

ANNEXES

ANNEX 1 - STATEMENT OF THE RESOURCES DIRECTOR

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

I hereby certify that the information provided in Part 2 of the present AAR and in its annexes 2 to 5 is, to the best of my knowledge, accurate and exhaustive.

Signed

Vittoria Alliata di Villafranca
Resources Director

¹ SEC(2003)59 of 21.01.2003

ANNEX 2 - FOLLOW UP OF PREVIOUS SYNTHESIS' ACTION PLAN

This Annex reports on the progress realised in 2008 against the reference framework laid down by the 2004 Synthesis and updated by the 2005, 2006 and 2007 Synthesis containing the Commission's multi-annual objectives to address the major cross-cutting management issues. (Source: Annex 3 to the Synthesis of the Commission's management achievements in 2007 – COM (2008) 338 final)

Internal control systems and performance management				
Subject	Objective	Initiative(s) to meet the objective	Responsible service(s) and timetable	DG Regional Policy action
Residual risk	4. Taking further the concept of residual risk	➤ The Commission will continue its work on the cost-benefit of control and on residual risk per policy area. A Communication on this subject will be issued in autumn 2008.	DG BUDG together with concerned services By October 2008	Completed DG Regional policy has provided information to DG Budget on the cost of controls for the ERDF which was used for the Communication on the tolerable risk of error (COM(2008)866).
Governance				
Subject	Objective	Initiative(s) to meet the objective	Responsible service(s) and timetable	DG Regional policy action
Reservations	8. Ensuring strong follow-up of action plans related to the expressed reservations, notably for the progress to be made in 2008.	➤ Directors-General will report on progress to the respective Commissioner in the context of the regular follow-up meetings on audit and control. The ABM Steering Group will closely monitor and regularly report to the College on the implementation of the remedial actions that delegated authorising officers have committed to carry out in their annual activity reports.	DGs concerned	Continuous action For all reservations, but also for Member States for which serious systemic weaknesses were reported, delegated authorising officers have laid down appropriate action plans to solve the underlying weaknesses. Very substantial progress has been made concerning action plans related to reservations in AAR 2007. The follow up of actions to remedy reservations in previous

				AARs has been included in the AMP 2009. The Commissioner is informed regularly of progress on action plans.
Financial management				
Subject	Objective	Initiative(s) to meet the objective	Responsible service(s) and timetable	DG Regional policy action
Integrated internal control frame-work	9. Enhancing accountability by establishing a comprehensive integrated internal control framework in line with the requirements set out in the ECA's opinions on 'single audit'.	➤ Implementation of the action plan towards an Integrated Internal Framework.	All services	<p>Completed</p> <p>The action plan towards an integrated internal control framework (IICF), was adopted by the Commission in January 2006 [COM(2006)9 and SEC(2006) 49]. The Commission presented a report on the progress of this action plan (COM (2007) 86) in March 2007 and a final report (COM(2008)110) in February 2008.</p> <p>DG Regional policy as chef de file has progressed with the implementation of (and in most cases completed) several of the actions by the end of 2007.</p> <p>The outstanding actions under the IICF relating to Structural Funds had been taken over as Action 2 under the Action Plan to strengthen the Commission's supervisory role (COM (2008)97). All these actions had been completed, as indicated in the report on the Action Plan to strengthen the Commission's supervisory role adopted by the Commission on 3 February 2009 (COM(2009)42). An impact report on the IICF was also adopted on the same day (COM(2009)43).</p>

Ex-ante and ex-post controls	10. Improving efficiency and strengthening accountability by ensuring proportionality and a sound balance between ex-ante and ex-post controls and by further harmonisation and better focusing of ex post controls	➤ Common guidelines on sampling methods and related level of confidence should be finalised.	Concerned services with the support of DG BUDG, progressively up to the end of 2007.	Completed The sampling guide was discussed in the COCOF of 23 April and finalised in COCOF of 21 May 2008. It is available to Member States on the CIRCA site.
Accounts	11. Increasing responsibility and accountability at the level of the Commission as a whole by the signing-off of the accounts by the Accounting Officer and by improved quality of financial information.	➤ The Commission will further strengthen its accounting processes and systems to improve the quality of the financial information and the respect of deadlines.	All services, continuous action with the assistance of the services of the Accounting Officer	Continuous action DG Regional policy has further improved the quality of its accounts by reviewing the documentation related to accounting controls and adapting the revision file documentation templates proposed by DG BUDG. Also following analysis of 2007 accounting control results, some improvements to the content of the revision file were made. This improvement work is ongoing process and will continue in 2009 on the basis of the results of 2008 exercise.

ANNEX 3 - HUMAN AND FINANCIAL RESOURCES BY ABB ACTIVITY

2008 human resources on the basis of the total by DG as of 31/12/2008 (Sysper 2 data):

Code ABB Activity	ABB Activity	Human Resources by ABB activity		
		Establishment Plan posts	External Personnel	Total
13/01	Administrative support	133	22	155
13/02	Info & Com°	21	6	27
13/03	ERDF intervention	179	28	207
13/04	Cohesion Fund	90	15	105
13/05	Pre accession intervention / structural policies	11	20	31
13/06	Solidarity Funds	2		2
13/07	Control	75	13	88
13/08	Policy strategy coordination and evaluation	110	21	131
	Total	621	125	746

General remark: the above data rely on the snapshot of Commission personnel actually employed in each service as of 31/12/2008. These data do not constitute full-time-equivalent units throughout the year.

2008 Financial Resources:

Autres dépenses de gestion décentralisées - 13 01 02 11 01 à 13 01 02 11 06		
Code Activité	Activité	Exécution des crédits d'engagement
13 03	European Regional Development Fund and other regional operations	2,720,921
1304	Cohesion Fund	779,149
1305	Pre-accession operations related to the structural policies	28,789
1306	Solidarity Fund	26,140
1301	Administrative expenditure of Regional policy area	1,918
	Policy Development, Strategy and evaluation	
	Control	
	Total	3,556,916

