal framework in line with the financial regulation for the Management Partnerships. Articles 3 "Criteria to fulfil for the intermediary body" and 4, paragraph 1, "appointment" are as follows:

- Article 3: *«With reference to Article 54(2) c) of the Financial Regulation and Articles 35, 38 and 39 of the implementing rules to the Financial Regulation, each Member State shall, for each Intermediary Body proposed, testify in writing to the Commission that the body:*
 - a) *is a national/regional public-sector body or private – law body with a public service mission submitted to a national/regional audit body;*
 - b) *is subject to the law of the Member State concerned;*
 - c) *satisfies the requirements of sound financial management as shown by prior analysis;*
 - d) *provides adequate financial guarantees;*
 - e) *has put in place, before it begins performing its tasks, internal control systems, accounting systems and grant award procedures as well as public procurement procedures;*
 - f) *has a sound track record in managing information dissemination preferably on issues relevant to EU policies.*
- Article 4, paragraph 1: *«The Member State's authorities shall propose the Intermediary Body responsible for the information action and testify to the*

⁹ COM(2004) 196 final – 20/04/2004.

Commission that its choice has been made in an objective and transparent manner to match the requirements identified by the Commission»

As a first step, the Member State and the Commission, in association with the European Parliament Information Office (EPIO) in the Member State concerned, need to jointly elaborate a Communication Plan, which focuses on operations which they wish to carry out in partnership and defines a number of specific actions to be carried out, some of which may be carried out by means of a management partnership.

Subsequently, the Member State proposes an Intermediary Body, which the Commission then appoints.

The Commission (represented by DG COMM) can then sign with this Intermediary Body:

- A Delegation Agreement, for a maximum of four years, which confers the necessary execution powers for the granting of subventions and the conclusion of service contracts for each operation foreseen in the Communication Plan;
- A Fund Provision Agreement for each operation (defined as a series of related actions) upon submission of an initial report on the realisation of this action.

The Commission, in its Communication "Communicating Europe in Partnership"¹⁰, confirms its willingness to extend the Management Partnerships framework to other countries, in order to carry out joint communication activities.

6. Synthetic description of the implementing tasks entrusted to these bodies

General assessment

The Management Partnership is proving to be a valid and efficient communication instrument.

The Management Partnerships mechanism has certainly increased both, co-operation between Commission Representations and Member States as well as EPIOs and the synergy and complementarity of actions independently carried out by these actors.

Actions in 2011 covered the Commission's as well as inter-institutional communication priorities. They mostly addressed the general public and schools/youth.

Examples of good practice

- **"EU communal councillors"** (*Pursuing the citizen's agenda - freedom, security and justice*) - The idea of the initiative launched in 2010 is to win over communal decision-makers as an active group of multipliers for Europe in the medium term. The action concerns training for multipliers who give Europe a face and thus strengthen regional know-how on Europe. The action follows the "going local" principle using proximity, impact and influence of local politicians. Mayors and communal councillors are frequently the first local contact persons when it comes to specific requests and/or political issues. A trip to Brussels focussing on visiting the institutions and meeting with MEPs, Commissioners and high officials is also part of the training. The action is based on continuity and dialogue and has produced some 250 EU communal councillors so far and will be continued in 2012 (Austria).

¹⁰ COM (2007)568- 03/10/2007.

- **Training to become "EU School Ambassadors"** – EU School Ambassadors are expected to become multipliers in their schools and other networks, inspiring colleagues to approach EU issues in new ways and encouraging discussion and debate about Europe. In 2011, 46 Swedish civic teachers were selected and invited to follow a 10-day training course, which included a 3-day training session, a 5-day study visit to Brussels, Luxemburg and Strasbourg and a final session in Stockholm. Each teacher had to present an activity plan for 2012, including a plan to contact and network with partners such as Europe Direct representatives and regional EU-coordinators. Since May 2009, almost 1.500 teachers have been trained in EU issues. During 2011, 75 school leaders were also trained and took part in a study visit to Brussels (Sweden).
- **EU information centre** - This centre has developed into a reference point for EU related events in the capital of Ljubljana and is the most recognisable action of the Management Partnership. It is supported by the Slovene Government, while the programme of activities in the centre is part of the yearly Communication Plan agreed by the partners and financed through the Management Partnership. Events highlight current key issues for the EU, in particular "Restoring growth for jobs". The programme includes panel debates and briefings with decision-makers, professionals and civil society, thematic outreach activities around European weeks and days (i.e. Green week, Mobility week, Open days of European regions and cities, European Day of Languages, SME week, Europe week). Facebook and Twitter social networks are used, and the majority of events were also covered by the media (Slovenia).
- **"Debate Europe" - competition for secondary school students** - A series of innovative debate competitions on EU issues was organized to raise awareness on current EU issues amongst secondary school students and their teachers and through the media also amongst citizens. The aim was to help to improve students' democratic skills and debate techniques and thus enabling them to become active, well-informed European citizens. About 850 students and teachers from all over the country participated in the series. This generated extensive media coverage in national and regional Audio Visual, print and online media, with a combined reach of over 10 million people (Hungary).
- **European Year of Volunteering** – Together with the Lithuanian government (Ministry of Social Security and Labour, Ministry of Culture) and private partners, a social information campaign was organized in the framework of the European Year of Volunteering. The result was a series of programmes and advertising as well as round table discussions in the regions and a closing ceremony to inform the public about the benefits and added value of volunteering and community action (Lithuania).
- **Economic development & Investment** – a two-day conference was organised in Athens in co-operation with the Hellenic Ministry of Foreign Affairs. It was attended by over 450 participants from central government, the banking sector and over 350 companies as well as representatives of the European Parliament, the European Commission, the European Central Bank (ECB) and the European Bank for Reconstruction and Development (EBRD). On the second day, geared towards bringing together key actors of Greek industry & commerce with their respective counterparts from EU institutions, over 75 one-to-one meetings on business development/funding & co-operation were held (Greece).
- **"Europe 2020 Strategy"** - TecMinho's e-Learning Centre, in collaboration with the School of Economics and Management, the Computer Graphics Centre and the Teaching Support Office of the University of Minho set up a project for young

working and unemployed graduates to promote and disseminate the New European Agenda and its main strategies to overcome the current crisis. 25 workshops on topics such as "Study and Work Abroad", "Sustainable Growth and Energy", "Entrepreneurship" and "The Economic Crisis" were organised in 5 cities (Braga, Oporto, Aveiro, Coimbra and Lisbon). The project was supported by a video competition, webcasts and information on Facebook and YouTube as well as a dedicated webpage: <http://www.tecminho.uminho.pt/europa2020> (Portugal).

- **TV programmes on the Euro zone crisis and economic governance** - Special programmes on the Euro zone crisis and economic governance started running in December 2011. This includes a live discussion at prime time with high ranking EU and national politicians such as Herman Van Rompuy, Karel De Gucht and former Prime Minister Wilfried Martens. In total, 28 programmes of 3/5/7 minutes length are scheduled until December 2012 in the evening prime-time news "journal" on both public French and Dutch speaking TV stations (RTBF and VRT). Further topics include economic recovery, making the most of EU policies and a citizens' agenda for Europe (Belgium).
- **An integrated communications campaign on topical EU issues** - This campaign aims at addressing a wide range of priorities, such as the economic crisis and governance, restoring growth for jobs, building an area of freedom, justice and security and a modern EU budget. A series of TV programmes was started in December 2011 on different channels, also reaching out to the Russian speaking audience. Programmes on the EU and Latvia include a TV show on the "Myths and Reality" in Europe, 10 broadcasts of 40 minutes on Thursdays, "European news" with 8-10 short news stories and interviews. In parallel, in November 2011, a project for public radio broadcasting of stories, interviews and news items on topical issues of the EU started on Latvian national radio. The campaign is also supported by workshops on the EU topics in the regions, organised in co-operation with NGOs (Latvia).
- **"Europe takes shape"** - a major exhibition at Comic Festival in Angoulême brought together the original creations of fifty European authors. Designed from the outset to be multi-media compatible, (including paper and web), the exhibition travels on to other European cities, so that visitors in Helsinki, Rome, Glasgow and Warsaw can also feel its impact (France).
- **"Festival of Europe" in Florence** - This 5-day event, held in and around Florence's main square included an exhibition stand where 20 events and workshops were held ("20 eventi per Europa 2020"). Addressed to the general public, these focused on the most significant topics and policies for EU citizens. In addition, inside the structure, specialized staff from Europe Direct Information Centres (EDICs) and the other EC Information Centres and networks in Italy were available throughout the day to provide the public with personalised specific information on rights, opportunities and EU financing (Italy).
- **Biodiversity-related competition "on the ground"** - The aim was to promote among young people the importance and protection of biological diversity, given the EU objective to halt the loss of biodiversity in the future. The biodiversity-related competitions were "out-of-the-classroom" events, held on the island of Aegna in June 2011. The competition "on the ground" was a follow-up to a similar initiative funded by the Representation in 2010. The competition brought together the winning teams of the counties of the first round, a total of 55 participants. The first prize was a study trip to a nature reserve in Latvia that took place in August (Estonia).

- **"Erasmus goes to schools"** – Erasmus students from all over Europe visit schools in Finland to assist in teaching and to give presentations on agreed topics. This activity already started in 2010 and focussed on secondary schools. For 2011, it was decided to also include primary schools and to increase the target number of Erasmus Students participating from 200 to 500 students per year. Students give lectures on their own country and its culture, on the education system of the country, on their area of studies and their Erasmus experiences in Finland. Erasmus students are living examples of one of the most successful initiatives of the European Union – European educational cooperation programmes. The activity was also appreciated by the Erasmus students themselves to the point that, in addition to the visits organised within the programme, some of them visited schools at their own expense (Finland).

ANNEX 7: AAR OF EXECUTIVE AGENCY

Please see the 2011 Annual Activity Report of the "Education, Audiovisual and Culture Executive Agency" (EACEA).