



EUROPEAN COMMISSION

**Annual Activity Report
2010**

DG COMMUNICATION

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PART 1. POLICY ACHIEVEMENTS

The Commission's communication activities fall under its political autonomy as an institution and its institutional prerogatives.

The political guidelines for the new Commission presented by President Barroso stipulate that:

- 'the dialogue with the citizens and the different actors in civil society, a hallmark of the current Commission, will continue to be of critical importance';
- 'the Commission will redouble its efforts to have a real Commission presence communicating on the ground in the Member States and in the regions in partnership with the European Parliament, listening to citizens and dealing first hand with their questions and concerns';
- 'this gap (...) can only be closed in full partnership with national and regional authorities'.

All the initiatives taken by the Commission in 2010 have contributed to meeting this challenge.

In 2010, DG COMM has focused its activities on the communication priorities included in the Commission's work programme for 2010¹:

- Driving economic recovery and mobilising new sources of growth;
- Climate action and energy;
- Making the Lisbon Treaty work for citizens.

The latter have been confirmed as inter-institutional communication priorities by the inter-institutional group on information (IGI)².

¹ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions Commission Work Programme 2010 - Time to act, COM(2010) 135 final of 31 March 2010.

² IGI meeting of 20th of April 2010.

1.1 ACHIEVEMENTS BY POLICY AREA

POLICY AREA: COMMUNICATION				
General Objectives		Indicators		
		Indicator	Situation 2010	Target 2010
1	To develop a strategy based on communication priorities in keeping with the concerns of citizens	Number of citizens having participated to events organised by the Representations or where Representations were associated to.	3.5 million	3.2 million
2	To increase the availability of services in order to optimise the Commission's ability to communicate and the quality of its communication	Budget committed by the Commission through the framework contract "Integrated Communication Services".	7.2 million	15 million
3	To create a partnership between the main players in communication in Europe for greater efficiency in order to improve the access of the EU information to the citizens.	Number of EU communication operations financed by Management Partnerships	132	145
4	To develop a European public sphere to promote debate on the EU	Total number of visits of EUROPA website.	294 million	280 million
		EURANET: Number of listeners per week.	20 million	20 million
5	To reinforce European citizenship, participation and solidarity between the citizens in Europe	Increased transactional cooperation within the civil society to foster action and debate related to European citizenship	Networks of twinned towns in place (69), start of a network of European NGOs	Creation of the alliance for volunteering and consolidation of the network of European NGOs
		Multiplier effect measured by the percentage of participants that take the role of multipliers informing other citizens about their experience of participating in a European project.	53% of respondents who participated in several activities supported by the Europe for Citizens programme feel more likely to become involved in organising or promoting similar events	Sustainable level of the multiplier effect

1.2 ACHIEVEMENTS BY ABB ACTIVITIES

1.2.1 ABB ACTIVITY 16 02 COMMUNICATION AND MEDIA

Overall objectives

The objective of the audiovisual communication tools managed by the Commission is putting citizens at the centre of the European project by giving them the chance to find out about the political and legislative process of the EU, as well as about the EU activities and achievements.

To achieve this objective a set of actions is being developed under the communication and the media activities:

1. Direct financial contribution to the production and broadcast of programmes on EU issues,
2. Internal production of raw audiovisual material that the media professionals can use free of charge,
3. Training of journalists to raise their awareness on specific EU topics.

The Commission's participation to this information process is crucial for two reasons mainly: because of its monopoly of the legislative initiative, the Commission is in a privileged position to develop an information strategy from the very beginning of the decision-making process. Furthermore, due to its institutional role, the Commission is able to handle the information in a transnational framework, and more particularly from a European angle.

Actions implemented

ACTIVITÉ ABB 16 02 COMMUNICATION AND MEDIA		
SPECIFIC OBJECTIVE 1: To support the TV, Radio and Internet media coverage of EU news		
<i>Result indicator</i>	<i>Situation at the end of year 2010</i>	<i>Target 2010</i>
Euronews: number of viewers per day (in millions)	7 million	6.6 million
EURANET: number of listeners per week	20 million	20 million
<i>Main expenditure-related outputs delivered in 2010</i>		
<ul style="list-style-type: none"> • Number of hours of programmes broadcasted by Euronews : 672 • Number of hours of programmes broadcasted by the Arabic language channel : 24h/24h • Euronet-Broadcasted programmes (in hours): 3.066 • PressEurop(Digital Media Network)-Number of published articles: 1.674 		
<i>Main policy outputs delivered in 2010</i>		
<p>In 2010, preparatory work has been carried out in order to ensure the set up of Euronews antenna in Brussels and new broadcasts. From the beginning of 2011, the Euronews grid is expected to be much more attractive and reactive with original material directly produced from the very heart of Europe.</p> <p>The PressEurop portal for a budget of 3.000.000 € has confirmed its potential by a significant increase of its audience over the year, to reach more than 300.000 single visitors per month and more than 1 million pages viewed in December. The return on investment represent less than 0, 50 € per viewed articles.</p> <p>Euranet was able to attract new radios which should ensure a wider audience for the production developed by the network.</p>		
<i>Evaluation/assessments in 2010</i>		
<p>In 2010, an external evaluation on Euranet Network of Radio Stations was launched to assess the impact and use of the materials produce, in order to improve the distribution, presentation and contents of the materials and so increase their utility. The results should be available in June 2011.</p>		

ACTIVITÉ ABB 16 02 COMMUNICATION AND MEDIA

SPECIFIC OBJECTIVE 2: To produce and provide multimedia products concerning EU news

<i>Result indicator</i>	<i>Situation at the end of year 2010</i>	<i>Target 2010</i>
Multimedia products downloads (videos, photos, audios)	179,787	210,000
<i>Main expenditure-related outputs delivered in 2010</i>		
<ul style="list-style-type: none"> • Number of original programmes produced: 4241 video items, 1900 photo reports, 3336 audio files, 20 productions for the general public • EbS/EbS+ (the EU Satellite TV channel): 2142 hours transmitted, 794 EbS news items transmitted to EBU by the Audiovisual Services. Use of AV products: 19958 minutes of video items transmitted by broadcasters, 179787 audiovisual productions downloaded (76984 video items , 91905 photos and 10898 audio files) • Audiovisual library: 4853 video items archived and 14958 photos archived 		
<i>Main policy outputs delivered in 2010</i>		
<ul style="list-style-type: none"> • Production of illustrative video material in support of the EU's main policies • Improve the audiovisual coverage of events (EbS video-journalist(s) ; reinforcement of video production capacity to produce clips; reinforcement of audiovisual web and archiving capabilities) • Starting of the diffusion of EbS images on mobile phones (test phase with the Commission's Spokespersons) and development of the new statistical tool called "Audiovisual Analytics", for measuring the web audience of audiovisual production • 55% of digitalization of the audiovisual archive for publication on the AV portal • Upgrade of audiovisual equipment of the TV studios to High Definition 		
<i>Evaluation/assessments in 2010</i>		
No evaluation carried in 2010.		

ACTIVITÉ ABB 16 02 COMMUNICATION AND MEDIA

SPECIFIC OBJECTIVE 3: To improve the quality and accuracy of the media coverage through the journalists' training

<i>Result indicator</i>	<i>Situation at the end of year 2010</i>	<i>Target 2010</i>
Number of journalists attending training seminars	4.714	6.500
Average degree of satisfaction	Very good	Very good
<i>Main expenditure-related outputs delivered in 2010</i>		
<ul style="list-style-type: none"> • Number of seminars for journalists organised in 2010: 184 		
<i>Main policy outputs delivered in 2010</i>		
<p>The seminars organised in 2010 concentrated on the political priorities and the communication priorities of the Commission. Seminars were organised on the Lisbon Treaty, Climate change (Cancun COP), Developing World and Europe 2020-Financial Crisis. These seminars and events were destined to all media journalists both at national and regional levels and were highly appreciated both by the participants and the speakers.</p>		
<i>Evaluation/assessments in 2010</i>		
<p>Improvement of the media coverage through a new interinstitutional framework contract. Development of more targeted trainings towards local press.</p>		

1.2.2 ABB ACTIVITY 16 03 "GOING LOCAL" COMMUNICATION

Overall objectives

The objective of this activity is to bring the EU closer to the citizens by providing them, locally, with clear and objective information on the EU policies, challenges and political project.

The Commission's participation to this information process is essential. The Commission has the legislative initiative power. Therefore, it is in a privileged position to launch the debate with the citizens, and more particularly from a European perspective - above national approaches. The best way to initiate this debate is to launch it at local level, as close as possible to the citizens. The actions are therefore implemented by the best channels possible: in partnership with the European Parliament and the Member states and the Europe Direct Information Centres and through the Representations and Antennas of the European Commission in the Member states.

Furthermore, this debate enriches the community decision-making process, contributing to define policies which are closer to the citizens' needs and expectations.

Actions implemented

ACTIVITÉ ABB 16 03 "GOING LOCAL" COMMUNICATION		
SPECIFIC OBJECTIVE 1: To give support to DG COMM's relays information network to help it provide the citizens with information on the EU and its policies and develop synergies with other Commission's information networks		
<i>Result indicator</i>	<i>Situation at the end of year 2010</i>	<i>Target 2010</i>
Number of events organised by the "Europe Direct information centres" (EDIC)	9.200	11.000
Number of EDIC's personal contacts	800.000	1.000.000
<i>Main expenditure-related outputs delivered in 2010</i>		
<ul style="list-style-type: none"> • Number of "Europe Direct information centres" (EDIC) in 2010: 485 • Training, support and coordination of the ED information network (in days per person): 2.100 		
<i>Main policy outputs delivered in 2010</i>		
<p>In 2010 the network of EDICs in Member States organised over 9.200 events with a variety of target groups ranging from youth to unemployed or minorities. These included debates, meetings, conferences and information campaigns on the following political priorities:</p> <ul style="list-style-type: none"> • Climate action and energy • Driving the economic recovery • Making the Lisbon Treaty work for citizens <p>Moreover, the Commission:</p> <ul style="list-style-type: none"> • organised 6 training seminars for network members on the basis of an interactive and modern approach • organised a high level Annual General Meeting for EDICs, with the participation of Vice-president Reding and prominent representatives from other Institutions and bodies • modernised the editorial offer for network members so that they receive tailor-made EU information • launched a state of the art Intranet for communicating and networking 		
<i>Evaluation/assessments in 2010</i>		
The second generation of the Europe Direct Information Centres was launched in 2009 for a period of 4 years, applying a lump sum concept where focus is on the output achieved.		

ACTIVITE ABB 16 03 "GOING LOCAL" COMMUNICATION

SPECIFIC OBJECTIVE 2: To promote dialogue with the citizens regarding the EU and its policies

<i>Result indicator</i>	<i>Situation at the end of year 2010</i>	<i>Target 2010</i>
Number of participants to events organised by the Representations or events organised by third parties	3.5 million	3.2 million
<i>Main expenditure-related outputs delivered in 2010</i>		
<ul style="list-style-type: none"> • Number of European events organised: 2.185 • Number of seminars and conferences organised by the Representations: 518 • Number of European public spaces: 13 		
<i>Main policy outputs delivered in 2010</i>		
<ul style="list-style-type: none"> • 9th May – Europe Day celebrations: <ul style="list-style-type: none"> ○ In 2010, the EC Representations in the Member States organised over 60 events all across the EU to celebrate Europe with a focus on the communication priorities, such as driving the economic recovery and mobilising new sources of growth, climate change and biodiversity and making the Lisbon Treaty work for citizens. The activities were co-organised together with European Parliament Information Offices and Europe Direct Information Centres. The President and Members of the EP, with Commissioners participated. National and local authorities in the Member States were involved in the celebrations. Moreover, cross-border co-operation was fostered. ○ In Belgium, an "Open Door Day" in the Commission's Berlaymont building took place. Around 30.000 people came and experienced the EU successes and added value. • Communication actions linked to the political priorities: <ul style="list-style-type: none"> ○ During the spring/summer 2010, 6 public debates in MS on the Europe 2020 strategy, in collaboration with the Representations and national partners (selected by the Lisbon Council): Romania 23 April, Poland 10 May, Spain 27 May, Sweden 8 June, Belgium 18 June, and Germany 24 June. Around 200 stakeholder representatives attended each Europe 2020 debate with high level speakers from the Commission and national governments. ○ On 25-27 October a conference entitled "Climate Change: the EU perspective" was organised with the European Journalism Centre in the run-up to the UN Climate Summit in Cancun. It was attended by nearly 100 journalists from EU-27 and third countries. Commissioner Hedegaard and took part in this event. At the time the evaluation report was written (5 November), the EJC had spotted 45 articles written by the journalists who had attended the conference. The broadcast journalists also produced a number of one-on-one interviews. ○ On the 24-26 November 2010 a three-day journalist seminar for 27 journalists (representing 26 media) from 19 MS was organised. The focus of the seminar were the Europe 2020 flagship initiatives "Innovation Union" and "Industrial Policy", with speakers from business, academia and the Commission participating. • Spring Days for Europe 2010: <ul style="list-style-type: none"> ○ Seek to promote knowledge about the European Union and the work of its institutions by establishing a dialogue between pupils, teachers and players in the European Union about their vision of Europe and its future. ○ In 2010, there were more than 6.300 registered schools and more than 4.600 contributions. More than 10.000 teachers and guests encouraged students to experience creativity and innovation at school and contributed with outcomes published in 23 languages on the Web portal. • European Public Spaces (EPSs) 2010: <ul style="list-style-type: none"> ○ In 2010, 13 EPSs (Dublin, Madrid, Tallinn, Rome, Lisbon, Stockholm, Berlin, Copenhagen, Vienna, 		

Riga, Prague, Nicosia and Helsinki) were operational and consolidated throughout the year. EPSs bring Europe closer to people. Having an attractive meeting point in Member State capitals helps to dispel the idea that "Europe is Brussels".

- The EPS concept has the potential for a much wider range of communication opportunities and more innovative activities that would not have been possible in the previous information and documentation centres. Better facilities, both in terms of quality and quantity, are one of the added values of the EPSs. EPIOs and Repts alike have welcomed EPSs as a good initiative that improves co-operation in partnership between them. They are a visible and cost-effective instrument for the benefit of both institutions.

Evaluation/assessments in 2010

An evaluation of 'going local activities' was initially foreseen for 2010 but could not be carried out due to a different priority setting under the new Commission

ACTIVITE ABB 16 03 "GOING LOCAL" COMMUNICATION

SPECIFIC OBJECTIVE 3: To develop EU information and communication actions in partnership with the Member states

<i>Result indicator</i>	<i>Situation at the end of year 2010</i>	<i>Target 2010</i>
Number of EU communication operations financed in partnership with the Member states	132	145

Main expenditure-related outputs delivered in 2010

- Number of partnerships in 2010 :17

Main policy outputs delivered in 2010

In line with the policy approach "Communicating Europe in Partnership", in 2010 the Commission developed new Management Partnerships with Estonia and Slovakia adding to the sixteen existing ones (with Germany, Hungary, Slovenia, Austria, Belgium, France, Italy, Portugal, Greece, Sweden, Spain, Finland, Lithuania, Latvia, Malta and Poland). This kind of partnership frames the co-operation between Commission, EP and Member State in an individually tailored way, enhancing the co-ordination of communication activities on selected communication priorities based on joint communication plans. These plans are negotiated at political level between the Commission, the European Parliament and the respective Member States' authorities mandated to deal with communication issues.

Some examples of good practice within the Management partnerships include: interactive discussions and debates about the EU with less informed citizens in attractive settings (e.g. workplace, EU-funded project sites) (Germany, Latvia); information campaigns on citizens' rights (Greece), trainings for different multipliers on EU issues – teachers (Sweden, Finland, Portugal), students (Italy, Finland), journalists and mayors (Austria), EU educational kits and material (Slovenia, Finland, Poland, Portugal); EU TV/ radio broadcasts (Lithuania, Latvia, Italy); environmental awareness camp (Malta, Portugal), EU infotainment meeting point (Hungary), different aspects of migration/integration in Europe (Austria, Greece) etc.

Evaluation/assessments in 2010

Evaluations of the second and third Management Partnerships, the ones with the Slovene and the Hungarian government, were launched in 2009 and finalised in 2010. They come to the conclusion that the projects carried out under the Management Partnerships have increased significantly the impact of the communication priorities in the two countries and constitute an added value to the communication activities before the partnerships were concluded. The partnerships have brought about synergies and increased co-ordination. Their mechanisms are efficient and many tools developed continue to live beyond the original project.

Evaluations of the following five Management Partnerships (with Austria, Belgium, France, Italy and Portugal, concluded in 2008) will be launched in 2011. The results of these evaluations will be available at the end of 2011 or early in 2012.

1.2.3 ABB ACTIVITY 16 04 COMMUNICATION AND ANALYSIS TOOLS

Overall objective

The communication tools managed by the Commission aim at increasing the interest, the understanding and the involvement of the EU citizens in the EU process.

The Commission's measurement of public opinion is essential, since this institution is one of the few which can guarantee methodological unity and comparability across the whole of EU-27.

As regards the information and communication tools such as audio-visual and web, their deployment is essential to spread information about the EU decision making and policy outcomes, including to ensure a multi-lingual communication, a *sine qua non* for reaching all the European citizens.

The development of media analysis will contribute to the development of a coherent, well-targeted long-term communication and media relations strategy (accurate media analysis of how the EU, the Commission, and EU policies/activities are perceived by the media and by different target audiences in MS of the EU; identification of the lessons learned, focusing on how to integrate them to help the Commission in its communication with media, specific stakeholders and citizens; identification of the media coverage which could impact on EU activities, its reputation with a particular focus on risks and opportunities; identification of the key media that have the most influence on views and opinions about EU issues, so as to better target the European Commission's communication channels).

Actions implemented

ACTIVITÉ ABB 16 04 ANALYSIS AND COMMUNICATION TOOLS		
SPECIFIC OBJECTIVE 1: Measurement and broadcasting of the evolution of the European public opinion		
<i>Result indicator</i>	<i>Situation at the end of year 2010</i>	<i>Target 2010</i>
Number of press articles concerning Eurobarometer's polls	2.143	2.200
Number of total visits to Eurobarometer's website	1.661.115	1.800.000
<i>Main expenditure-related outputs delivered in 2010</i>		
Number of polls taken: 70 Number of Media Analyses produced : 27		
<i>Main policy outputs delivered in 2010</i>		
A more political given approach (better link with the political priorities) has been developed for the Eurobarometer polls.		
- More in deep analysis and better use of the data have been also putting in place.		
- In 2009 DG COMM ordered a first set of ad-hoc analysis. From May 2010 onwards, regular reports analysing the Commission's media coverage have been produced.		
<i>Evaluation/assessments in 2010</i>		
No specific evaluation has been carried-out lately.		

ACTIVITÉ ABB 16 04 ANALYSIS AND COMMUNICATION TOOLS

SPECIFIC OBJECTIVE 2: To develop online communication tools which simplify the general public's access to EU information

<i>Result indicator</i>	<i>Situation at the end of year 2010</i>	<i>Target 2010</i>
Total number of visits to EUROPA website (including SCAD + and the Representations' websites)	294 million	280 million
Total number of unique visitors to EUROPA website (including SCAD + and the Representations' websites) – monthly average	17 million	12.2 million
Number of questions replied by the EUROPE <i>DIRECT</i> Call centre	99.000	100.000
<i>Main expenditure-related outputs delivered in 2010</i>		
<ul style="list-style-type: none"> • EUROPA main website updates: 26.500 • Number of Representations newsletters edited : 742 • Number of issued and printed publications: 84 • SCAD+ website updates: 470 • Maintenance of EUROPE <i>DIRECT</i> Contact centre 		
<i>Main policy outputs delivered in 2010</i>		
<ul style="list-style-type: none"> • Improving web sites management in general under the responsibility of DG COMM • Europe 2020 website: cooperation with SG and SPP • First ever inventory of all websites in the ec.europa.eu domain: over 400 sites 		
<i>Evaluation/assessments in 2010</i>		
<p>The recommendations from the 2007-2008 Ernst and Young study have been closely followed and the site has radically improved in its structure, navigation, design and language.</p> <p>Another evaluation has been initiated, with, as a first step, the launch of a large inventory exercise, to identify all the subsites included in the Europa.EC web domain (i.e., the various sites belonging to the different Commission's DGs). It will be followed by a study to determine how to include those sites in a more coherent frame.</p> <p>The external evaluation of the Europe Direct Contact Centre (EDCC) was finalised in 2010. The recommendations will be taken into account in the specification of the EDCC call for tender in 2011.</p>		

ACTIVITÉ ABB 16 04 ANALYSIS AND COMMUNICATION TOOLS

SPECIFIC OBJECTIVE 3: To issue written publications which simplify the general public's access to EU information

<i>Result indicator</i>	<i>Situation at the end of year 2010</i>	<i>Target 2010</i>
Number of distributed publications	7.3 million	8 million

Main expenditure-related outputs delivered in 2010

- Publications (Heading 5), including the General Report of the Activities of the EU.

Main policy outputs delivered in 2010

- Make the General Report for 2010 more citizens friendly.
- The Teachers' Corner on Europa helps teachers all over Europe to find teaching material about the EU
- Major communication products to young people: The Europa Diary (15-18 years old, with other DG's) and Let's Explore Europe (9-13 years old)
- The cross-media product "Europe and you – a snapshot of EU achievements" highlighted concrete action
- The EU Basics website received 37 million page views in 2010.
- A number of standard best-sellers of publications /website maintained and updated, like Travelling in Europe, Europe in 12 lessons; maps of Europe etc.

Evaluation/assessments in 2010

No specific evaluation has been carried-out lately.

1.2.4 ABB ACTIVITY 16 05 FOSTERING EUROPEAN CITIZENSHIP

Overall objective

The Europe for Citizens Programme encourages the participation in civil society, community and/or political life which is characterised by mutual respect in accordance with Human Rights and democracy. Such civic engagement includes the participation in actions, debates or projects concerning the European Union or including a European perspective. It increases citizens' understanding of Europe and of European citizens from different countries. This raises their awareness of the common values, history and culture, together with the feeling of solidarity and it develops the sense of ownership towards the European project and of European identity. The Europe for Citizens Programme supports the mobility of citizens and of civil society organisations across the borders in the European context, thus enabling debate, reflection and joint actions between citizens from different countries.

The Europe for citizens Programme (2007-2013) gives citizens the opportunity to participate in constructing an ever closer Europe. It is implemented through four actions which address the issue of citizenship from different, complementary angles taking due account of equal opportunities.

The 2010 EU Citizenship Report has highlighted the main obstacles which citizens encounter in their daily lives when seeking to exercise their rights. Among these obstacles is a lack of awareness of the meaning of EU citizenship. Hence, the Commission has announced its intention to step up the dissemination of information to Union citizens about their rights as such and in particular about their free movement rights by designating 2013 as European Year of Citizens. Moreover, the European Year aims at linking the promotion of citizens' rights with the strengthening of a sense of belonging of people to the EU. It will thus not only have a positive impact on the internal market and societal cohesion, but also contribute to the strengthening of democratic life in the EU.

ACTIVITÉ ABB 16 05 FOSTERING EUROPEAN CITIZENSHIP		
SPECIFIC OBJECTIVE 1: Through the Europe for Citizens programme, develop citizens' sense of ownership of the European project, reinforce solidarity and a sense of European identity built around shared values		
<i>Result indicator</i>	<i>Situation at the end of year 2010</i>	<i>Target 2010</i>
Percentage of respondents feeling more European	75	(*)
Percentage of projects contributing to the democratic debate on the European project	35	(*)
<i>Main expenditure-related outputs delivered in 2010</i>		
<p>A global number of 749 projects have been contractualised:</p> <p>Town Twinning citizens meetings (*): 648 Networking of twinned towns (*): 69 Citizens projects (*):12 Support measures (*):20 (*) Implemented by the Education, audiovisual and culture Executive Agency (EACEA)</p>		
<i>Main policy outputs delivered in 2010</i>		
<p>The mid-term evaluation of the Programme summarized its impact as follows:</p> <ul style="list-style-type: none"> • Supporting and capacity building of civil society organisations and movements. <p>Civil society organisations perform a valuable role as intermediaries between public policy actors and citizens – the evaluator noted that these organisations carry out activities which create significant "multiplier effects" by informing the greater public about EU related affairs and initiating informed debate on topical policy issues.</p> • Providing impetus to the town twinning movement <p>The mid-term evaluation indicates that the Programme encouraged potential beneficiaries to think more in terms of developing greater thematic coverage and establishing links with new themes or policy areas such as environmental issues or remembrance.</p> • Positively influencing the scale and volume of activities undertaken by the policy research organisations (think-tanks) <p>The evaluation shows that funding provided by the Programme enabled supported organisations to increase European focus of their activities, develop partnerships and networks across the EU and to reach out to European audience.</p> • Positive effects on participants of activities supported by the programme in terms of learning, mutual understanding, identification with the EU <p>The mid-term evaluation gives a strong indication of positive effects on the participants including making new contacts with people across the EU, developing new skills and interests and becoming more involved in organising events or projects at EU level.</p> 		
<i>Evaluation/assessments in 2010</i>		
<p>The results of the mid-term evaluation (carried out in 2009 and 2010) will be taken into consideration when assessing the policy options for the next programme post 2013 as well as for fine-tuning the current programme.</p>		

(*)Targets not available after the integration of this new ABB Activity within DG COMM.

ACTIVITÉ ABB 16 05 FOSTERING EUROPEAN CITIZENSHIP

SPECIFIC OBJECTIVE 2: Through the Europe for Citizens programme, promote active European citizenship and boost participation in the EU by developing civil society and related policy dialogue at European level

<i>Result indicator</i>	<i>Situation at the end of year 2010</i>	<i>Target 2010</i>
Number of organisations having received an operating grant and participated in a dialogue with the Commission	58	(*)
Percentage of projects covering the theme of woman's participation in political life	10	(*)

Main expenditure-related outputs delivered in 2010

The number of selected organisations/projects (58 operating grants and 108 projects) corresponds to the number of planned interventions:

Structural support (**): 58

Civil society projects (*):108

Active European remembrance projects (*):64

High visibility events: 2

Studies and evaluation (**): 2

Dissemination / information (***) : 18

(*) Implemented by EACEA

(**) Implemented by EACEA in 2010 and 2011; EACEA only implemented a part of these actions in 2009.

(***) Partially implemented by EACEA

Main policy outputs delivered in 2010

Preparation of the European Year of Volunteering 2011 and its official launching.

Mid-term evaluation of the Europe for Citizens Programme 2007-2013

Evaluation/assessments in 2010

The results of the mid-term evaluation (carried out in 2009-2010) will be taken into consideration when assessing the policy options for the next programme post 2013 as well as for fine-tuning the current programme.

(*)Targets not available after the integration of this new ABB Activity within DG COMM.

ACTIVITÉ ABB 16 05 FOSTERING EUROPEAN CITIZENSHIP

SPECIFIC OBJECTIVE 3: To maximize the impact of Commission's visitors' service by identifying and attracting new multipliers on EU issues and by improving the service provided to the citizens

<i>Result indicator</i>	<i>Situation at the end of year 2010</i>	<i>Target 2010</i>
Number of visits to the Commission	1.570	1.400
Percentage of visits being priority visits and multiplier visits	57%	60%
<i>Main expenditure-related outputs delivered in 2010</i>		
Visits to the Commission: 1.570 Schools Pilot Project: 40 Completion of the call for tenders to set up a new multimedia space for visitors in VM 18.		
<i>Main policy outputs delivered in 2010</i>		
Following the adoption of the communication "Evolution of the Visits Service: Welcoming schools to the Commission" (SEC (2009) 14.08.2009) the Visits Service has implemented a pilot action to test the feasibility and pertinence of the initiative. 850 young pupils from 35 schools in 26 different Member States have successfully visited the Commission and participated in this pilot project called "EU Factory".		
<i>Evaluation/assessments in 2010</i>		
The total number of visits grew by 5.40%, and visitors by 3.12%, whilst the number of priority visits decreased by 3%. The Service launched a call for tender with the view of creating a new multimedia space for the visitors. The pilot project to host visits by school pupils was successfully implemented		

PART 2. MANAGEMENT AND INTERNAL CONTROL SYSTEMS

2.1 INTRODUCTION TO DG COMMUNICATION

DG COMM has introduced a new organigramme on 1/05/2010 which has been followed by a new one since 1/01/2011.

Following this restructuration, a new mission statement of the DG has been adopted:

"DG Communication is in charge of informing and communicating about the policies of the European Union with the public at large through the media, other opinion leaders, as well as through Representations and information networks in the Member States. It is also responsible for informing the Commission on trends in public opinion and in the media landscape and on political developments, as well as for coordinating communication actions within the Commission.

In particular,

The Spokesperson's Service (SPP):

- *is - under the authority of the President - the official voice of the Commission vis-à-vis the media. The SPP, in charge of political communication, designs the narrative and provides information about the policies and decisions of the Commission.*

DG COMM:

- *anchors communication into the policy-making process by reinforcing the consistency required by a collegial communication and by coordinating priority communication actions.*
- *offers communication services (web communication, speechwriting, audiovisual services, media networks, management of framework contracts) to the SPP, Cabinets and DGs' communication units to be deployed on major priorities.*
- *develops the Commission's corporate image including its visual identity;*
- *offers a dedicated analytical capacity to exploit Eurobarometer surveys and media analysis and report back to the College on public opinion, media trends and emerging concerns.*
- *provides political information and ensures effective communication with media, stakeholders and citizens in Member States through Representations, regional offices and networks, and supports Commissioners and staff on mission;*
- *provides information to citizens on EU policies;*
- *seeks partnership and synergies with other Institutions, Member States and stakeholder organisations."*

Working arrangements with the Commissioner are as follows:

- Weekly meeting of the DG COMM management with the cabinet.
- Monthly meeting of the DG COMM Director General with the Commissioner.

DG COMM budget for 2010 amounts 158.890.000 €(Commitment appropriations authorised³).

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.

Management mode is direct centralised, with some elements of indirect centralised management related to the Management Partnerships signed with several Member States since 2005.

The "Europe for Citizens" programme is managed by the Agency EACEA (see annex 7).

2.2 THE FUNCTIONING OF THE ENTIRE INTERNAL CONTROL SYSTEM

2.2.1 – COMPLIANCE WITH THE REQUIREMENTS OF THE CONTROL STANDARDS

DG COMM is compliant with the requirements of each of the 16 ICS. The requirements on which particularly positive results were achieved in 2010 are presented below.

ICS 1 (Mission): The mission statements of the units, representations, regional offices, directorates and the DG are up-to-date. In 2010, DG COMM upgraded its Mission Statement in order to make the vision of its role more compliant with the guidelines of the new Commission. The updated mission statement has been included in the Management Plan 2011, and sufficiently communicated to staff.

ICS 2 (Ethical and Organisational Values): Following the 2009 audit on ethics, an action plan has been launched addressing all the issues identified by the auditors. As the deadline for all actions has been set for 2010, the effectiveness of this action plan will be assessed at a later stage by IAC of DG COMM in 2011 as a follow-up to the 2009 audit on Ethics.

ICS 3 (Staff Allocation and Mobility): The allocation and recruitment of staff is based on DG COMM's objectives and priorities. The year 2009 was the starting point for the new rotation exercise launched accordingly to the "Commission decision C(2008)3983 on establishing Rules on the rotation of officials in Representations". The new rotation rules focus on transparency and predictability. Their aim is to prevent the process of "becoming native", meaning identifying oneself more with the country in which the Representation is located than with the EC. The needs of the Representations in terms of staffing were also re-assessed in 2009 and 2010 (for the AD's and the former CA FG IV "Action Plan").

ICS 4 (Staff Evaluation and Development): Staff performance is evaluated against individual annual objectives, which fit with the DG COMM's overall objectives. In 2010, as in the previous year, seminars for newcomers, pre-posting training were organised in order to better match the needs of the DG and notably the Representations. The training offer for Representations was updated and focussed on a more structured approach; defining career paths in view of professionalisation of new functions and developing new skills for management, communication and political reporting.

ICS 5 (Objectives and Performance Indicators): The DG's objectives are clearly defined. Regarding Performance Indicators, a review was carried out in 2009 in order to simplify them and get more "result indicators", and to comply with the reality of actions in DG COMM. In addition to the 40 indicators of both results and output already validated by the Secretariat general and DG BUDG within the Framework of the ABM/SPP process, the revision focussed on the indicators responding to the needs of operational services in DG COMM units and Representations. The revision was completed in full cooperation with all of them, and adopted in July 2009 by DG COMM.

³ 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).

ICS 6 (Risk Management Process): A risk management process is progressively integrated into the annual activity planning process

ICS 7 (Operational Structure): DG COMM's operational structure supports effective decision-making by suitable delegation of powers. As for sensitive functions, they are managed through mitigating controls and ultimately staff mobility. Adequate IT governance structures are also in place. In 2010, there was no derogation to the mandatory staff mobility in relation to sensitive functions. (See next chapter for further details).

ICS 8 (Processes and Procedures): DG COMM's processes and procedures used for the implementation and control of its activities are effective and efficient, adequately documented and compliant with applicable provisions. Detailed assessments of the effectiveness of the ICS 8 in 6 entities of DG COMM have been communicated to the AOSD and the DG in order to improve the efficiency of existing practices (See next chapter for further details).

ICS 9 (Management Supervision): Management supervision in DG COMM ensures that the implementation of activities is running efficiently and effectively (See next chapter for further details).

ICS 10 (Business Continuity): Adequate measures are in place to ensure continuity of service in case of "business-as-usual" interruption. The two main instruments to manage a crisis in DG COMM are its business continuity arrangements and the operation of ARGUS procedures. In 2010 the Business Continuity Plan were circulated and updated twice. The Business Continuity web page was also updated. Everything was under control for the exercise launched by SG in October 2010 which had for aim to test NOAH, the new application of SG designed for the management of Business Continuity crisis.

ICS 11 (Document Management): Appropriate processes and procedures are in place to ensure that the DG COMM's document management complies with applicable legislation. The migration to ARES is effective since the 19th of January 2010. Updates and training were provided, notably during the Seminars of the Head of Administration in October 2010 and through a programme set up at the end of 2010 for the Representations.

ICS 12 (Information and Communication): Internal communication enables management and staff to fulfil their responsibilities effectively and efficiently, including in the domain of internal control. Given its mandate, external communication constitutes the core of DG COMM operations and is in line with Commission priorities. Since 2009, following the recommendations of the screening of communication activities in the Commission, DGs have to communicate their external communication strategies to DG COMM within the framework of the MP preparation. DG COMM assists them in improving their communication strategies and puts at their disposal the communication tools available. IT systems used and/or managed by DG COMM are adequately protected against threats to their confidentiality and integrity. The IT systems security plans have still to be validated by systems owners.

ICS 13 (Accounting and Financial Reporting): All the Financial and management reports are drawn up by DG COMM in conformity with the applicable accounting rules and the Accountant's instructions. The reports are prepared ensuring their accuracy and completeness in order to give an adequate financial picture of the operations of the DG. The reports, generated on a regular basis, include: the monthly financial management charts, the monthly reports on infrastructure expenditures related to the European Parliament, weekly reports on contracts, commitments and recovery orders, and a mission budget annual report.

ICS 14 (Evaluation of Activities): Evaluations of activities are performed to assess the results, impacts and needs that these activities aim to achieve and satisfy. Evaluations are performed in accordance with the guiding principles of the Commission's evaluation standards. Evaluations are properly and timely organised, and adequately funded. Evaluation results are disseminated to the appropriate actors but use of evaluation results in decision making could be further improved. It should be noted that in 2010, as a result of reorganisation in DG COMM, the evaluation function was moved from unit D4 to

Unit A3 so that synergies could be established with the media monitoring and analysis tools.

ICS 15 (Assessment of Internal Control Systems): In its AMP 2010, four ICS were identified as priority by DG COMM by the management: ICS 7, ICS 8, ICS 9 and ICS 11. The assessment of the effectiveness of the above mentioned standards has been performed by the control unit during visits to the 6 Representations.

ICS 16 (Internal Audit Capability): The management considers that the measures taken with regards to Internal Control Standard 16 are effective and that the IAC applies internationally recognised audit standards and follow the principles of integrity, objectivity, confidentiality and competency.

2.2.2 – EFFECTIVENESS OF IMPLEMENTATION OF THE PRIORITISED CONTROL STANDARDS

Four ICS were identified as priority by DG COMM in the 2010 Management Plan:

***ICS 8:** “The DG’s processes and procedures used for the implementation and control of its activities are effective and efficient, adequately documented and compliant with applicable provisions. They include arrangements to ensure segregation of duties and to track and give prior approval to control overrides or deviations from policies and procedures”.*

***ICS 9:** “Management supervision is performed to ensure that the implementation of activities is running efficiently and effectively while complying with applicable provisions”.*

***ICS 11:** “Appropriate processes and procedures are in place to ensure that the DG’s document management is secure, efficient (in particular as regards retrieving appropriate information) and complies with applicable legislation”.*

***ICS 7:** “The DG’s operational structure supports effective decision-making by suitable delegation of powers. Risks associated with the DG’s sensitive functions are managed through mitigating controls and ultimately staff mobility. Adequate IT governance structures are in place”.*

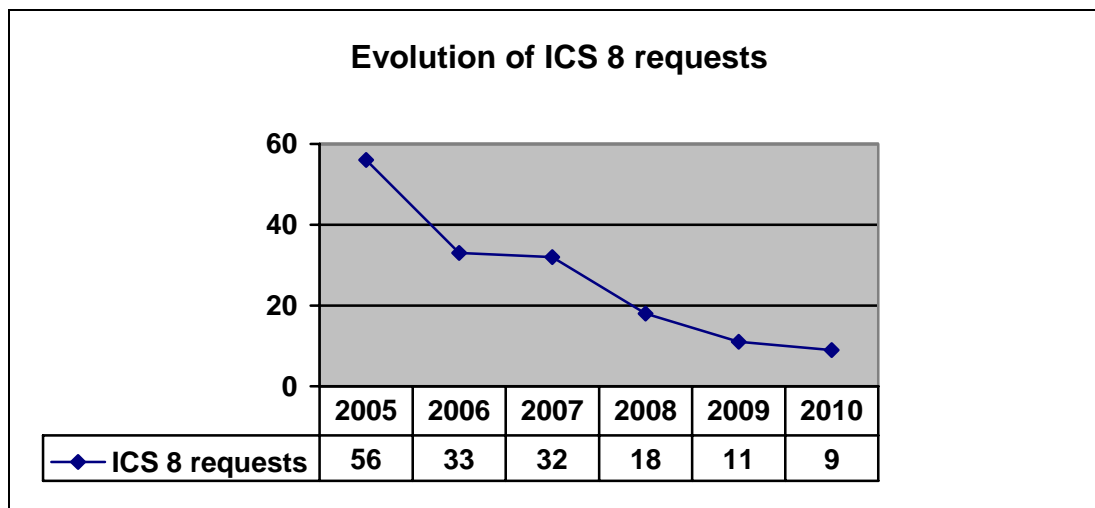
The selection of the prioritized DG COMM ICS for 2010 has been based on an assessment of their importance in the light of the 2008 and 2009 results of ex-ante and ex-post controls which showed a relatively high number of errors related to those standards. ICS 8 and ICS 11 had been already identified as a priority in the 2008 AMP. ICS 9 was included in AMP 2009. ICS 7 has been selected for more detailed verification in AMP 2010.

The assessment of the effectiveness of the aforementioned standards has been performed by the control unit during visits to Representations. 6 Representations were subject to these controls. For the ICS 8, ICS 9 and the ICS 11 controllers used checklists. Concerning ICS 7 a new checklist has been prepared on the basis of "Tips for effectiveness" presented on Budgweb and on the basis of the "Guidelines for assessing the effectiveness of the ICS".

ICS 8 “Processes and Procedures”

The DG's main operational and financial processes and procedures are sufficiently documented. The main reference for procedures remains information provided on DG COMM intranet, "WellComm". Many Representations documented also their own procedures related to specific topics. Arrangements are in place to ensure segregation of duties and respect of the validation circuit.

A special procedure to manage exceptions from established processes and procedures is in place under the responsibility of the control unit. The description of the procedure is available at "WellComm" site. In 2010, only 9 exceptions to ICS 8 were recorded in DG COMM, a decrease 18% compared to 2009.



Out of the nine ICS 8 requests in 2010:

- 4 were related to gaps between contracts and aimed at avoiding a discontinuation of services. 3 of the cases concerned units of the Headquarters (Flash Eurobarometer Surveys, Euronews, and European Service Network) and one case occurred in a Representation (for a Media Monitoring contract). An observed pattern here is the failure to launch a call for tender in time due to unforeseen changes in circumstances but in some cases also due to lack of consideration for or knowledge of procedure. A proactive tool for monitoring the contracts' expiry dates has been developed in order to remedy this situation. Reminders for the use of this application are sent on a regular basis mainly to the Representations.
- In one case the exception request was launched for all the Representations in order to continue their media monitoring services until the centralized call for tender prepared by the Headquarter would replace the 2010 press review system.
- Two requests were concerned with contractual errors. In one case the framework contract did not foresee the trip outside the EU for the organization of a conference held in Cancun. The second case regarded non compliance with the FR and its IR (article 60 FR concerning legal commitment, article 77 FR saisine a posteriori and article 149bis IR signature of contract) and highlighted the need for supervision regarding budgetary and legal requirements for contracts management.
- One request was related to unforeseen circumstances (delays in the building works of the historical archives) and the necessity of increasing the ceiling of a framework contract concerning the storage of audiovisual materials until the Commission's historical archives would be available.

ICS 9 “Supervision by management”

All heads of Representations controlled, declared that they performed management supervision both in operational and financial aspects.

As for financial transactions, supervision measures exist and are generally satisfactory. When assessing the ICS 9, controllers paid particular attention to the supervision of the use of multipliers credits (according to internal rules established for this kind of expenses) and the use of professional phones for private matters. No major issues were detected. The follow-up of operational performance is in place and monitored through COMM Reporting for AMP objectives and through the internal financial tool Pecunia, for use of budget credits.

ICS 11 "Document Management"

The indicators for registration and filing, as well as controls performed in the Representations, show that procedures are known and applied effectively in practice. The efficiency of the document management is based on the close cooperation between the Document Management Centre in the Headquarters and the DMO Network. This network is made up of the persons in each Unit, Representation or Regional Office who have been appointed to be responsible for document management issues. Registration and filing are monitored on a regular basis by DMO through monthly reports on registration and filing sent to all units and Representations.

The assessment carried on in Representations showed that the knowledge of conservation periods is sufficient, but procedures for transfer and archiving are not commonly known. The respect of dispositions relative to the personal data protection has also been assessed and tested, and no issue has to be reported.

ICS 7 "Operational structure"

Due to staff shortage a detailed verification of the implementation of this standard was not possible. Nevertheless the compliance with the standard was systematically checked in the ex ante and ex post control verifications: "Certified correct" and "Pass for Payment" were checked systematically.

2.2.3 – CONCLUSION

For the year 2010, it can be concluded that the internal management and control system set up in DG COMM is in place, adapted to the specific DG environment and duties and works effectively.

2.3 INFORMATION TO THE COMMISSIONER

The main elements of this report and assurance declaration have been brought to the attention of Ms. Reding, Vice-President of the Commission in a meeting of 17 March 2011.

PART 3. BUILDING BLOCKS TOWARDS THE DECLARATION OF ASSURANCE

3.1 BUILDING BLOCKS TOWARDS REASONABLE ASSURANCE

3.1.1 – BUILDING BLOCK 1: ASSESSMENT BY MANAGEMENT

As explained in annex 5 to this Report, second level ex ante control checks as well as ex post controls are carried out in DG COMM in a centralised manner by the control unit. The functions ensured by this centralised function are:

- Ex ante verification, prior to commitment, of operations regarding the selection of contractors for all procurement above EUR 60,000.
- Second level, sample-based, ex ante checks of transactions (commitments, payments, and recovery orders).
- Ex post control, documentary and on-the-spot, of a sample of transactions (commitments plus related payments).
- On-the-spot control of a sample of beneficiaries of grants.
- Control of the implementation of the priority Internal Control Standards identified in the Management Plan (cf. chapter 2.2.2 above).

Key Indicators and results for 2010

a) Ex ante checks for procurement above €60,000

Input:

- Staff: 1
- Financial resources: 0

Output:

Number of procurement procedures checked:	34
% Percentage of procurement procedure above €60,000:	100%
Total amount covered for the whole duration of the contracts:	€146,053,822

Results of controls:

34 procurement files were checked which resulted in 60 contracts. Requests for missing documents and clarification were requested. Recommendations for modifications to ensure coherence in the Evaluation Report were transmitted to the AOSD when deemed necessary. As control covered all procurements above €60,000, there are no errors at the procurement/contract level for large contracts.

b) Ex ante control of transactions at the second level

Input:

- Staff: 2
- Financial resources: 0.

Out put:

	2010	2009
Number of commitment proposals checked	687	827
- % of total commitment proposals issued	7%	8.7%
- % of total value of commitment proposals	73%	37.50%
Number of payments checked	844	596
- % of total payment orders issued	4%	2.7%
- % of total value of payment orders	73%	51.10%
Number of recovery orders checked	121	141
- % of total recovery orders issued	90%	100
- % of total value of recovery orders	81%	100%
Total transactions checked	1,652	1,564
- % of total transactions	5.1%	4.98%
- % of total value of transactions	73%	42%

During 2010 we checked 1 652 financial transactions which represent 5.1% of all transactions done by DG COMM. In value this indicator covers 73% of the total value of financial transactions executed in 2010.

In accordance with the consolidation of the ex ante database control system established by DG COMM, the number of transactions checked and subject to ex ante control has increased by more than 5% in 2010 as compared to 2009.

Results of controls:

	2010	2009	2008
Number of transactions controlled	1652	1564	1533
Number of transactions with errors	87	126	144
- % of total transactions	5.3%	8,1%	9,2%
Number of non-quantifiable errors	64	109	114
- % of total transactions	3.9%	7,0%	7,3%
Number of quantifiable errors	23	17	30
- % of total transactions	1.4%	1,1%	1,9%
Value of transactions controlled	295.340.560	167.239.997	156.543.038
Value of quantified errors	402.719	282.523	76.489
Level of error in direct value	0,14%	0,17%	0,05%

The number of transactions affected by errors in 2010 is 5.3% of the total number of transactions. This indicator has diminished in comparison with the previous years (2009: 8, 1% and 2008: 9, 2%). This shows clear declining tendency for the error rate in DG COMM.

The absolute value of quantified errors (with financial impact) represents round 402 000 € which is **0,14%** of the total value checked and still far below the threshold of **2,00%** materiality level

Most errors identified (64 out of 87) have been found to be non-quantifiable, i.e. without a financial impact. These errors regard issues such as: missing award decision, wrong budget line, missing signatures, late payments, lack of clearing of pre-financing etc.

c) Ex post desk review of financial transactions

Input:

- Staff: 0.5.
- Financial resources: 20 % of the total of mission credits (see below).

Output:

In 2010, the unit COMM/D4 carried out desk reviews of transactions in 6 Representations and 2 units in the DG COMM headquarters.

Controls were performed on financial transactions finalized between 2006 and 2010. 90 commitments and the linked payments have been controlled.

Results

Concerning these 6 Representations, 68 commitments for the total amount of €1 187 002.32 were subject to ex post control in 2010. 28 non-quantifiable errors were detected, representing 41 % of the transactions checked. This rate marks certain increase compared to 2009 (21.75%). This is due to several reasons, such as the widened scope of the sampled transactions and the reduction of the Representations checked (15 in 2009). Moreover due to the reduced number of missions in 2010, the selection was based on risk analysis. In addition, it should be pointed out that 17 of the errors were detected in 2 Representations (Ireland and Italy).

Concerning the Headquarters, the control was performed in 2 units (A1 and A4). 22 commitments representing €504 385.81 were verified. 7 non-quantifiable errors were found. The error rate in the headquarters is 32% however this error rate is biased by the small size of the sample (2 units and 22 commitments) therefore statistically it is not representative.

In most of the cases it concerns administrative types of errors among them different errors affecting purchase orders, such as missing date or contractor's signature on the purchase order, invitations to tender and offers not registered in Ares/Adonis, invoices scanned neither in ABAC nor in Ares/Adonis, certified correct signed but not dated.

d) On-the-spot control in the offices of beneficiaries of grants Input:

- Staff: 2.2
- Financial resources: mission credits of about €25.000.

Output:

In 2010, 33 projects (11 ED relays, 7 Plan D, 11 APCAV, 3 Debate Europe and 1 Euroglobe) from 10 countries were controlled on-the-spot, on the basis of the article 120 § 3 of Financial Regulation and general conditions of grant agreements. The total amount of the grant controlled is €4.914.139, 36. The sample consisted of grants awarded in 2005 - 2008 (those awarded in 2009 were still ongoing in 2010).

Results

10 ex post control missions took place in 2010. 33 grant projects were subject to controls.

There are 4 final reports issued where the amount of the commitments checked is €2.627.888, 9 errors

with financial impact were detected for the total amount of 13.034,47 €(resulting in an error rate of 0,5 %). An amount of €10.350,71 should be recovered.

The rest of the reports are in process of finalization. The preliminary calculations show an error rate of around 7 % (taking into account both officially issued reports and the ones not yet finalized). It should be taken into consideration that the controls in 2010 were targeted on the basis of risk analysis and therefore the error rate will be higher in the sample than in the entire population.

The error rate remains stable in comparison with the previous years.

A series of final reports for ex post controls performed in 2009 were issued in 2010. The result indicates an error rate of 7,1%. As a result of these controls, the amount of €242.360 should be recovered.

One case concerning an ex post control done in 2009 was handed to OLAF in March 2010 concerning a case of double financing by EC and EP (APCAV 2006 Spain). The investigation is in progress.

On-the-spot control results were summarized in reports addressed to all AOSD concerned with relevant recommendations for correction of errors. As of the date of preparation of the Annual Activity Report, certain of recovery orders recommended have already been issued.

Conclusion

To assess the quality of the financial transactions carried out by DG COMM in 2010 we must take into account the results of ex ante control covering the whole period of 2010 with regard to commitment and payment credits. Errors detected by ex ante control and applied to all transactions would give a quantifiable residual error rate of 1.3% (number of transactions) with a residual financial impact of 0.13% (value of transactions). These two indicators are below the threshold of 2%.

3.1.2 – BUILDING BLOCK 2: RESULTS FROM AUDITS DURING THE REPORTING YEAR

3.1.2.1 Internal Audit Capability

The relevant performance indicator on implementation of audit recommendations, proposed by IAS to measure the rate of implementation of issued and accepted recommendations, gave for the period 2004-2009 a value of 94%⁴ "implemented" based on a range of 233 recommendations issued and followed up in that same period, compared to 93% last year.

IAC's opinion on state of control and critical and very important recommendations

Based on the results of audits as described in the objectives and scope of the engagements carried out/finalised by the IAC of DG COMM during 2010, the IAC believes that the internal control system in place in DG COMM provides reasonable assurance regarding the achievement of the business objectives set up for the processes audited.

Two audits were finalised in 2010: "Audit on Financial Reporting" and "Audit on Administrative Support". In case of both audits, the audit opinion indicates that the internal control system in place generally provides reasonable assurance regarding the achievement of objectives, except for some areas needing further improvement.

⁴ New approach as from January 2011: the implementation rate is calculated on the number of recommendations issued and effectively followed-up at the reference period, here 2004-2009 while last year all issued recommendations were taken into consideration (giving an implementation rate of 78%)

There were no critical recommendations issued in 2010.

– **Administrative Support**

Regarding the "Audit on Administrative Support", the auditors recognise the ongoing efforts by DG COMM to improve and facilitate the administrative support, both in terms of budget/financial management and streamlining of procedures and helpdesk operations. The IAC identified the following areas with needs for improvement:

- Workload/number of transactions

An analysis of the number of transactions (both commitments and payments) showed not only that Representations despite a lower part of the overall budget have significantly more transactions, but also that around 66% of these transactions (2 out of 3) are done for administrative support (budget line 16 01).

Nearly 14 000 transactions, i.e. nearly 60% of all transactions (commitments and payments) are executed for the line 16 01 in Representations. That means 60% of transactions for 20% of budget. If we take into account that rent and buildings represent 10% of the overall DG COMM budget, but only 3% of all transactions, then there are over 55% of transactions for the remaining 10% of the budget line 16 01. The advantage of reducing the number of transactions in this sub-domain of the financial/administrative sector of DG COMM and in particular the Representations would allow, bearing in mind cost efficiency and quality of service, a certain level of manpower redeployment towards other more useful core tasks.

- Staff competence & Trainings

Over the last years, it has become clear that the level of experience and training of administrative task is a key indicator for the quality of financial/ administrative work. Frequent and prolonged vacant posts should be avoided and training intensified where needed. The new allocation of staff (especially as regards the administrative section) should keep in mind the "weight" of the Representation (Large, Medium, Small) and the "weight" of administrative work in the total workload of a Representation.

– **Financial Reporting**

Regarding the "Audit on Financial Reporting", the auditors recognise the ongoing efforts in the last years by DG COMM to improve and streamline the financial reporting, both in budgetary and accounting terms. The IAC identified the following areas with needs for improvement:

- Monitoring and management information

Scoreboards as well as monitoring of financial management information have been continuously improved. However they have not yet achieved the requested outcome, which is a more even distribution of commitments and payments over the year. Attention should also be paid to the requirements of the Commission's Internal Control Standards (ICS 5 and 12).

- Systems interfaces and redundant systems

Over the last years (since 2006), a number of new systems have been created either to replace former manual recording of information or to gather additional information for management. The quality of the input delivered for the systems is varying according to units and Representations. Moreover the exploitation of the data is not always optimal in particular Representations are still confronted with numerous demands for ad-hoc reporting while the data in principle should be available in COMM Reporting. One explanation is that this system may not be designed at best for new reporting requirements. Though DG COMM is regularly implementing the "evolutive maintenance" of COMM Reporting, the architecture, content and purposes of this system should be reviewed in order to better match users' needs, for both input side (Representations) and extraction/analysis side (some HQ units).

- **Evaluation**

Overall, the results of this audit are positive according to the Draft Audit report. Most of the observations included in the report are suggestions for (further) improvement and attempts at

optimising the tool rather than important control weaknesses. The major observations of this report are linked to the need to ensure continuity of the Evaluation function after the re-organisation of DG COMM and the need for improvement in relation to implementation, use and follow-up of evaluation results in DG COMM.

The main weakness identified is related to partly insufficient implementation, use and follow-up of evaluation results in DG COMM. A systematic approach needs to be developed and put in place in order to ensure the best use of evaluation projects and their results.

3.1.2.2 Internal Audit Service (IAS)

As regards audits undertaken by IAS, there was none during 2010.

3.1.2.3 Court of Auditors

In the framework of the DAS exercise and the report 2009 of the Court of Auditors, the Court selected 13 payments initiated by DG COMM and did not identify any errors in this sample.

The Court assessed that the supervisory and control system is effective.

In 2008 the Court of Auditors checked 6 payments and found only 1 error.

The results of the examination performed in 2008 and 2009 of the Court of Auditors show improvement in financial management of operations and assess the quality of the established supervisory and control system in DG COMM.

3.1.3 – BUILDING BLOCK 3: FOLLOW-UP OF PREVIOUS YEARS' RESERVATIONS AND ACTION PLANS FOR AUDITS FROM PREVIOUS YEARS

3.1.3.1 Reservations

Reservation: Non compliance with applicable legislation on intellectual property rights

This reservation already present in the AAR 2008 was renewed for the AAR 2009. Such reservation responded to the need to ensure compliance with the applicable copyright legislation for all communication activities.

This was underlined in the "Synthesis of the Commission's management achievements in 2008" of 8 June 2009 (COM(2009)256final) which provides, amongst others, for the following multi-annual governance objective (Annex 3):

- "Set-up of an inter service group on copyright issues, to be led by DG COMM, to regularly assess whether the measures taken are sufficient to mitigate the risk in a complex and rapidly changing technological and legal environment.
- Preparation of an action plan before end of 2009, including all necessary measures, from awareness raising and training to the drafting of common guidelines."

An action plan was adopted during the first session of the inter-service group on copyright on 19 June 2009 containing a set of measures that were fully implemented during 2009 and 2010 or are currently ongoing, including the review of the Commission decision 2006/291/EC on re-use of Commission information, in progress by DG INFSO. The reason why some of the actions are still on going is due to the nature itself of the measures (continuous or recurrent such as training session, awareness raising exercise, etc.).

In the framework of this exercise, a copyright portal on MyIntracomm for all Commission staff has been set up by DG COMM (<http://myintracomm.ec.europa.eu/serv/en/copyright/Pages/WhatIs.aspx>).

This portal contains not only an overall introduction and links to information on copyrights and neighbouring rights, but also information on the Commission services dealing with these matters.

In addition to this a set of *Practical guidelines for EC-Staff on dealing with IP-, Copyright and Trademark* protected works are already available on the above mentioned portal. This guide helps Commission staff to better understand copyright matters and the protection granted by law as well as how this affects our daily work.

The creation in 2010 of a helpdesk in DG COMM in terms of training and preparation of staff appear to have had a very positive impact in addressing the reservation. The team covers especially communication activities as audio visual, internet, media monitoring, negotiation and management of copyright agreements and advice for Representations. During the first year of existence, the team dealt with almost 200 questions.

During this period regular training courses on copyrights have been provided to all Commission staff, including training in specific areas (i.e. Audiovisual, Internet). Concretely, training for webmasters in September 2009; training on Belgian Law copyright in February/March 2010; training on IPR-Copyright in May and December 2010. These training sessions will continue in the future in order to contribute to create the adequate reflex of Commission staff on this topic and in doing so to raise awareness of Commission staff on copyright questions.

In this context, the results obtained so far has been achieved thanks to the support of a framework contract concluded with a Brussels based law firm specialised in copyright in order to cover specific questions that may arise. This framework contract is also open to all DGs.

One of the most time consuming measure of the Action Plan is the conclusion of copyright agreements with collecting societies and other right holders for the digital display of press cuttings on the Commission's Intranet for the press review. This task has been accomplished for most of the Member States and the remaining one are under negotiations, exception made to Finland and Slovenia where the current local circumstances block this exercise. In the case of Finland, publishing houses are reluctant to grant permission as there is not such practices at national level. For Slovenia, despite the efforts already made by the Representation in Ljubljana, negotiations came to stand still. However, a new attempt to these negotiations is currently in progress.

In the case of the review of copyright notices on EUROPA (Commission page) in the light of Commission decision 2006/291/EC on re-use of Commission information, the Working group have eventually agreed with a draft version. This notice is being revised by the Legal Service before final adoption.

On the basis of the above, it is possible to draw a series of conclusions. Firstly, the level of knowledge on copyright has importantly increased among Commission officials. The number of questions shows that services are more aware of the legal copyright implications of their daily work. Secondly, coordination among the services involved, OP, JRC, SJ has been established and is very positive. Thirdly, although all the measures already in place are sufficient to mitigate the **existing** risks, however, new challenges have appeared in the current complex technological and legal environment.

Concretely, due to the evolving nature of the new technologies at stake, and the difficulties in the implementation of the new Media Monitoring system linked to the application of national legislations, among other difficulties, we cannot dismiss future cases. In fact, these national copyright laws have partially been harmonised by several directives, most importantly by Directive 2001/29/EC⁵ of 22

⁵ Directive 2001/29/EC grants the authors/right holders several exclusive rights, inter alia the reproduction right, the distribution right, the public communication right (e.g. by means of satellite or cable broadcasting), and the so-called making available right (e.g. via internet).

May 2001 "on the harmonisation of certain aspects of copyright and related right in the information society". Nevertheless, as Member States have transposed directives in different ways, national copyright legislation as well as the management of copyrights still vary from one Member State to another. This situation has a detrimental impact on the Internal Market.

Taking all these arguments into account, it seems reasonable to keep the reservation. The complete implementation of the copyright agreements related to the preparation of a daily press review done by DG COMM (Action 10 of the Action Plan) needs to be achieved in order to be able to lift the reservation.

3.1.3.2. Delays in implementing Action plans

N/A

3.1.4 – BUILDING BLOCK 4: ASSURANCE RECEIVED FROM OTHER AUTHORISING OFFICERS IN CASES OF CROSSED SUB-DELEGATION

The information on the use in 2010 of cross-sub delegations granted by DG COMM is available bellow:

➤ Cross-subdelegation to DG COMPETITION :

Budget line: "16 01 03 04 - Other working expenditure"

Purpose: Subscription to data-bases for the research of information on competition

Amount for 2010: EUR 73.765 in commitment appropriations

Amount **committed** in 2010: EUR 73.765

Amount **paid** in 2010: EUR 55.735,01

Budget line: "16 04 04 - Written Publications"

Amount for 2010: EUR 112.000 in commitment appropriations

Amount **committed** in 2010: EUR 62.107,49

Amount **paid** in 2010: EUR 16.295,46

Conditions of the cross-subdelegation:

"Pour procéder (...) à l'établissement: des engagements budgétaires individuels des crédits, des engagements budgétaires provisionnels des crédits, des engagements juridiques (ainsi que les actes préalable, des ordres de paiement, des prévisions de créances, des ordres de recouvrement, des renoncements au recouvrement des créances, des annulations de créances, des ajustements techniques et comptables des créances, à imputer sur les articles et/ou postes repris à la page ci-jointe (...) Selon les conditions suivantes (cfr. Article 6.2 des Règles Internes). Voir Mémoire d'accord en annexe."

Article 5 du mémorandum d'accord entre la DG COMM et la DG COMP: " Afin de répondre aux exigences de la subdélégation croisée, la DG COMP s'engage à fournir un reporting sur l'utilisation des crédits qui lui sont alloués".

Controls carried-out in 2010: weaknesses have not been identified for 2010:

➤ Cross-subdelegation to the LEGAL SERVICE:

Budget line: "16 01 03 04 - Other working expenditure"

Purpose: Subscription to databases for the research of legal information.

Amount for 2010: EUR 22.000 in commitment appropriations

Amount **committed** in 2010: EUR 17.567,31

Amount **paid** in 2010: EUR 7.135,42

Conditions of the cross-subdelegation:

"Pour procéder (...) à l'établissement: des engagements budgétaires individuels des crédits, des engagements budgétaires provisionnels des crédits, des engagements juridiques (ainsi que les actes préalables, des ordres de paiement, des prévisions de créances, des ordres de recouvrement, des renoncements au recouvrement des créances, des annulations de créances, des ajustements techniques et comptables des créances, à imputer sur les articles et/ou postes repris à la page ci-jointe (...)) Selon les conditions suivantes (cfr. Article 6.2 des Règles Internes) stipulées dans le mémorandum d'accord joint en annexe."

Article 5 du mémorandum d'accord entre la DG COMM et le Service juridique: " Afin de répondre aux exigences de la subdélégation croisée, le SJ s'engage à fournir un reporting intermédiaire ainsi qu'un reporting annuel sur l'utilisation des crédits qui lui sont alloués".

Controls carried-out in 2010: weaknesses have not been identified for 2010.

➤ Cross-subdelegation to DG JUSTICE :

Budget line: "16 03 04- Communication Europe in Partnership"

Purpose: Video productions to raise the awareness on existing and developing EU matters in the field of Justice.

Amount for 2010: EUR 550.000 in commitment appropriations

Amount **committed** in 2010: EUR 549 718, 39

Amount **paid** in 2010: EUR 0

Conditions of the cross-subdelegation:

"Pour procéder (...) à l'établissement: des engagements budgétaires individuels des crédits, des engagements budgétaires provisionnels des crédits, des engagements juridiques (ainsi que les actes préalables, des ordres de paiement, des prévisions de créances, des ordres de recouvrement, des renoncements au recouvrement des créances, des annulations de créances, des ajustements techniques et comptables des créances, à imputer sur les articles et/ou postes repris à la page ci-jointe (...)) Selon les conditions suivantes (cfr. Article 6.2 des Règles Internes). Voir Mémorandum d'accord en annexe."

Article 5 du mémorandum d'accord entre la DG COMM et la DG JUST : " Afin de répondre aux exigences de la subdélégation croisée, la DG JUST s'engage à fournir un reporting sur l'utilisation des crédits qui lui sont alloués".

Controls carried-out in 2010: no controls were carried out in 2010, the contract haven been signed on 17/12/2010.

➤ Cross-subdelegation to the OP:

Budget line: "16 04 02 – On-line information and communication tools"

Amount for 2010: EUR 1.800.000 in commitment appropriations

Amount **committed** in 2010: EUR 1.800.000

Amount **paid** in 2010: EUR 0

Conditions of the cross-subdelegation:

"Pour procéder (...) à l'établissement: des engagements budgétaires individuels des crédits, des engagements budgétaires provisionnels des crédits, des engagements juridiques (ainsi que les actes préalables, des ordres de paiement, des prévisions de créances, des ordres de recouvrement, des renoncements au recouvrement des créances, des annulations de créances, des ajustements techniques et comptables des créances, à imputer sur les articles et/ou postes repris à la page ci-jointe (...)) Selon les conditions suivantes (cfr. Article 6.2 des Règles Internes) stipulées dans le mémorandum d'accord joint en annexe."

les conditions suivantes (cfr. Article 6.2 des Règles Internes) stipulées dans le mémorandum d'accord joint en annexe."

Article 5 du mémorandum d'accord entre la DG COMM et l'OP : " Afin de répondre aux exigences de la subdélégation croisée, l'OP s'engage à fournir un reporting intermédiaire ainsi qu'un reporting annuel sur l'utilisation des crédits qui lui sont alloués".

Controls carried-out in 2010: weaknesses have not been identified for 2010.

➤ Cross-subdelegation to DG HOME:

Budget line: "15 06 66 – Europe for Citizens"

Amount **paid** in 2010: EUR 263.306,45

Conditions of the cross-subdelegation:

"Pour procéder (...) à l'établissement: des engagements budgétaires individuels des crédits, des engagements budgétaires provisionnels des crédits, des engagements juridiques (ainsi que les actes préalables, des ordres de paiement, des prévisions de créances, des ordres de recouvrement, des renoncements au recouvrement des créances, des annulations de créances, des ajustements techniques et comptables des créances, à imputer sur les articles et/ou postes repris à la page ci-jointe (...) Selon les conditions suivantes (cfr. Article 6.2 des Règles Internes) stipulées dans le mémorandum d'accord joint en annexe."

Article 5 du mémorandum d'accord entre la DG COMM et DG HOME : " Afin de répondre aux exigences de la subdélégation croisée, DG HOME s'engage à fournir un reporting intermédiaire ainsi qu'un reporting annuel sur l'utilisation des crédits qui lui sont alloués".

Controls carried-out in 2010: weaknesses have not been identified for 2010.

➤ Cross-subdelegation to the DG BUDGET:

Budget line: "16 02 03 – Information for the media"

Purpose: Video productions on EU matters

Amount **for** 2010: EUR 13.000 in commitment appropriations

Amount **committed** in 2010: EUR 8.704,41

Amount **paid** in 2010: EUR 7.827,66

Conditions of the cross-subdelegation:

"Pour procéder (...) à l'établissement: des engagements budgétaires individuels des crédits, des engagements budgétaires provisionnels des crédits, des engagements juridiques (ainsi que les actes préalables, des ordres de paiement, des prévisions de créances, des ordres de recouvrement, des renoncements au recouvrement des créances, des annulations de créances, des ajustements techniques et comptables des créances, à imputer sur les articles et/ou postes repris à la page ci-jointe (...) Selon les conditions suivantes (cfr. Article 6.2 des Règles Internes) stipulées dans le mémorandum d'accord joint en annexe."

Article 5 du mémorandum d'accord entre la DG COMM et DG BUDGET : " Afin de répondre aux exigences de la subdélégation croisée, DG BUDGET s'engage à fournir un reporting intermédiaire ainsi qu'un reporting annuel sur l'utilisation des crédits qui lui sont alloués".

Controls carried-out in 2010: weaknesses have not been identified for 2010.

3.1.5 – COMPLETENESS AND RELIABILITY OF THE INFORMATION REPORTED IN THE BUILDING BLOCKS

The information provided in part 3 (building blocks) of the present Annual Activity Report is complete and exhaustive. All potential sources of information (results of the ex-ante checks, ex-post controls, internal audits and external audits) have been taken into account.

3.2 RESERVATIONS

DG	COMM
Title of the reservation, including its scope	Compliance with applicable legislation on intellectual property rights.
Domain	Communication activities of DG COMM in the areas of press review, audiovisual activities, internet and publications.
ABB activity and amount	16 01, 16 02, 16 03, 16 04.
Reason for the reservation	<p>The reservation presented in the AAR of 2008 and 2009 responded to the need to ensure compliance with the applicable copyright legislation for all communication activities. The implement action of the action plan adopted by the inter-service group on copyright in its meeting of 19 June 2009 made good progress: a set of measures was fully implemented in 2009 and 2010, some actions are still ongoing mainly due to the nature of these measures (training sessions, awareness raising etc.).</p> <p>However, the new technologies at stake are of evolving nature. National copyright legislation has only been partially harmonised and there are still large differences in the application of copyright legislation in the Member States. Despite the huge progress which was made in this area, the risk of non-compliance cannot be completely excluded. This is all the more valid since the new Media Monitoring system, which was already tested in 2010, brings with it new challenges for copyright compliance since the content of the media monitoring will completely change under the new system. As a matter of precaution the reservation on copyright compliance is therefore maintained until the full implementation of the Action Plan.</p>
Materiality criterion/criteria	Impossible to estimate since there are big differences in the applicable national legislations as well as in the management of rights.
Quantification of the impact	The financial impact is impossible to estimate since it depends on costs for infringements of the applicable Copyright legislation in 2010, if any.
Impact on the assurance	The reservation does not invalidate the Declaration of Assurance.
Responsibility for the weakness and its correction	There is no personal responsibility for this weakness which is due to the multiplication of applicable legislations and right owners at different levels.

<p>Corrective action(s)</p>	<p>DG COMM has set-up an action plan which provides for the following steps:</p> <ul style="list-style-type: none"> • Updating copyright agreements : <p>ONGOING, Delay :06/2011</p> <p>Copyright agreements are being signed with collecting societies and other right holders for the digital display of press cuttings on the Commission's intranet :</p> <p>This task has been accomplished for 20 Member States and the remaining one are under negotiations, exception made to Finland and Slovenia where the current local circumstances block this exercise. In the case of Finland, publishing houses are reluctant to grant permission as there is not such practices at national level. For Slovenia, despite the efforts already made by the Representation in Ljubljana, negotiations came to stand still.</p> <p>Moreover, the implementation of the new Media Monitoring system centralising the service in Brussels has complicated this exercise as 27 copyright national legislations are at stake.</p> <ul style="list-style-type: none"> • Updating legal notices <p>Delay 05/2011</p> <p>In addition, the review of Copyright notices on EUROPA is being carried-out to reflect the Commission decision on re-use of Commission documents.. This task is being undertaken by DG COMM in co-operation with JRC, OPOCE and INFSO and feedback of the LS are currently being implemented..</p> <ul style="list-style-type: none"> • Preparation of Guidelines on Copyright for Commission staff. <p>DONE 2010</p> <p>This task has been undertaken by JRC in co-operation with DG COMM and other DGs (OPOCE, INFSO, DIGIT).</p> <ul style="list-style-type: none"> • Helpdesk on copyright in DG COMM <p>DONE 2010</p> <ul style="list-style-type: none"> • Conclusion of a framework contract (cascade contract) with two Belgium based law firms specialised on Copyright in order to cover specific questions. <p>DONE: December 2009-January 2010</p> <ul style="list-style-type: none"> • Providing training courses on Copyright to Commission's staff <p>CONTINUOS ACTION</p> <ul style="list-style-type: none"> • Training for webmasters in Sept 09; on Belgian Law copyright in Feb/March 10, IPR-Copyright in May 10, December 2-3 <p>Next training session 22 March (DG COMM staff only)</p> <ul style="list-style-type: none"> • Setting up a copyright portal on Intracomm for all Commission staff with an overall introduction and links to information on copyrights available. An electronic version of the guidelines already posted on the portal. <p>DONE December 2010</p>
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3.3. OVERALL CONCLUSIONS ON THE COMBINED IMPACT OF THE RESERVATIONS ON THE DECLARATION AS A WHOLE

The reservation does not invalidate the Declaration of Assurance

PART 4. DECLARATION OF ASSURANCE

I, the undersigned, Claus H. Sørensen,

Director-General of the Directorate General Communication

In my capacity as authorising officer by delegation

Declare that the information contained in this report gives a true and fair view⁶.

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

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

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

However the following reservation should be noted: non compliance with applicable legislation on intellectual property rights.

Brussels, 30 of March 2011

Signed by Claus H. Sørensen

⁶ *True and fair in this context means a reliable, complete and correct view on the state of affairs in the service.*