



European Economic and Social Committee

ANNUAL ACTIVITY REPORT 2017

Section VI of the EU-budget

June 2018

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European Economic and Social Committee

**Statement of Assurance
by the
Authorising Officer by Delegation**

Brussels, June 2018

I, the undersigned, Luis Planas Puchades,

Secretary-General of the European Economic and Social Committee (EESC),

In my capacity as authorising officer by delegation,

Declare that the information contained in this report gives a true and fair view:

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 the information at my disposal, the rigorous verification procedures applied at the EESC in accordance with the internal financial rules, the result of ex-post controls, the observations of the Internal Audit service and the findings of 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 declared here which could harm the interests of the institution.

Luis Planas Puchades
Secretary-General

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PART I

Presentation and main achievements 2017

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1 PRESENTATION

1.1 WHAT IS THE EESC?

The **European Economic and Social Committee (EESC)** is an advisory body of the European Union based in Brussels. Since its establishment in 1957, the EESC has provided a unique forum for consultation, dialogue and consensus among representatives of the various economic, social and civic components of organised civil society. The EESC has a distinctive place in the EU's decision-making process as a consultative body which acts as an intermediary between the "legislative" (the European Parliament and the Council) and "executive" (the Commission) arms. The EESC ensures that civil society organisations have a say in Europe's development.

1.2 WHAT ARE THE EESC'S OBJECTIVES?

The EESC is committed to European integration. It strengthens the European Union's democratic legitimacy by enabling national civil society organisations to express their views at the European level.

The EESC Mission Statement

The Committee fulfils three key missions:

- ✓ Helping to ensure that European policies and legislation tie in better with economic, social and civic circumstances on the ground by assisting the European Parliament, the Council and the European Commission, making use of EESC members' experience and representativeness, and stimulating dialogue and efforts to secure consensus which serves the general interest of the EU;
- ✓ Promoting the development of a more participatory European Union which is more in touch with public opinion, by acting as an institutional forum representing, informing, expressing the views of and securing dialogue with organised civil society;
- ✓ Promoting the values on which European integration is founded and advancing the cause of democracy, and in particular participatory democracy, as well as the role of civil society organisations, in Europe and across the world.

1.3 WHAT IS ORGANISED CIVIL SOCIETY?

The term "organised civil society" denotes a wide range of organisations, networks, associations, groups and movements which are independent from government and sometimes come together to take forward their common interests through collective action. These groups often act as intermediaries between decision-makers and citizens and enable people to become actively engaged in efforts to improve living conditions.

1.4 HOW IS CIVIL SOCIETY REPRESENTED?

The EESC is made up of 350 members from all 28 Member States. These members are not politicians, but employers, trade unionists and representatives of groups such as professional and community associations, farmers, youth organisations, women's groups, consumers, environmental campaigners and many more. They come from all social and professional backgrounds and have a vast range of knowledge and experience. They are not based full-time in Brussels, but rather have their own jobs in their home countries, ensuring that they maintain direct contact with their grassroots. Nominated by their governments, they are appointed by the Council for a period of five years. They then work independently in the interest of all EU citizens. Debating issues involving and affecting civil society and adopting opinions, the Committee members play an integral part in the process of policy-making and the preparation of decisions at EU level. The EESC also acts as a bridge with European civil society organisations and networks thanks to the EESC Liaison Group.

MEMBERS PER COUNTRY



1.5 NATIONAL ALLOCATION OF SEATS

Members are nominated by national governments and appointed by the Council of the European Union for a renewable five-year term of office. The current term of office runs until 2020. The national allocation of seats is shown in the infographic on the left.

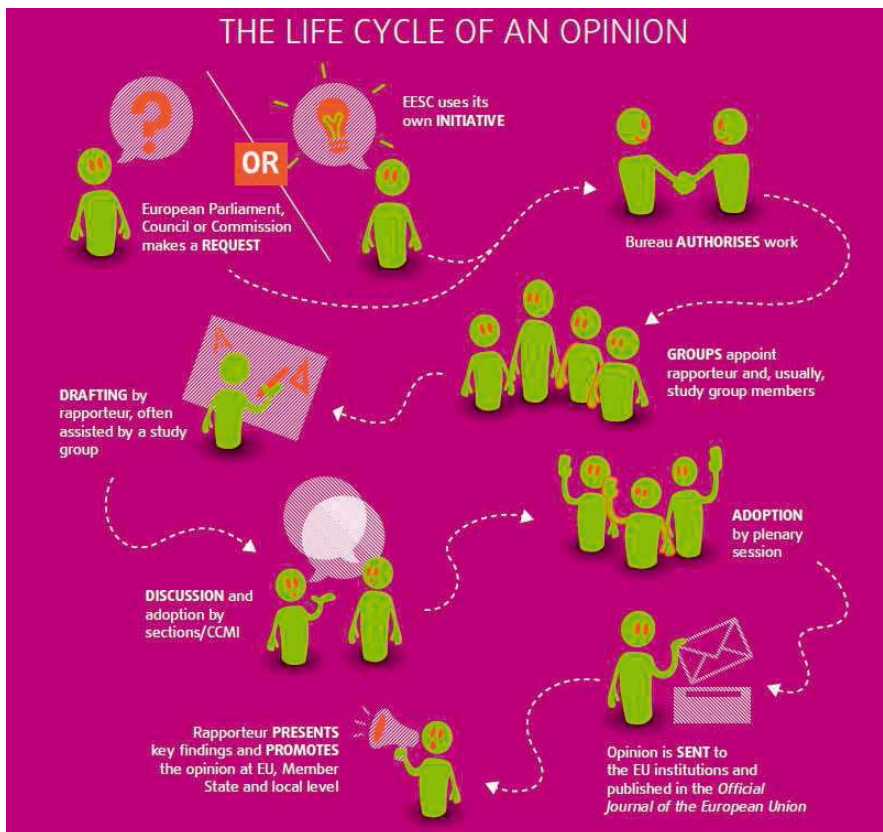
1.6 WHAT ARE OPINIONS?

The European Parliament, the European Commission and the Council of the European Union are obliged, by virtue of the European treaties, to consult the EESC on a wide range of policy issues when passing new laws. The EESC examines proposals and draws up and adopts opinions based on a consensus reached between its members. After they are adopted at the plenary session, the opinions are sent to the European institutions and published in the EU's Official Journal.

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In addition, the EESC can also adopt own-initiative opinions on any question pertaining to the European Union, its policies and how these might evolve. It also produces exploratory opinions, at the request of the EU institutions, in areas of concern to citizens where the Committee is thought to have appropriate skills and expertise. The EESC may also publish information reports examining any aspect relevant to EU policies.

An opinion is prepared as follows:



EESC opinions are published in the EU's Official Journal in the 24 official languages of the Union.

1.7 HOW IS THE EESC STRUCTURED?

EESC members work in three groups: Employers (Group I), Workers (Group II) and Diversity Europe (Group III¹). The aim is to build dialogue and consensus between all three so that EESC

¹ Until April 2018 called "Various Interests".

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opinions reflect the economic and social interests of citizens. Jacek Krawczyk from Poland is president of the Employers' Group, Gabriele Bischoff from Germany is president of the Workers' Group, while Arno Metzler from Germany replaced Luca Jahier as president of the Diversity Europe Group (previously the Various Interests Group) in April 2018.

The EESC has six sections covering different aspects of the EU's work, ranging from the economy to social affairs. Members participate in one or more of these sections depending on their areas of expertise, and it is here that most of the preparatory work on opinions is carried out. The EESC also has a Consultative Commission on Industrial Change (CCMI), which helps EU industry anticipate and adapt to the impact of globalisation. The EESC has also set up three observatories – on the single market, the labour market and sustainable development. A horizontal European Semester Group was set up in December 2017, replacing the Europe 2020 Steering Committee. A Policy Assessment unit was established in 2015 in one of the EESC's legislative work directorates to support the members by systematically analysing and evaluating policy.

Every two-and-a-half years the EESC elects a Bureau, currently made up of 39 members, along with a president and two vice-presidents chosen from each of the three groups, in rotation. The current president is Luca Jahier (Group III) from Italy, who replaced Georges Dassis (Group II) from Greece in April 2018, at the beginning of the new term of office. The president is responsible for the orderly conduct of the Committee's business and represents the EESC in relations with other institutions and bodies. The two vice-presidents – currently Milena Angelova (Group I) from Bulgaria and Isabel Caño Aguilar (Group II) from Spain, who replaced Gonçalo Lobo Xavier (Group I) from Portugal and Michael Smyth (Group III) from the UK in April 2018 – are responsible for communication and the budget, respectively. The Bureau's main task is to organise and coordinate the work of the EESC's various bodies and to lay down policy guidelines for this work.

2 MAIN ACHIEVEMENTS – 2017

2.1 INTRODUCTION

2017 marked the 60th anniversary of the signing of the Treaties of Rome, which laid the foundations for Europe as we know it today. It also saw the conclusion of two major trade agreements (the Comprehensive Economic and Trade Agreement with Canada and the Economic Partnership Agreement with Japan) and, for example, the abolition of roaming charges for mobile telephony. Migration, climate change and the fight against terrorism continued to be topical issues in the EU landscape. Last but not least, the Brexit negotiations started in 2017, following the United Kingdom's decision to leave the European Union.

Such issues and challenges required not only closer coordination between institutions, but also mobilisation of civil society and citizens engaged in the democratic debate. The Committee communicated the concerns of civil society through its opinions, ex-post evaluations of European policies, and the organisation of structured dialogue with European citizens.

In reply to the Commission's "White paper on the future of Europe", the Committee organised 27 national consultations in the Member States, debating this vital topic in a structured way with more than 1 000 representatives of organised civil society. The compilation of the results of the national consultations was shared with both the European Commission and the European Parliament.

There can be no future for the EU without a social dimension, and the Committee provided a clear message on the impact of the social dimension and the European Pillar of Social Rights. It identified areas for action at different levels, supported the introduction of more binding measures in the European Semester, and advocated legislation, policy-making mechanisms and financial instruments to ensure that the European Pillar of Social Rights makes a lasting, positive difference in Europeans' lives.

Making the EU economy more circular is one of the most pressing priorities. To speed up the process of making this a reality, the Committee called for the creation of a European circular economy platform. 2017 saw the official launch of such a platform by the EESC and the European Commission, during the Circular Economy Stakeholder Conference, an annual event for stakeholder engagement on the circular economy.

In view of its 60th anniversary in 2018, the Committee conducted an in-depth reflection in 2017 about its future. In a changing European Union, the EESC undertook a process of reflection in order to increase its efficiency and effectiveness by rationalising its bodies to meet new challenges.

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Affairs, Skills and Labour Mobility, and **Maria João Rodrigues**, MEP and European Parliament rapporteur for the pillar of social rights

- ❖ Presentation of the Maltese Presidency's priorities, with the participation of **Ian Borg**, Maltese parliamentary secretary for EU funds and the 2017 presidency
- ❖ Debate on the current state of the European economy and prospects for deepening the EMU, with the participation of **Pierre Moscovici**, European Commissioner for Economic and Financial Affairs, Taxation and Customs

523rd plenary session | February 2017

- ❖ General debate on the future and modernisation of the European Economic and Social Committee

524th plenary session | March 2017

- ❖ Debate on the EU's future trade policy, with **Cecilia Malmström**, European Commissioner for Trade
- ❖ Debate on cohesion policy post-2020, with **Corina Crețu**, European Commissioner for Regional Policy

525th plenary session | April 2017

- ❖ Debate on media freedom and human rights, with **Can Dündar**, Turkish journalist nominated for the 2016 Sakharov Prize
- ❖ Debate on the future of Europe and the role of civil society, with Professor **Dusan Sidjanski**, honorary chairman of the European Cultural Centre
- ❖ Debate on the energy package and the state of play of the Energy Union, with **Maroš Šefčovič**, Vice-President of the European Commission responsible for the Energy Union

526th plenary session | May-June 2017

- ❖ Discussion on the work and recent activities of the European Ombudsman, with the European Ombudsman **Emily O'Reilly**
- ❖ Discussion as part of the EESC's contribution to the mid-term evaluation of the Erasmus+ programme and the EU's strategy for international cultural relations, with **Tibor Navracsics**, European Commissioner for Education, Culture, Youth and Sport
- ❖ Discussion on the priorities of the European Parliament and on future cooperation with the EESC, with **Antonio Tajani**, President of the European Parliament

527th plenary session | July 2017

- ❖ Discussion on the progress of negotiations with the United Kingdom under Article 50 TEU with **Michel Barnier**, chief negotiator for the negotiations with the United Kingdom
- ❖ Debate on the priorities of the Estonian Presidency, with **Matti Maasikas**, deputy minister for EU affairs

528th plenary session | September 2017

- ❖ Debate on the State of the Union, with **Jean-Claude Juncker**, President of the European Commission
- ❖ Debate on the future of the European Union, with **Karl-Heinz Lambertz**, President of the European Committee of the Regions
- ❖ Presentation of the European Citizens' Initiative (ECI) "Stop glyphosate", with **Herman van Bekkem**, representative of Greenpeace Netherlands, and David Schwartz, campaign coordinator in Brussels

529th plenary session | October 2017

- ❖ The EESC's contribution and the European Commission's 2018 work programme, with **Frans Timmermans**, First Vice-President of the European Commission responsible for better regulation, interinstitutional relations, the rule of law and the Charter of Fundamental Rights

530th plenary session | December 2017

- ❖ Debate with **Vytenis Andriukaitis**, European Commissioner for Health and Food Safety, on civil society's contribution to the development of a comprehensive food policy in the EU, in conjunction with EESC opinion NAT/711
- ❖ Award ceremony for the **Civil Society Prize**

Cooperation with the European Parliament: legislative work

A total of 52 opinions were adopted in response to referrals coming from the European Parliament. Members of the EESC had over 60 meetings with EP rapporteurs and shadow rapporteurs as well as other MEPs, and participated in an active role in over 42 events in Parliament (committee meetings, hearings, intergroup events or events initiated by individual MEPs). In parallel, MEPs actively participated in 35 EESC legislative work meetings.

Political cooperation with the European Parliament

2017 saw an increase in dialogue at political level between the two institutions. The President of the European Parliament, Antonio Tajani, met with EESC President Georges Dassis on 11 April 2017 and addressed the EESC plenary session on 1 June.

As part of the "general legislative cooperation", the EESC President also maintained a strong link with the EP Conference of Committee Chairs (CCC). Chair Cecilia Wikström came to the EESC for a meeting with President Dassis on 11 April, as well as on 17 October for an exchange of views on bilateral cooperation with the EESC Bureau. As a direct result, the EP now provides the EESC with the list of planned EP committee hearings six months in advance.

On 12 December 2017, President Dassis participated in the CCC meeting in Strasbourg. There he outlined specific possibilities for cooperation to the chairs of EP committees, presenting a list of topics where Parliament can pursue joint events and meetings with, or request exploratory opinions from, the Committee.

These high-level contacts served to strengthen the permanent dialogue and were also mirrored at the level of members.

Cooperation with the European Commission

Cooperation between the Committee and the European Commission is enshrined in the 2012 Protocol, a substantial and comprehensive foundation on which to build.

The EESC's strategic political dialogue with the Commission is conducted mainly through the annual EESC contribution to the Commission's work programme. This year the Committee's contribution was adopted during the plenary session in July 2017.

Several high-level meetings were held throughout 2017, including the participation of the Commission President, First Vice-President and other Commissioners at EESC plenary sessions and events. Jean-Claude Juncker, President of the European Commission, addressed the EESC plenary session in September 2017 on the State of the Union. First Vice-President of the Commission Frans Timmermans met with EESC President Georges Dassis on 12 July 2017 and presented the Commission's 2018 work programme at the EESC plenary session in October 2017. In 2017, the EESC adopted five exploratory opinions requested by the European Commission.

Active participation in the ESPAS project

The European Strategy and Policy Analysis System, ESPAS, is an important interinstitutional project set up to enhance the forward planning ability of the EU. It brings together the European Parliament, the European Commission, the General Secretariat of the Council of the European Union and the European External Action Service in order to make use of the Union's collective administrative capacity to better identify and analyse key trends and challenges, and the resulting policy choices of the EU. The Committee contributed to the organisation of the annual conference and organised a breakout dinner on "Environmental change: trends and challenges", a theme of specific interest to the EESC, on 22 November 2017.

Cooperation with the European External Action Service

Constant exchanges have been held with the EEAS on a number of regions and countries with which the EESC is developing its external relations (Africa, Latin America, China and Russia). Interinstitutional cooperation has been especially close regarding civil society participation in EU policies towards the southern Mediterranean countries and the western Balkans.

Cooperation with the European Council and the Council of the European Union

Malta held the presidency of the Council of the European Union in the first half of 2017, followed by Estonia in the second half, both demonstrating an outstanding capacity for cooperation. Ian Borg, Maltese parliamentary secretary, and Matti Maasikas, deputy minister for EU affairs, came to present their priorities at the plenary sessions of January and July 2017 respectively. The Maltese and Estonian EU presidencies formally requested nine exploratory opinions altogether, which were subsequently drawn up and adopted by the EESC.

An extraordinary Bureau meeting was held in Tallinn in June 2017. The EESC's President and section presidents attended a number of EU informal ministerial meetings covering urban policy, employment, social policy, health and consumer affairs.

Ministers and representatives of the EU presidencies attended a variety of EESC-organised events related to the social economy, migration, consumers, and digital and inclusive societies.

An extraordinary Bureau meeting was held in Sofia in November 2017 in preparation for the upcoming Bulgarian EU Presidency.

Cooperation with the European Committee of the Regions

The current cooperation agreement between the EESC and the European Committee of the Regions, which entered into force in 2016, again established a firm legal framework for long-

term, efficient and effective cooperation and also demonstrates that the two Committees are acting in partnership, respecting each other's powers and prerogatives.

Amongst other activities, the EESC was extensively involved in the 15th European Week of Regions and Cities (9-12 October 2017). On 11 October, President Dassis participated in the conference with the theme "Building the Cohesion Alliance" that officially launched the Cohesion Alliance, a coalition of stakeholders for a strong and efficient cohesion policy in the future. Moreover, the EESC organised three workshops in the framework of the European Week of Regions and Cities, and a delegation of seven members participated in the opening ceremony that took place on 9 October 2017.

In October 2017, Karl-Heinz Lambertz, President of the European Committee of the Regions, addressed the EESC plenary with a message of strengthened cooperation between the two Committees.

Cooperation with national economic and social councils

In 2017, the EESC sustained a high level of activities involving national economic and social councils (ESCs) and similar institutions, on a bilateral basis or within the network of national ESCs of the EU. This cooperation included joint action in the framework of the Europe 2020 Strategy and support for the network's meeting of presidents and secretaries-general in Malta which was dedicated to the theme "Towards a fair and inclusive labour market in the context of intra-EU mobility". The national ESCs of the EU pursued their cooperation with the EESC within the annual Euromed Summit of ESCs and Similar Institutions.

2.2.1 Structured dialogue with European citizens

Civil Society Days 2017 – The Europe we strive for



The Civil Society Days (CivSocDays) are an annual event organised by the EESC and the EESC Liaison Group with European civil society organisations and networks. The main purpose is to enhance political dialogue between the Committee and European civil society organisations, and to establish a genuine, structured civil dialogue with the European institutions.

The theme of the Civil Society Days 2017 was "The Europe we strive for", with a focus on the fight against populism; the technological revolution; the empowerment of civil society organisations; and more social and territorial cohesion. The 2017 edition was intended as organised civil society's call for a new political impulse to relaunch the EU on the basis of our values and roots and also to communicate the clear commitment of civil society organisations to

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forging ahead. Against the background of Commission President Juncker's "White paper on the future of Europe", the CivSocDays 2017 were a unique chance for civil society organisations to contribute to this debate, thus bringing new impetus to and showing its continued support for the European project.

European Citizens' Initiative (ECI) Day 2017: I participate!



ECI DAY is an annual EESC conference co-organised with civil society partners with a focus on the European Citizens' Initiative (ECI) and the development of participatory rights. The 2017 "ECI DAY: I participate!" was held on 11 April 2017 and brought breakthrough developments for participatory democracy in the European Union. In

the opening session, First Vice-President of the European Commission Frans Timmermans announced that the ECI would be revised and that the Commission would put forward a new proposal for an ECI Regulation by the end of 2018. The 2017 edition focused on two themes: "ECI success stories" to show how some ECI ideas had actually found their way into European legislation despite not benefitting from any direct legislative follow-up, and "Citizens' participation – ECI and beyond". The participants were also requested to fill out a survey on an "ECI online collaborative platform" to help design an online tool aimed at assisting ECI organisers (to be launched by the European Commission in 2018). The conference was followed by an evening event at which a new digital publication – "European Passport to Active Citizenship" – was launched, to assist and guide citizens in making their voices heard in the EU.

2.2.2 Conferences, debates and key topics in the spotlight – 2017

The EESC was instrumental in organising numerous high-level conferences designed to promote a more participatory EU that is in touch with public opinion.

The future of Europe

In July 2017, the Committee approved a Resolution on the White paper on the future of Europe.

In this context, the EESC held 27 national consultations in the Member States between 4 May and 9 June 2017. As well as successfully bringing together more than 1 000 representatives of organised civil society to debate the future of Europe in a structured way, the EESC compiled the 27 consultation reports into one publication, which was officially submitted to Jean-Claude Juncker, President of the European Commission, by EESC President Georges Dassis on 27 September 2017. Moreover, the compilation was circulated at the interparliamentary committee

meeting held by the European Parliament's Committee on Constitutional Affairs on 11 October 2017.

Tax policy

At a time when the EU needs to promote inclusive growth and increase job opportunities, obstacles to investment stemming from tax uncertainty and burdensome tax-related administration must be overcome. A level playing-field with effective taxation and elimination of double taxation is paramount. Having drawn up an opinion on a proposal for a directive on double taxation dispute resolution, the EESC played a key role in forging an agreement on the final directive during negotiations at the Council of the EU.

Issued in early 2017, the EESC opinion on the EU proposal stressed that urgent action was vital. Thanks to the quality of the proposals in the opinion, the rapporteur was invited to take part in Commission discussions ahead of ministerial meetings in the Council. Contacts with the EU presidency and senior Member State officials helped to make the proposal a priority and reach consensus in the Council. At the same time, civil society and the European Parliament rapporteur were mobilised in support of the proposal. Agreement was reached in the Council in June 2017 and the directive was adopted in October 2017, after the European Parliament gave its support. Member States are now committed to fast implementation.

Promoting gender balance in the transport sector

The EESC was actively involved in promoting gender balance in the transport sector where only 22% of employees are women. Two exploratory opinions on the subject (2015, 2017) have been adopted and presented at various events. The idea to set up a "Platform for Change" was put forward by the EESC and endorsed by the Commission. On 27 November 2017, EESC President Georges Dassis and EU Commissioner for Mobility Violeta Bulc officially launched the Platform at the well-attended conference "Women in Transport – EU Platform for Change" held at the EESC. The event was jointly organised by the EESC and the Commission's DG MOVE in an innovative, participatory way, with opening and concluding speeches given by high-level representatives of the EU presidency and institutions, together with a brainstorming session where all participants were able to explore the functioning of the Platform to be managed by DG MOVE. At the end of the event, the interested parties signed a "Declaration on equal opportunities for women and men in the transport sector".

Deepening the EMU

The Committee adopted four opinions as input into Commission reflection papers on deepening the EMU and the future of EU finances, the mid-term review of the Capital Markets Union

(CMU) – a Commission plan to mobilise capital and channel it to companies and infrastructure projects – and recommendations under the European Semester (the EU framework for economic policy coordination) for the euro area. They addressed current economic challenges and made proposals to tackle them.

The Commission's work programme shows the intention of making specific proposals in all of these areas. Political leaders at all levels must use the economic recovery to build consensus and strengthen unity among Member States. The EESC will continue to focus on strengthening economic and social cohesion and ensuring upward convergence so as to bring the benefits of economic stability and prosperity to all Europeans.

Organised civil society outside the EU

In 2017, as a continuation of the work done in recent years, the EESC established new links with organised civil society worldwide. This included the setting up of new civil society bodies with Chile, Georgia, Moldova and Ukraine (also in the framework of the EU's trade agreements) as well as work focused on western Balkan countries on issues such as EU enlargement and media freedom. The process involved bringing together social partners and other civil society organisations to find common ground for cooperation, which, in some cases, had never previously happened in the partner countries. The EESC has thus provided an institutional channel and a working method for civil society from the EU and third countries to exchange views on key issues, and fostered recognition by political authorities in partner countries of civil society bodies as important interlocutors.

Africa-EU Partnership: the role of young people

EU and African economic and social stakeholders met in Abidjan (Côte d'Ivoire) in order to put forward their views on relations between the two continents to EU and African Heads of State and Government. Particular emphasis was placed on young people. Participants called for specific measures to assist young people, including a universal basic education, improved synergy between the education system and the labour market, and easier access for young people to financing and opportunities for self-employment or to set up their own companies. The movement of skilled labour should also be improved through accreditation of migrants' skills and qualifications.

Europe on the move

The 2017 European Commission mobility package was designed to modernise mobility and transport in Europe, enabling the sector to remain competitive while making a socially equitable transition towards clean energy and digitalisation.

The overarching "Europe on the Move" communication and respective legislative initiatives reflect the EU's aim of making rapid progress towards the establishment, by 2025, of a clean, competitive and well-connected mobility system, which integrates all means of transport, spans the entire EU, and connects it both with its immediate neighbours and the wider world.

The EESC closely followed all these developments with a number of opinions, focusing more specifically on the achievement of a well-functioning internal market, decarbonisation, digitalisation and the social dimension of the transport sector.

In addition to the mobility package, the European Commission also published its "Aviation: Open and Connected Europe" package, coinciding with the 25th anniversary of the EU's internal market for aviation. In the context of preparing the aviation package opinion, the EESC once again demonstrated its key role among EU institutions in serving as an open forum for debate among key civil society stakeholders by organising a major hearing on disruptions to air traffic management. Director-General Henrik Hololei of DG MOVE welcomed the EESC's emphasis on the importance of a meaningful and systematic social dialogue involving all stakeholders.

European Civil Society in the driving seat of the energy transition

In 2017, the EESC continued its work on the Energy Union initiative launched in 2015 by the European Commission. More than 70 Members of the TEN Section were actively involved in preparing the 10 opinions in response to the European Commission's "Clean Energy for All Europeans" package. In these opinions, the EESC stressed the importance of putting citizens in the driving seat of the energy transition by enabling them to become energy producers themselves, ensuring that energy poverty is better understood and effectively addressed, and promoting a governance approach that allows for the meaningful participation of citizens and civil society in designing policies for the energy transition in Europe through the European Energy Dialogue.

2017 was marked by the growing visibility and direct impact of the EESC's key messages. Recommendations from EESC opinions, in particular on the governance of the Energy Union, directly shaped the work of other European institutions. The EESC also organised a major conference on "European Energy Dialogue on the Energy Union" in September 2017.

Smart cities and smart islands

In its own-initiative opinion on "Smart cities as drivers of a new European industrial policy" (2015), the EESC emphasised the important role that cities can fulfil if they converge towards more advanced and effective development models.

A report including best practices and recommendations to help cities improve their smart projects and overall development was presented in February 2017 to a large audience of high-level speakers and representatives of cities and EU institutions.

Similarly, the EESC has formulated a model for the smart development of islands. It observes that the challenges islands face "can be turned around to become opportunities if smart and sustainable development policies are implemented to give islands the competitive advantages that derive from sustainable growth and better jobs".

The findings of these two projects were published in 2017, compiling the contributions from civil society representatives and all stakeholders concerned, who underlined the importance of the EESC's work in bringing these needs to the attention of EU policy-makers. Both formed part of the mid-term evaluation of the Connecting Europe Facility (CEF), an EU instrument to promote growth, jobs and competitiveness through infrastructure investment.

Digital economy

Potential negative consequences of the digitalisation of industry include greater income disparities and reduced access to social security. In September 2014, the EESC adopted an opinion on the "Impact of business services in industry", in which it highlighted the expansion of digitalisation and made recommendations to the EU institutions. In January 2016, it drew up a further opinion based on these recommendations and current developments. This led to a European Commission communication on digitalising European industry in April 2016.

The EESC much appreciated the ambitious and cohesive vision displayed in this communication and its focus on four key issues: technologies and platforms; standards and reference architecture; geographic cohesion through a network of regional innovation hubs; and skills at all levels. The Committee urged the Council of the EU to develop an industrial strategy for digitalisation and a digital single market so as to put an end to policy fragmentation. The EESC organised a hearing in which five Commission directorates-general participated. It also held a conference on the digitalisation of industry in Malta in April 2017 as a follow-up to the opinion.

Counterfeiting

In July 2017, the EESC adopted an opinion aimed at raising awareness of the issue of counterfeiting and encouraged the EU institutions to fight it in all its forms. The clothing, footwear, accessories, handbag and luggage sectors suffer yearly sales losses of billions of euros. The cosmetics, health, food, luxury and construction sectors are also seriously affected. On 7 April 2017, the EESC organised a public hearing and was asked to push the EU institutions to adopt legislation adapted to the internet age, as well as demanding accountability

from intermediaries such as digital platforms, banks, credit card providers and transport operators.

Circular economy

Making our economy more circular is an undisputed priority of our times. After two EESC opinions had called for the creation of a European platform for the circular economy, involving civil society in policy discussions at EU level, the Commission and the EESC launched a European Circular Economy Stakeholder Platform (ECESP) at a joint conference in March 2017. The Platform aims to advance the circular economy in the Member States, in regional and local governments, and among civil society organisations and businesses. The work of the Platform is steered by a Coordination Group of 24 members selected from civil society organisations, business and trade union representatives, think tanks and public bodies. The EESC plays a major role in this endeavour, managing the Coordination Group secretariat and the ECESP website (<http://circulareconomy.europa.eu/platform/en>).

Involving civil society in climate measures for a just transition

In 2017, the EESC continued to work with its international partners within the International Climate Governance Coalition. The Coalition presented its work at side events held during the Climate Chance Summit in Agadir, Morocco and at COP23 in Bonn, Germany. This important work, initiated in 2016, on boosting the role of non-state climate actors will be continued in 2018 through an exploratory opinion requested by the European Commission and a major event co-organised with the Commission and the secretariat of the United Nations Framework Convention on Climate Change (UNFCCC). Moreover, to promote a debate on climate justice, based on an EESC own-initiative opinion adopted in October 2017, the EESC held a COP23 side event on a just transition to the low-carbon economy.

Towards a more comprehensive food policy

Throughout 2017, the EESC has been at the forefront of efforts to promote a more holistic approach to food policy, which is necessary to ensure a transition to sustainable, healthy and fair food systems. Following various debates and expert hearings with stakeholders from across the food supply chain, the EESC adopted an own-initiative opinion on "Civil society's contribution to the development of a comprehensive food policy in the EU". Such a policy is urgently needed in order to improve consistency across food-related policy areas, restore the value of food and ensure the effective implementation of the UN Sustainable Development Goals. These efforts complement the work done on preparing the new CAP for the post-2020 period, and in particular the exploratory opinion on a possible reshaping of the CAP and the own-initiative opinion on the Cork 2.0 Declaration that set out guidelines for future rural policy at EU level. More sustainable food systems could more easily be attained at the regional and local level,

which also justifies the EESC's active support of the work of the European Rural Parliament through its participation in several national rural parliament sessions.

New economic models

As new economic models develop in response to changing trends, so does their impact on businesses, consumers and workers. Representing civil society at European level, the EESC has recognised both the potential of these new models for Europe's sustainability and the uncharted legal territory they entail. Starting with the 2013 opinion on collaborative or participative consumption and the theme of the 2015 European Consumer Day, the EESC has been at the forefront of monitoring these new economic models.

On 16 February 2017, the EESC organised a conference, together with the Global Hub for the Common Good. This was an excellent opportunity to enrich the European debate with experiences from communities involved in new economic models.

More recently, following a request from Commission Vice-President Timmermans for an exploratory opinion, the EESC has taken stock of the views of European stakeholders on how EU policies and regulatory action can contribute to attaining sustainable economic models, reconciling economic prosperity and efficiency, social inclusion and environmental responsibility.

Social economy enterprises

For several years now, the EESC has supported the social economy. The Permanent Study Group on Social Economy Enterprises cooperates closely with the European Parliament's Social Economy Intergroup, with the European Commission's DG GROW, DG EMPL and DG FISMA, and with the EESC's Social Economy Category. The permanent study group also contributed to the work of the Slovak and Maltese presidencies, enabling the EESC to take part in the Competitiveness Council held in Malta in April 2017.

Each year, the EESC organises the European Day of Social Economy Enterprises, a participatory event that provides an opportunity to hear the concerns of social entrepreneurs on the ground and to take stock of the measures that still need to be adopted to enable the potential of social enterprises to be fully realised.

For the EESC, it is vital to encourage action at national level and to support the Commission's initiatives as well as to jointly define new objectives for inclusion in the work programmes of the EU institutions. The challenge for the social economy is to make a successful transition from being an alternative economic model to one with significant economic, social and environmental impacts.

Innovation and artificial intelligence

Research and innovation are essential to improve competitiveness, promote growth, create jobs and address societal challenges. Responsible research and innovation (RRI), which means including civil society stakeholders in the research and development process, is another area in which the EESC has played an important role as a representative of civil society.

Innovation has also included the subject of artificial intelligence (AI), which has been discussed in an opinion providing an important point of reference.

The position of the EESC is that the EU should adopt policies that enable artificial intelligence to grow while ensuring that it operates to the benefit of society and social well-being.

The EESC's work has been widely disseminated. The EESC rapporteur, who has been involved in every significant initiative linked to this issue, recently met with the European Commission Vice-Presidents Timmermans and Ansip and Commissioners Gabriel and Moedas to discuss the key challenges associated with this topic.

European Pillar of Social Rights

The European Pillar of Social Rights (EPSR) played a prominent role in the EESC's celebration of the 60th anniversary of the Rome Treaty, where it was concluded that there could be no future for the EU without a social dimension. In a key opinion on the impact of the social dimension and the EPSR on the future of the EU, the EESC requested an implementation roadmap and clear assignment of tasks to the various actors. It identified areas for action at EU and national level, supported the introduction of more binding measures, including benchmarks, in the European Semester, and advocated EU measures, should national initiatives to implement the EPSR not materialise. At the Social Summit for Fair Jobs and Growth in Gothenburg on 15 November, an interinstitutional proclamation on the EPSR was signed; the EESC welcomed this proclamation as a major political commitment to social progress and highlighted the importance of strengthening social rights by deploying pertinent legislation, policy-making mechanisms and financial instruments to ensure that the EPSR makes an enduring positive difference in people's lives and supports European integration.

Employment, skills and the future of work

The future of work and skills was the focus of requests for exploratory opinions from the EU presidencies, and of EESC own-initiative work. The EESC believes that effective national and EU-level social dialogue would help steer transformations so as to reap the benefits and avoid the pitfalls. A serious debate on how to balance economic growth and social progress is unavoidable and the EESC plays a pivotal role in helping to reach consensus on objectives and necessary action. In its opinions, the EESC underlined the importance of facilitating job

transitions, ensuring the availability of appropriate skills and improving education, training and lifelong learning, while also ensuring adequate social security and income security. At two EESC conferences, participants reflected on long-term unemployment including specific challenges faced by the Roma and people with disabilities (on 28 February) and discussed measures needed to create quality jobs, adapt people's skills and help those affected by changes in the context of the transition to a low-carbon, resource-efficient and greener economy (on 22 June). A joint EESC/European Commission conference on 10 November focused on the issue of intergenerational fairness and solidarity and the EESC and the European Commission also co-hosted a meeting of the European Roma Platform on 27-28 November which dealt with the challenges related to the transition of Roma children and youth from education to employment. The EESC underlined its commitment to initiatives for the labour market integration of newcomers and other vulnerable people who require specific support by awarding its Civil Society Prize to five organisations active in this field in December.

Refugees and migrants in the EU – focus on integration

The EESC put forward innovative practices and promoted a partnership approach calling for more investment in refugees and faster access to the labour market at conferences and in fact-finding missions, in cooperation with Eurofound. The annual European Migration Forum on 2-3 March, jointly organised by the EESC and the European Commission, advocated safe legal alternatives for accessing the EU and improved access to rights and services for migrants. At a joint EESC/European Commission conference on 6 November, lessons were drawn from how recent efforts to integrate refugees, improve labour market and social policies in general and support other vulnerable groups such as young people, the long-term unemployed, people with disabilities and the elderly, can contribute to the overall modernisation of social protection systems and labour market institutions. Moreover, the EESC shed light on the specific difficulties of refugees and migrants with disabilities at events held at the EESC on 14 February and during the Conference of States Parties to the UN Convention on the Rights of Persons with Disabilities on 13-15 June in New York.

Evaluation and REFIT activities

In 2017, six evaluations conducted by the EESC were submitted to the Commission. In May, the Commission published the results of the Fitness Check of consumer and marketing law, and the results of the evaluation of the Consumer Rights Directive and of the interim evaluation of Horizon 2020, of which EESC made its own evaluations in 2016. EESC contributions were included extensively in the Commission's reports. Through 12 fact-finding missions on the ground in the Member States, three questionnaires and two hearings, more than 400 civil society organisations were involved in this process. These cooperation projects with the Commission have provided the EESC with an opportunity to voice the concerns of civil society organisations on the ground at yet another stage of the EU policy cycle. After the first batch of information reports, a reflection on potential improvements to the evaluation methodology used has been

launched. In 2017, the EESC representative attended 10 REFIT platform meetings. The EESC's stances were based on EESC opinions, thus opening up another avenue for institutional follow-up of past EESC work.

Feeding the debate on economic and social transition with a new post-Europe 2020 strategy

In 2017 the EESC intensified its work on a new, post-2020, strategy for Europe. The EESC held a conference in Budapest on the transition towards a post-2020 Europe. The conference concluded that instruments for data collection, information exchange and coordination between the Commission and Member States – in other words, the Annual Growth Survey (AGS) and the European Semester – are very useful and efficient mechanisms that should be maintained beyond 2020. The aim should be to strengthen these mechanisms and expand their scope to include social and environmental dimensions. The EESC has continuously called for a more social approach, especially in its opinion on the 2017 AGS. Therefore the EESC welcomed the Commission's plans (in its 2018 programme) to increase focus on social issues in the European Semester. The EESC acknowledged the growing importance of the Semester and, in its Bureau decision of 5 December, decided to replace its Europe 2020 Steering Committee with a body that would focus on the Semester and on maximising the impact of civil society on the Semester.

The 2030 Agenda for Sustainable Development as a milestone towards a longer term approach

The EESC continued its efforts to promote the realisation of the UN 2030 Agenda's 17 Sustainable Development Goals (SDGs). The Sustainable Development Observatory held two public debates, one concerning monitoring of the implementation of SDGs and the other on Eurostat's publication on the state of the SDGs in Europe. These two debates informed the EESC strategy for contributions to the newly formed Multi-stakeholder Platform on SDGs led by the Commission's Secretariat-General. Meanwhile, the EESC co-partnered with the ECOLISE network to launch the first ever European Day of Sustainable Communities, in order to find new ways to boost sustainability actions by all components of civil society. In October, the EESC adopted an own-initiative opinion which put forward key elements, from the point of view of civil society, for a long-term sustainable development strategy for 2050. It called for the Commission to prepare a strategy in this field in line with this timeframe. It identified three key issues: the depletion of the earth's natural resources, including climate change and biodiversity loss; social inequalities, including youth unemployment, and people left behind in regions with declining industries; and public loss of trust in government, the political establishment, and the EU and its governance structures, as well as other institutions. These three issues should be addressed against the backdrop of two megatrends: digitalisation and globalisation.

Partnerships

In its role as the institutional representative of civil society and as part of its policy entitled "The EESC, home of civil society", the EESC hosted 67 partnership events. These are conferences organised by external organisations in cooperation with the EESC on topics that are relevant and of interest to the Committee within the framework of European and civil society issues.

2.2.3 Communication activities

In 2017, with the aim of increasing its visibility, the EESC strengthened its relations with media and also focused on online communication (internet, social media).

Going digital

A major achievement in 2017 was the revamping of the Committee website based on a user- and task-centric approach and an open-source content-management system (Drupal). The website is now fully responsive, i.e. usable via any computer or mobile device. The language regime has also been improved.

A special effort was made to strengthen social media communication. This was accompanied by a consistent training policy and on-demand tailored coaching sessions for both members and staff. A new internal structure, the social media network, was launched in January 2017. The main aim was to ensure good coordination of EESC social media activities and accounts resulting in optimal quality, visibility and frequency of communication.

EESC plenaries, which were all webstreamed, had a potential reach of between 3 and 5 million, with an exceptional peak of 41.6 million in April. In October, the EESC corporate Twitter account reached 30 000 followers, while at the same time the main Facebook account had around 20 000 friends.

The EESC newsletter *EESCInfo* also went digital in December 2017 as a web-first newsletter with print available on demand and a mini-site on the EESC website.





A step forward was also taken as regards videoconferencing: in order to cope with the growing number of requests, existing installations were upgraded and Skype features were added in three conference rooms. The use of Dynamics – a customer-relationship management software – when organising conferences and other events was significantly expanded in 2017.

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Events

Four communication events were particularly noteworthy for 2017, in addition to other major EESC events in Brussels and abroad.

	<ul style="list-style-type: none"> ▪ The eighth edition of "Your Europe, Your Say!" (YEYS) (March 2017). Ninety-nine pupils and 33 teachers from all EU Member States and candidate countries voted for three recommendations they judged to be the most important: reduce food waste; combat nationalism; increase interest in Europe through education and introduce a Europe day for schools.
	<ul style="list-style-type: none"> ▪ The ninth edition of the Civil Society Prize rewarded initiatives carried out by civil society organisations aimed at labour market integration of newcomers and all people who are distant from the labour market and require specific support. The EESC received 111 applications from 25 Member States. The prize was awarded to five winners during the EESC's December plenary session.
	<ul style="list-style-type: none"> ▪ The 11th Civil Society Media Seminar took place in Madrid in November and brought together some 120 participants, including journalists and communication/press officers from civil society organisations. The theme was "The role of EU civil society in a world of globalised communications".
	<ul style="list-style-type: none"> ▪ In June, the EESC participated for the third time in the Deutsche Welle Global Media Forum in Bonn, sending 15 members. The event had the theme of "Identity and Diversity" and attracted around 2 000 attendees.

Communication towards media and journalists

In 2017, EESC media coverage remained at the high level achieved the year before. A total of around 4 250 articles were gathered during 2017 compared to the 4 307 in 2016.

In 2017, the EESC increased the use of social media and other platforms and tools (e.g. web stories) to reach journalists, while still issuing 70 press releases (78 in 2016) which went out to over 1 300 journalists in Brussels and an increasing number of targeted national and specialised journalists across Europe.

In addition to the around 200 journalists attending EESC events during the year, in December the EESC organised its first information seminar for journalists. Twenty journalists were invited for two days to the EESC to learn about the Committee, its role and its political achievements.

The general public: from visiting schools to hosting visitors

Around 30 EESC members and a few members of EESC staff visited a school in their country of origin either in the framework of "Your Europe, Your Say!" (33 visits) or under the "Back to school" initiative (10 visits).

In 2017, the EESC received some 7 820 visitors (2016: 7 400) in more than 340 groups. In addition to this, the traditional Open Doors Day in May attracted some 2 700 visitors (2 400 in 2016) and saw the active participation of 21 EESC members. In May 2017, EESC members also participated in the Schuman Day celebrations in Budapest, Paris and Prague. Furthermore, 130 members took part in Going Local activities, with a total of 224 events: 72 on general communication and 152 linked to a specific policy or EESC opinion.

Publications and graphic products

Traditional publications (131 individual titles, all following the EESC graphic charter) were published and also made available online. In addition to the usual graphic products, iPad stations giving general information about the EESC's work were installed in the JDE building.

Culture

The EESC organised around 20 cultural events in 2017, some of which were linked to the Maltese and Estonian presidencies. Activities included photo exhibitions and film screenings, attracting from 20 to 700 people per event.

Protocol and meetings

The Conferences, Internal Services and Protocol Unit of the Committee handled 1 100 meetings organised in Brussels and 63 outside Brussels. Its protocol service also took care of 160 official visitors.

2.2.4 The future of the Committee

In October 2016, the Bureau set up an ad hoc group on the future of the Committee in order to press ahead with the in-depth reflection exercise launched by the Committee's enlarged presidency. The aim was to develop a new vision for the Committee and its role in a changing European Union. This group consulted the Committee president, other members of the enlarged presidency (vice-presidents and presidents of the groups), the presidents of the sections and the CCMI, the secretary-general and representatives of the Staff Committee and submitted its report in July 2017. The Bureau then decided that the reflection exercise should continue under another ad hoc group, which was specifically tasked with garnering proposals on how to rationalise Committee bodies to meet the new challenges. This group included the section and CCMI presidents in its work and reported in December 2017, at which point the Bureau decided to replace the Europe 2020 Steering Committee with a European Semester Group and to establish a Group on Fundamental Rights and the Rule of Law in EU countries.

2.2.5 Brexit Follow-up Group

A Brexit Follow-up Group was created in order to monitor the evolution in the UK's withdrawal from the EU and to assess the potential need for reactions or positions of the EESC. The Brexit Follow-up Group is composed of 12 members, including the section presidents, and it reports periodically to the Bureau on new developments.

2.3 ADMINISTRATION

The Committee is served by a General Secretariat, headed by a Secretary-General who reports to the President, representing the Bureau. The EESC has 701 staff members.

The EESC seeks to attract, train and retain skilled staff, optimise its organisational structure and promote an environment that encourages a work/life balance and is conducive to personal and professional development. Major efforts have also been made to adapt to budgetary constraints.

Highlights of the year 2017 are outlined below.

2.3.1 Interinstitutional perspective

- **Closer cooperation with the European Committee of the Regions:** The mid-term evaluation of the implementation of the cooperation agreement between the EESC and the CoR took place at the end of 2017. The evaluation concluded that several measures had been successfully implemented. In the context of a redeployment exercise, the EESC has already moved 16 posts from the Directorate for Translation to its own services; remaining moves will happen progressively. The pilot project for the common management of some translation units will be evaluated in the first half of 2018. Based on this evaluation, a decision on possible changes in the structure of the Directorate for Translation could be taken in summer 2018.

2.3.2 The EESC perspective

- **Competition with other institutions:** At a time of budgetary constraints and with a view to a possible further decrease of resources as a result of Brexit, the EESC must continue to be an attractive employer and to attract and retain the best talent. Several measures based on an analysis of the 2016 staff survey were put in place in order to decrease stress-related problems at work and to increase staff motivation and engagement. A number of administrative procedures were made more flexible and efficient. A new learning and development strategy stressing the importance of lifelong learning and of learning on the job was approved at the end of 2017 and is now being implemented.
- **Equal opportunities:** At the beginning of 2017, an Action Plan for Equal Opportunities and Diversity within the EESC General Secretariat was approved and communicated to all staff. More specifically, 25 concrete measures were suggested, and the dimension of equal opportunities and diversity was embedded in all HR processes. In addition, several communication and awareness-raising measures are planned.
- **Inclusive working environment:** The general objective of all EESC HR policies is to further develop an inclusive work environment. This principle was stipulated in the Action Plan for Equal Opportunities and Diversity and therefore became one of the main values put forward by the EESC General Secretariat. No discrimination is tolerated within the organisation and all EESC staff are guaranteed a respectful workplace. A network of confidential counsellors is available to staff in case of conflicts or perceived harassment at work.
- **Geographical balance:** The EESC made significant efforts to improve its geographical balance, especially among managers. The proportion of EU13 managers has increased to 16% thanks to the appointment of one senior manager and one middle manager from the

EU13 Member States. Further efforts will be made with the aim of reaching the target of 20%, i.e. the proportion of the EU13 population compared to the total EU population.

Finances

➤ **MiMa (electronic mission management)**

A paperless workflow for processing travel orders and statements of mission expenses (MiMa) was rolled out on 13 November 2017, thus substantially contributing to the Committee's EMAS objectives. MiMa migrates the circulation of around 900 paper files per year, together with 5 000 handwritten signatures, into a paperless workflow.

➤ **Assistance to the EESC financial community on public procurement**

The public procurement service processed 34 tender procedures in 2017. Moreover, detailed guidance about very low-value tenders was made available to the EESC financial community.

➤ **Interinstitutional call for tender for the selection of a travel agency**

During 2017, the EESC joined an interinstitutional group for the selection of a travel agency with the European Parliament and the European Committee of the Regions; a new service contract should enter into force as of 1 January 2019. The general goal is to better tailor the services offered by the contractor to members' needs. Technical specifications for the EESC lot were completed in December 2017 and the award is scheduled for around June 2018.

➤ **Service to members – Reimbursement of members' travel and subsistence costs**

During 2017, members' payment lead times further shortened: there were approximately 22 000 reimbursement requests and almost all requests were dealt with within 10 working days. All issues related to reimbursement and payment of allowances and responsibility for the management of members' representation costs, PC and telecommunications allowances, and members' insurance and training costs, are dealt with in a one-stop shop structure, where staff are readily available to answer questions and provide information.

➤ **The Legal Service**

Following the policy established by the Secretary-General, according to which the Legal Service should be consulted on all important and sensitive matters, the Legal Service issued 101 legal opinions, mainly on staff matters, public procurement and questions related to the Committee and its members. It also represented the Committee in 14 judicial proceedings either before the Court or at a pre-litigation stage.

➤ **Data Protection Officer – 2017 activity report**

During 2017 the DPO's activity focused on monitoring compliance with the data protection regulation and preparing for the new regulation, as well as on raising awareness about data protection. The number of cases increased significantly as a result of the intense communication campaign conducted throughout the year (out of 157 cases, 112 were closed by the end of the year). In 2017, the data controllers notified eight new processing operations to the DPO (the same number as in 2016). The DPO organised a number of information sessions and a specialised training session. The DPO was involved in the inspection carried out by the European Data Protection Supervisor at the EESC (included in the EDPS Annual Inspection Plan).

➤ **Register of Bureau decisions**

Following a request from the EESC Bureau, the Bureau's decision-making process has been updated to include the first version of a register of Bureau decisions.

➤ **Business continuity management**

Following the events of 22 March 2016, the functioning and membership of the crisis management team were amended by a Bureau decision. In cooperation with the Secretary-General's secretariat and the Directorate for Logistics, the Business Continuity Plan has been fully adapted to the new circumstances. The first meeting of the CMT in its new configuration was held in early 2018. Throughout 2017, the Committee maintained the "yellow" alert (level two out of three), with measures adapted to the situation.

Within the framework of interinstitutional cooperation, the institutions have adopted common alert levels and related measures. Moreover, the institutions have harmonised the raising/lowering of levels. A memorandum of understanding (MoU) was signed on 18 October 2016 between the Belgian Government and the EU institutions on security screenings related to external staff working within the institutions, which entered into force on 1 January 2017.

Many investments aimed at improving security within the Committees were launched in 2016, including a major refurbishment of the entrance hall of the JDE building. These investments are subject to tendering procedures.

In 2016, the security team followed a special training programme to face the evolution of criminal and terrorist threats.

➤ **Buildings strategy**

A long-term buildings strategy was established and adopted by the Bureau in October 2017. This buildings strategy provides a framework for any future decision related to building

policy. It contains a set of guiding principles in the field of real estate, which provide a framework for any specific decision to be taken in relation to buildings. The guiding principles of the buildings strategy include the geographical concentration of buildings; preference for ownership rather than lease, and for exercising options to buy; sustainable building management; and multi-annual planning. Building on this strategy, several scenarios have been identified and explored in order to prepare the buildings policy in the medium and longer term, in particular taking into account the administrative agreement with the European Commission related to the lease of the VMA building. For the sake of the cost effectiveness of available resources, and following intensive efforts by the Committee at the interinstitutional level, the administrative agreement with the European Commission for leasing the VMA building was extended from 31 March 2019 to 31 December 2021.

➤ **Increased efficiency of information systems, IT infrastructure and user support services**

Several activities were carried out as part of an approach based on continuous improvement and the need to adapt to budgetary constraints and staffing cuts. Examples include the development of a new application for staff appraisals, an online staff vademecum, improved usability of the principal operational systems and reporting environments, mobile versions of the Document Search engines, etc. Work has started on the installation of the new translation management system. Web services to support efficient dissemination of information about the Committees continued to be deployed and maintained.

➤ **Members' Helpdesk**

The Members' Helpdesk provides assistance to the EESC members and constitutes a link between the members and the different administrative services of the EESC, as well as with the Belgian federal public services. The service remains open throughout the day and is greatly appreciated by users.

➤ **Providing translation and other language services of the highest possible quality by deepening resource-efficient multilingualism**

- Translation output in 2017 was 4.6% lower than in 2016. This allowed the Committee to manage translation demand with the staffing level provided for in the EESC-CoR cooperation agreement. Nevertheless, further rationalisation measures to maintain a manageable level of translation output must be implemented in 2018, especially as the 2017 decrease does not compensate for the 17% increase in previous years.
- Outsourcing stood at 17.1% in 2017.
- In 2017, the first recruitments were made with a view to building up an internal Irish translation capacity.

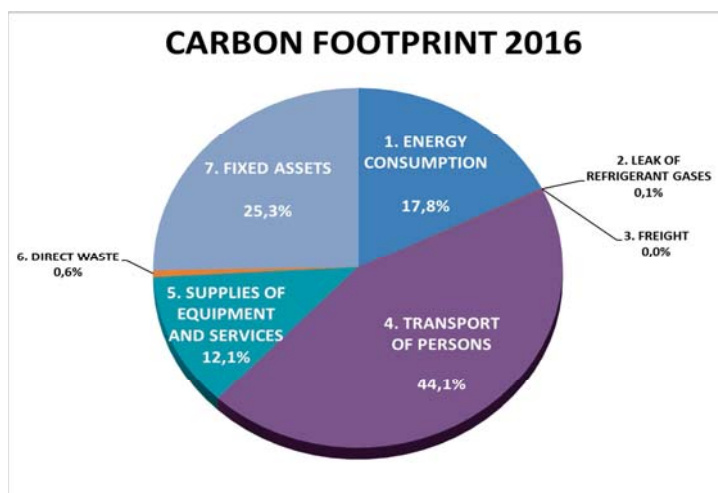
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- A pilot project on common management of translation units, provided for by the EESC-CoR cooperation agreement, started in autumn 2016 for a trial period of 18 months. This project will be evaluated in the first half of 2018.
- The project to automate translation workflows for online *EESCInfo* articles was implemented at the end of 2017 with a successful first test round for four selected languages (EN, FR, DE, RO).
- Following the call for tender, the Committee launched the new translation management system project in October 2017 to replace the existing Ariane/ArianeX applications. The project follows PM² methodology and will be completed in 2018.
- The Directorate for Translation (DT) made particular efforts in 2017 to consolidate relations with external and internal stakeholders, with a stand at the Open Day on 10 May, the multilingual publication of a new leaflet aimed at Committee members, the production of a video on translation, a "Translation matters" exhibition to mark International Translation Day on 30 September, and the DT Open Day on 20 October. All efforts capitalised on internal resources with a minimal impact on budget.
- The Committee actively participated in all interinstitutional Language Technology Watch (LTW) meetings, which discussed the requirements and tender specifications for the computer-aided translation environment post-2020.

2.3.3 Efficient environmental management

The European Union is combating climate change and this commitment extends to the European institutions, which are gradually reducing their environmental impact thanks to the Eco-Management and Audit Scheme (EMAS). The EESC, in cooperation with the European Committee of the Regions within the framework of the Joint Services, has set up an environmental management system as part of a process of continuous improvement in this sphere. These efforts have borne remarkable results over the last years, earning the Committees the Brussels Ecodynamic Enterprise label in 2009. In 2011, the Committees were awarded EMAS and ISO 14001 certification.



In 2017, the Committees for the first time calculated their carbon footprint. The total emissions amount to 7 344 tons of CO₂-equivalent for the year 2016. The report highlights that the two main sources of emissions are "transport of persons" and "fixed

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assets" (buildings, IT, facilities).

In 2017, the canteen was awarded the "Good Food" label, recognising the efforts of the Committees to offer sustainable food and to combat food waste. First, overproduction is being reduced (3% of the average total production in our canteen). In addition, with regard to food that is not consumed, a pioneering initiative on food donation was developed: about 6 000 sandwiches and 200 kg of food were donated to charity organisations under strict hygiene conditions in 2017.

By choosing to operate as sustainably as possible, the Committees have made significant savings in several fields. Here are some examples of the environmental results in 2017:

2017 Vs 2009	2017 Vs 2016
Electricity - 28%	Electricity - 11%
Gas - 51%	Gas - 15%
Water - 35%	Water - 1,7%
Paper - 47%	Paper - 11%
Waste - 57%	Waste - 13%

These efforts bring not only environmental benefits but also financial savings and improvements to management processes. Indeed, reducing gas, electricity and water consumption has generated significant financial gains. Moreover, the discussions held regarding our use of paper have opened the way for an in-depth reflection on how to make administrative processes more modern and efficient.

Useful links

EESC website: www.eesc.europa.eu

Facebook: www.eesc.europa.eu/facebook

Twitter: www.eesc.europa.eu/twitter

YouTube: www.eesc.europa.eu/youtube

LinkedIn: www.linkedin.com/company/european-economic-and-social-committee

EESC President: www.eesc.europa.eu/president

EESC President on Twitter: @EESC_President

Your Europe, Your Say!: www.eesc.europa.eu/YourEuropeYourSay

3 ANNEX: LIST OF OPINIONS ADOPTED IN 2017

INT SECTION

File	Short title	Rapporteur	Legal basis	OJ Reference
INT/786	Threats and obstacles to the Single Market	RÖPKE Oliver	Initiative	OJ C 125, 21.04.2017, p. 1
INT/787	Effectiveness of policies for SMEs	ANGELOVA Milena	Initiative	OJ C 345, 13.10.2017, p. 15
INT/804	Copyright package	MENDOZA CASTRO Juan	Mandatory	OJ C 125, 21.04.2017, p. 27
INT/805	Aviation security / screening equipment	BACK Stefan	Mandatory	OJ C 125, 21.04.2017, p. 34
INT/806	Artificial intelligence	MULLER Catelijne	Initiative	OJ C 288, 31.8.2017, p. 1
INT/807	Evaluation of Horizon 2020	LOBO XAVIER Gonçalo	Information report	—
INT/808	Nautical and maritime tourism	ZAHRA Tony	Exploratory (Presidency)	OJ C 209, 30.06.2017, p. 1
INT/809	Space Strategy for Europe	MACIULEVIČIUS Mindaugas	Optional	OJ C 209, 30.06.2017, p. 15
INT/810	Business insolvency	PEZZINI Antonello SALIS-MADINIER Franca	Mandatory	OJ C 209, 30.06.2017, p. 21
INT/812	The Start-up and Scale-up Initiative	SVENSSON Erik ROBERT Ariane	Optional	OJ C 288, 31.8.2017, p. 20
INT/813	Adapting RPS acts to Articles 290 and 291 TFEU	PEGADO LIZ Jorge	Mandatory	OJ C 288, 31.8.2017, p. 29
INT/814	Customs Union/governance	DIMITRIADIS Dimitris	Optional	OJ C 434, 15.12.2017, p. 43
INT/815	Services Package	METZLER Arno PALMIERI Stefano	Mandatory	OJ C 288, 31.8.2017, p. 43
INT/816	Digital healthcare / health insurance	COHEUR Alain	Initiative	OJ C 434, 15.12.2017, p. 1
INT/817	Transparency, methodology and resources of impact assessments	MEYMENT Denis	Initiative	OJ C 434, 15.12.2017, p. 11
INT/819	Bio-based Industries Joint Undertaking	MANOLIU Mihai	Mandatory	OJ C 246, 28.7.2017, p. 18
INT/820	Directive 2010/40/EU delegated acts	PEGADO LIZ Jorge	Mandatory	OJ C 345, 13.10.2017, p. 67
INT/821	Enforcement of competition rules	MENDOZA CASTRO Juan	Mandatory	OJ C 345, 13.10.2017, p. 70
INT/822	Consumer financial services	IKRATH Michael TRIAS PINTÓ Carlos	Optional	OJ C 434, 15.12.2017, p. 51
INT/824	Copyright / Accessibility	ALMEIDA FREIRE Pedro IVAȘCU Mihai	Mandatory	OJ C 345, 13.10.2017, p. 76
INT/825	Compliance package	HERNÁNDEZ BATALLER Bernardo	Mandatory	OJ C 81, 2.3.2018, p. 88
INT/827	Emissions from heavy-duty vehicles	BERGRATH Dirk MANOLIU Mihai	Mandatory	OJ C 81, 2.3.2018, p. 95
INT/828	Digital Single Market: Mid-term review	LONGO Antonio	Optional	OJ C 81, 2.3.2018, p. 102
INT/829	Report on Competition Policy 2016	Barros Vale	Optional	OJ C 81, 2.3.2018, p. 111

TEN SECTION

File	Short title	Rapporteur	Legal basis	OJ Reference
TEN/605	Application of State aid rules for compensating the provision of services of general economic interest (Decision 2012/21/UE) (Own-initiative opinion)	ANGELOVA Milena	Initiative	OJ C 345, 13.10.2017, p.45
TEN/606	Mid-term evaluation of the Connecting Europe Facility (formerly Smart Cities)	CAÑO AGUILAR Isabel	Information Report	—
TEN/607	Mid-term evaluation of the Connecting Europe Facility (formerly Smart Islands)	JOOST Meelis	Information Report	—
TEN/609	Decarbonisation of transport	BACK Stefan	Optional	OJ C 173, 31.05.2017, p. 55
TEN/611	European Gigabit Society	SAMM Ulrich	Optional	OJ C 125, 21/04/2017, p. 51
TEN/612	European Electronic Communications Code (Recast)	PEGADO LIZ Jorge	Mandatory	OJ C 125, 21/04/2017, p. 56
TEN/613	Body of European Regulators of Electronic Communications (BEREC)	PEGADO LIZ Jorge	Mandatory	OJ C 125, 21/04/2017, p. 65
TEN/614	Internet connectivity in local communities	FATOVIC Emilio	Mandatory	OJ C 125, 21/04/2017, p. 69
TEN/615	5G for Europe	MANOLIU Mihai	Optional	OJ C 125, 21/04/2017, p. 74
TEN/616	Women and transport - Platform for Change	SHARMA Madi	Exploratory (Commission)	OJ C 246, 28.07.2017, p.1
TEN/617	Energy Union Governance	CURTIS Brian	Mandatory	OJ C 246, 28.07.2017, p. 34
TEN/618	Revision of the Energy Efficiency Directive	MANOLIU Mihai	Mandatory	OJ C 246, 28.07.2017, p. 42
TEN/619	Accelerating clean energy innovation	QUAREZ Christophe	Optional	OJ C 288, 31.08.2017, p.81
TEN/620	Revision of the Energy Performance of Building Directive 2010/31/EU	MILTOVIĆA Baiba CAÑO AGUILAR Isabel	Mandatory	OJ C 246, 28.07.2017, p. 48
TEN/621	Cooperative intelligent transport systems	BACK Stefan	Optional	OJ C 288, 31.08.2017, p. 85
TEN/622	Revision of the Renewable Energies Directive	RIBBE Lutz BACK Stefan	Mandatory	OJ C 246, 28.07.2017, p. 55
TEN/623	Energy prices and costs	BATUT Laure	Optional	OJ C 345, 13.10.2017, p. 120
TEN/624	Clean Energy For All package	SAMM Ulrich VIDAN Toni	Optional	OJ C 246, 28.07.2017, p. 64
TEN/625	Electricity Market Design	GAJDOSIK Alfred	Mandatory	OJ C 288, 31.08.2017, p. 91
TEN/626	State of the Energy Union	KYLÄ-HARAKKA-RUONALA Tellervo	Optional	OJ C 288, 31.08.2017, p. 100
TEN/627	Repeal of regulations in the transport sector	SIMONS Jan	Mandatory	OJ C 209, 30/06/2017, p. 58
TEN/628	Proposal for amending regulation on operation of air services	KRAWCZYK Jacek	Mandatory	OJ C 345, 13.10.2017, p. 126
TEN/629	Processing of personal data	PEGADO LIZ Jorge	Optional	OJ C 288, 31.08.2017, p. 107
TEN/630	Building a European Data Economy	VAN IERSEL Joost	Optional	OJ C 345, 13.10.2017, p. 130
TEN/631	Protection of personal data	BATUT Laure	Mandatory	OJ C 345, 13.10.2017, p. 138

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File	Short title	Rapporteur	Legal basis	OJ Reference
TEN/632	Implications of the digitalisation and robotisation of transport for EU policy-making (own initiative opinion)	KYLÄ-HARAKKA-RUONALA Tellervo	Initiative	OJ C 345, 13.10.2017, p.52
TEN/633	Initial qualification and periodic training of drivers of certain road vehicles for the carriage of goods and passengers	MOISIO Pasi	Mandatory	OJ C 288, 31.08.2017, p.115
TEN/635	European Interoperability Framework – Implementation Strategy	CURTIS Brian	Optional	OJ C 81, 2.3.2018, p. 176
TEN/638	Vehicles hired without drivers for the carriage of goods by road	CURTIS Brian	Mandatory	OJ C 129, 11.4.2018, p. 71
TEN/639	Interoperability of the electronic toll system	MAČIULIS Vitas	Mandatory	OJ C 81, 2.3.2018, p. 181
TEN/640	Eurovignette	MAZZOLA Alberto	Mandatory	OJ C 81, 2.3.2018, p. 188
TEN/643	Clean, competitive and connected mobility for all	SAMM Ulrich CURTIS Brian	Optional	C 81, 2.3.2018, p. 195
TEN/644	Statistics on rail transport (recast)	HENCKS Raymond	Optional	OJ C 129, 11.4.2018, p. 75

NAT SECTION

File	Short title	Rapporteur	Legal basis	OJ Reference
NAT/679	Role of Agriculture in Multilateral, Bilateral and Regional Trade negotiations in the light of the Nairobi WTO Ministerial meeting	PEEL Jonathan	Initiative	OJ C 173, 31.05.2017, p. 20
NAT/689	Mid-term evaluation of the LIFE Programme	RIBBE Lutz	Exploratory (Commission)	OJ C 173, 31.05.2017, p. 7
NAT/698	Villages and small towns as catalysts for rural development	JONES Tom	Initiative	OJ C 81, 2.3.2018, p. 16
NAT/699	Ex-post evaluations of the Rural Development Programmes 2007/2013	SLAVOVA Dilyana	Information Report	—
NAT/700	Next steps for a sustainable European future	BARÁTH Etele	Optional	OJ C345, 13.10.2017, p. 91
NAT/701	Spirit drinks	SCHMIDT Peter	Mandatory	OJ C 209, 30.06.2017, p. 54
NAT/702	Ecodesign Working Plan 2016-2019	LOHAN Cillian	Optional	OJ C345, 13.10.2017, p. 97
NAT/703	A possible reshaping of the CAP	BRYAN John	Exploratory (Commission)	OJ C288, 31.08.2017, p.10
NAT/704	Procedural rules in the field of environmental reporting		Mandatory	OJ C173, 31.5.2017, p.82
NAT/705	Multiannual plan for small pelagic fisheries in the Adriatic Sea	FATOVIC Emilio	Mandatory	OJ C288, 31.08.2017, p.68
NAT/706	Waste to energy under the Circular Economy	LOHAN Cillian PEZZINI Antonello	Optional	OJ C345, 13.10.2017, p. 102
NAT/707	Restrictions on hazardous substances (RoHS)	CURTIS Brian	Mandatory	OJ C345, 13.10.2017, p. 110
NAT/708	EU Environmental Implementation Review (EIR) 2016	MANOLIU Mihai	Optional	OJ C345, 13.10.2017, p. 114
NAT/709	From Cork 2.0 Declaration to concrete actions	BJÖRNSSON Sofia	Initiative	OJ C345, 13.10.2017, p. 37
NAT/710	Emissions trading scheme on aviation activities	KROPP Thomas	Mandatory	OJ C288, 31.08.2017, p. 75

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File	Short title	Rapporteur	Legal basis	OJ Reference
NAT/711	Civil society's contribution to the development of a comprehensive food policy in the EU	SCHMIDT Peter	Initiative	OJ C 129, 11.4.2018, p. 18
NAT/712	Climate Justice	LOHAN Cillian	Initiative	OJ C 81, 2.3.2018, p. 22
NAT/713	Land use for sustainable food production and ecosystem services	SÖRMUS Roomet	Exploratory (Presidency)	OJ C 81, 2.3.2018, p. 72
NAT/714	Management, conservation and control measures in the South Pacific Regional Fisheries Management Organisation (SPRFMO)		Mandatory	OJ C 288, 31.08.2017, p. 129
NAT/715	Adjustment rate for direct payments		Mandatory	OJ C 288, 31.08.2017, p. 130
NAT/716	Access to justice at national level related to measures implementing EU environmental law	LOHAN Cillian	Optional	OJ C 129, 11.4.2018, p. 65
		CURTIS Brian		
NAT/717	An Action Plan for nature, people and the economy	RIBBE Lutz	Optional	OJ C 129, 11.4.2018, p. 90
NAT/724	Advantages of the Community-led Local Development approach	HAKEN Roman	Exploratory (Presidency)	OJ C 129, 11.4.2018, p. 36
NAT/725	Common Fisheries Policy — Discards	SARRÓ IPARRAGUIRRE Gabriel	Mandatory	OJ C 81, 2.3.2018, p. 174

SOC SECTION

File	Short title	Rapporteur	Legal basis	OJ Reference
SOC/529	Work-life balance of working parents and caregivers	KOLLER Erika	Mandatory	OJ C 129, 11.4.2018, p. 44
		DRBALOVÁ Vladimíra		
SOC/537	The effectiveness of ESF and FEAD funding as part of civil society efforts to tackle poverty and social exclusion under the Europe 2020 strategy	BALON Krzysztof Stanisław	Initiative	OJ C 173, 31.05.2017, p. 15
SOC/542	European Pillar of Social Rights	BISCHOFF Gabriele	Exploratory (Commission)	OJ C 125, 21.04.2017, p. 10
		JAHIER Luca		
		KRAWCZYK Jacek		
SOC/546	New Skills Agenda	VAREIKYTĖ Indrė	Mandatory	OJ C 173, 31.05.2017, p. 45
		BABRAUSKIENĖ Tatjana		
SOC/548	Establishing a Union Resettlement Framework	MOOS Christian	Optional	OJ C 125, 21.04.2017, p. 40
SOC/549	Matrimonial matters Matters of parental responsibility International child abduction	BÄUMLER Christian	Optional	OJ C 125, 21.04.2017, p. 46
SOC/550	Eurofound, Cedefop and EU-OSHA Regulations	SCHWENG Christa	Mandatory	OJ C 209, 30.6.2017, p. 49–53
		BARBUCCI Giulia		
SOC/552	Erasmus+ mid-term evaluation	VAREIKYTĖ Indrė	Information report	—
		BABRAUSKIENĖ Tatjana		
SOC/553	State of implementation of legal migration legislation	DEL RIO Cinzia	Information report	—
SOC/555	High quality education for all	RIZZO Benjamin	Exploratory (Presidency)	OJ C 173, 31.05.2017, p. 1

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File	Short title	Rapporteur	Legal basis	OJ Reference
SOC/556	Establishing a European Travel Information and Authorisation System (ETIAS)	SIMONS Jan	Optional	OJ C 246, 28.7.2017, p. 28
SOC/557	EU rules on social security coordination	VON BROCKDORFF Philip SCHWENG Christa	Optional	OJ C 345, 13.10.2017, p. 85
SOC/559	Protection of workers from carcinogens or mutagens at work	BULK Marjolijn	Mandatory	OJ C 288, 31.8.2017, p. 56–61
SOC/560	Sustainable social security and social protection systems in the digital era	DANDEA Petru Sorin	Initiative	OJ C 129, 11.4.2018, p. 7
SOC/561	The role of social partners and CSOs in new forms of work	SALIS-MADINIER Franca AHTELA Jukka	Exploratory (Presidency)	OJ C 434, 15.12.2017, p. 30
SOC/562	Skills / New forms of work	SAMM Ulrich VAREIKYTĖ Indrė	Exploratory (Presidency)	OJ C 434, 15.2.2017, p. 36
SOC/563	Financing of CSOs by the EU	Jean-Marc Roirant	Initiative	OJ C 81, 2.3.2018, p. 9
SOC/564	Impact of the social dimension & the European Pillar of Social Rights on the Future of EU	BISCHOFF Gabriele AHTELA Jukka	Optional	OJ C 81, 2.3.2018, p. 145
SOC/565	Cooperation with civil society to prevent the radicalisation of young people	MOOS Christian	Initiative	OJ-C 129, 11.4.2018, p. 11
SOC/566	European Solidarity Corps	TRANTINA Pavel PEZZINI Antonello	Mandatory	OJ C 81, 2.3.2018, p. 160
SOC/567	New EU education strategy	TRANTINA Pavel PEZZINI Antonello	Optional	OJ C 81, 2.3.2018, p. 167

ECO SECTION

File	Short title	Rapporteur	Legal basis	OJ Reference
ECO/389	Recovery and resolution of central counterparties	GARCÍA DEL RIEGO Antonio	Mandatory	OJ C 209, 30/06/2017, p. 28
ECO/410	Wealth inequality in Europe (Own-initiative opinion)	DIMITROV Plamen	Initiative	OJ C 129, 11.4.2018, p. 1
ECO/418	Inclusive islands	MALLIA Stefano	Exploratory (Presidency)	OJ C 209, 30/06/2017, p. 9
ECO/419	Common (Consolidated) Corporate Tax Base package	MCLOUGHLIN Michael	Mandatory	OJ C 434, 15.12.2017, p. 58
ECO/420	Improving double taxation dispute resolution mechanisms	ANDERSSON Krister	Mandatory	OJ C 173, 31/05/2017, p. 29
ECO/421	Digital Single Market VAT (e)-package (VAT on e-commerce, e-publications, e-books)	SINGH Amarjite	Mandatory	OJ C 345, 13.10.2017, p. 79
ECO/423	Euro area economic policy (2017)	DOZ ORRIT Javier ZÁHRADNÍK Petr	Optional	OJ C 173, 31/05/2017, p. 33
ECO/424	Banking reform - Capital requirements and resolution framework amendments	MAREELS Daniel	Mandatory	OJ C 209, 30/06/2017, p. 36
ECO/425	EU Regulatory Framework for Financial Services	ANGELOVA Milena	Optional	OJ C 209, 30/06/2017, p. 43
ECO/426	Specific measures to Member States affected by natural disasters	BARBIERI Pietro Vittorio	Mandatory	OJ C 173, 31.05.2017, p. 38
ECO/427	AC - Terrorism Financing – Controls of cash movements	DOZ ORRIT Javier IVAȘCU Mihai	Mandatory	OJ C 246, 28.07.2017, p. 22

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File	Short title	Rapporteur	Legal basis	OJ Reference
ECO/428	VAT derogation - reverse charge	GUERINI Giuseppe	Mandatory	OJ C 288, 31.08.2017, p.52
ECO/429	Banking reform - Creditor hierarchy in insolvency	MAREELS Daniel	Mandatory	OJ C 173 of 31.05.2017, p. 41
ECO/430	Tax system for competition / growth	DANDEA Petru Sorin	Initiative	OJ C 434, 15.12/2017, p.18
ECO/431	Territorial typologies		Mandatory	OJ C 209, 30.06.2017, p. 71
ECO/432	European Market Infrastructure Regulation (EMIR) – Amendment	DANDEA Petru Sorin	Mandatory	OJ C 434, 15.12.2017, p.63
ECO/433	Family and traditional businesses in regional development	DIMITRIADIS Dimitris	Initiative	OJ C 81, 2.3.2018, p. 1
ECO/434	Taxation of the collaborative economy	GUERINI Giuseppe ANDERSSON Kristen	Exploratory (Presidency)	OJ C 81, 2.3.2018, p. 65
ECO/435	Euro area economic policy 2017 (additional opinion)	ZAHRADNÍK Petr DOZ ORRIT Javier	Supp. d'avis	OJ C 81, 2.3.2018, p. 216
ECO/437	Capital Markets Union: Mid-Term Review	MAREELS Daniel	Optional	OJ C 81, 2.3.2018, p. 117
ECO/438	Deepening EMU by 2025	CROUGHAN David	Optional	OJ C 81, 2.3.2018, p. 124
ECO/439	EU finances by 2025	PALMIERI Stefano ZAHRADNÍK Petr	Optional	OJ C 81, 2.3.2018, p. 131
ECO/440	Pan-European personal pension product – PEPP	VON BROCKDORFF Philip	Mandatory	OJ C 81, 2.3.2018, p. 139
ECO/448	Adaptation of resources for the Cohesion policy goals		Mandatory	OJ C 129, 11.4.2018, p. 98

REX SECTION

File	Short title	Rapporteur	Legal basis	OJ Reference
REX/472	The external dimension of social economy (Own-initiative opinion)	CABRA DE LUNA Miguel Ángel	Initiative	OJ C 345, 13.10.2017, p.58
REX/477	Establishing the EFSD Guarantee and the EFSD Guarantee Fund	SIMONS Jan	Optional	OJ C 173, 31/05/2017, p. 62
REX/478	New migration partnership with third countries	PÎRVULESCU Cristian	Optional	OJ C 173, 31/05/2017, p. 66
REX/479	EU-Korea Free Trade Agreement	FORNEA Dumitru	Optional	OJ C 81, 2.3.2018, p. 201
REX/480	Towards an EU strategy for international cultural relations	JAHIER Luca	Optional	OJ C 288, 31.08.2017, p. 120
REX/481	Participation of the Union in "PRIMA"	FATOVIC Emilio	Mandatory	OJ C 125, 21/04/2017, p. 80
REX/482	The future of our oceans	SIMONS Jan	Optional	OJ C 209, 30/06/2017, p. 60
REX/483	TDI - methodology	BÄUMLER Christian BARCELÓ DELGADO Andrés	Optional	OJ C 209, 30/06/2017, p. 66
REX/484	Proposal for a new European Consensus on Development Our World, our Dignity, our Future	SIBIAN Ionuț MANOLIU Mihai	Optional	OJ C 246, 28.07.2017, p. 71
REX/485	Renewed EU ACP Partnership	KING Brenda	Optional	OJ C 129, 11.4.2018, p. 76
REX/486	The core role of trade and investment in meeting and implementing the SDGs	PEEL Jonathan QUAREZ Christophe	Initiative	OJ C 129, 11.4.2018, p. 27

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File	Short title	Rapporteur	Legal basis	OJ Reference
REX/487	EU development partnerships and the challenge posed by international tax agreements (own initiative opinion)	GAJDOSIK Alfred	Initiative	OJ C 81, 2.3.2018, p. 29
		WAGNSONNER Thomas		
REX/488	EU-CELAC strategic relations	SOARES Mário	Initiative	OJ C 434, 15.12.2017, p.23
		PUXEU ROCAMORA Josep		
REX/490	Economic, social and cultural rights in the Euro-Mediterranean region	DE FELIPE LEHTONEN Helena	Initiative	OJ C 81, 2.3.2018, p. 37
REX/493	Blue economy in the Western Mediterranean	DIMITRIADIS Dimitris	Optional	OJ C 129, 11.4.2018, p. 82
REX/494	Exchanging and protecting personal data in a globalised world	PÎRVULESCU Cristian	Optional	OJ C 81, 2.3.2018, p. 209
REX/499	EU-Cuba relations: the role of organised civil society	IULIANO Giuseppe	Information report	—

CCMI

File	Short title	Rapporteur	Legal basis	OJ Reference
CCMI/147	Digitalisation in the European financial sector (Own-initiative opinion)	TRIAS PINTO Carlos	Initiative	OJ C 246, 28.07.2017, p. 8
		GENDRE Pierre		
CCMI/148	The automotive industry on the brink of a new paradigm?	STOEV Georgi	Information report	—
CCMI/149	European Defence Action Plan	MOOS Christian	Optional	OJ C 288, 31.08.2017, p. 62
		PIE Jan		
CCMI/150	The counterfeit and pirated products industry	PEZZINI Antonello	Initiative	OJ C 345, 13.10.2017, p. 25
		LEO Hannes		
CCMI/151	Industrial change in the EU beet sugar industry	ROCHE RAMO José Manuel	Initiative	OJ C 345, 13.10.2017, p. 32
		BRETNALL Estelle		
CCMI/154	European Defence Industrial Development Programme	PEZZINI Antonello	Mandatory	OJ C 129, 11.4.2018, p. 51
		BRUNE Eric		
CCMI/155	Launching the European Defence Fund (Communication)	IVAȘCU Mihai	Optional	OJ C 129, 11.4.2018, p. 58
		COUDERC Fabien		
CCMI/156	Creative Europe programme - amendment		Optional	OJ C 81, 2.3.2018, p. 215

SC

File	Short title	Rapporteur	Legal basis	OJ Reference
SC/046	2017 Annual Growth Survey	BARÁTH Etele	Optional	OJ C 173, 31.05.2017, p. 73
SC/047	The transition towards a more sustainable European future – a strategy for 2050	KING Brenda	Initiative	OJ C 81, 2.3.2018, p. 44
		RIBBE Lutz		
SC/048	New sustainable economic models	CHASSAGNETTE Anne	Exploratory (Commission)	OJ C 81, 2.3.2018, p. 57
		TRIAS PINTÓ Carlos		



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AD HOC GROUP

File	Short title	Rapporteur	Legal basis	OJ Reference
	Monitoring the application of EU legislation	Dittmann Bernd	Initiative	OJ C 81, 2.3.2018, p.81
		Meynent Denis		
		Lannoo Ronny		

PART II

Annual General Accounts 2017 (Accrual Accounting Principle)

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1. CERTIFICATION BY THE ACCOUNTING OFFICER

Brussels, June 2018

The annual accounts of the European Economic and Social Committee for the year 2017 have been prepared in accordance with the Title IX of the Financial Regulation applicable to the general budget of the European Union, the accounting rules adopted by the Commission's Accounting Officer and the accounting principles and methods adopted by myself.

I acknowledge my responsibility for the preparation and presentation of the annual accounts of the European Economic and Social Committee in accordance with Article 68 of the Financial Regulation.

I have obtained from the authorising officer, who certified its reliability, all the information necessary for the production of the accounts that show the European Economic and Social Committee's assets and liabilities and the budgetary implementation.

I hereby certify that based on this information, and on such checks as I deemed necessary to sign off the accounts, I have a reasonable assurance that the accounts present fairly, in all material aspects, the financial position, the results of the operations and the cash-flow of the European Economic and Social Committee.

Stavros Giaprakis
Accounting Officer

2. ACCOUNTING POLICIES

This chapter provides a description of the policies, principles, methods and assumptions lying beneath the annual general accounts.

The accounting policies remain unchanged from last year.

2.1 LEGAL PROVISIONS AND THE FINANCIAL REGULATION

The main source of principles is the Financial Regulation (FR) and its Rules of Application (RAP). On top of this the Accounting Officer of the Commission has issued rules regarding the Harmonised Chart of Accounts and also 20 accounting rules, covering important accounting topics.

The Commission also provides a Consolidation Manual.

From 2005 the accounting rules have been based on the Accrual Accounting Principle and inspired by International Public Sector Accounting Standards (IPSAS) or by default International Financial Reporting Standards (IFRS).

2.2 ACCOUNTING PRINCIPLES

The objectives of financial statements are to provide information about the financial position, performance and cash flows of an entity that is useful to a wide range of users. For a public sector entity such as the EESC, the objectives are more specifically to provide information useful for decision-making, and to demonstrate the accountability of the entity for the resources entrusted to it.

If they are to present a true and fair view, financial statements must not only supply relevant information to describe the nature and range of an institution's activities, explain how it is financed and supply definitive information on its operations, but do so in a clear and comprehensible manner which allows comparisons between financial years.

The accounting system of the European Institutions comprises general accounts and budget accounts. These accounts are kept in euro on the basis of the calendar year. The budget accounts (Part III of this report) give a detailed picture of the implementation of the budget. They are based on the modified cash accounting principle¹. The general accounts allow for the preparation of the financial statements as they show all charges and income for the financial

¹ This differs from cash-based accounting because of elements such as carry-overs.

year and are designed to establish the financial position in the form of a balance sheet at 31 December.

The accounting policies described in this document are the basis of the general accounts (accrual accounting).

2.3 CURRENCY AND BASIS FOR CONVERSION

The financial statements are presented in euros, which is the EESC's functional and reporting currency.

Foreign currency transactions are translated into euros using the exchange rates prevailing at the dates of the transactions.

Year-end balances of monetary assets and liabilities denominated in foreign currencies are converted into euros on the basis of the exchange rates applying on 31 December of the year.

Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the economic outturn account.

2.4 THE ECONOMIC OUTTURN ACCOUNT

2.4.1 Revenue

The vast majority of revenue is funds transferred from the Commission. All transfers received on the bank account of the EESC within the reporting year is recognised as revenue.

Revenue from the sale of goods is recognised when the significant risk and rewards of ownership of the goods are transferred to the purchaser.

Revenue associated with a transaction involving the provision of services is recognised by reference to the stage of completion of the transaction at the reporting date.

2.4.2 Expenditure

Exchange expenses arising from the purchase of goods are recognised when the supplies are delivered and accepted by the EESC. They are valued at original invoice cost.

When any request for payment or cost claim is received and meets the recognition criteria, it is recognised as an expense for the eligible amount. At year-end, incurred eligible expenses already due to the beneficiaries but not yet reported are estimated and recorded as accrued expenses.

2.5 BALANCE SHEET

2.5.1 Intangible fixed assets

Intangible fixed assets are valued at their acquisition price, with the exception of assets acquired free of charge that are valued at their market value. Tangible and intangible fixed assets are valued at their historic value converted into euros at the rate applying when they were purchased. The book value of a fixed asset is equal to its acquisition price or production cost, plus or minus revaluations, depreciation and other amounts written off. See depreciation rates below.

2.5.2 Tangible fixed assets

All property, plant and equipment are stated at historical cost less depreciation (excluding land), and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the EESC and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the economic outturn account during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

2.5.3 Depreciation rates

Type of asset	Straight line depreciation rate
Intangible assets	25%
Buildings	4%
Plant, machinery and equipment	12.5% to 25%
Furniture	10%, 12.5% to 25%
Fixtures and fittings	12.5% to 25%
Computer hardware	25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the economic outturn account.

2.5.4 Leases

Leases of tangible assets, where the EESC has substantially all the risks and rewards of ownership, are classified as financial leases. Financial leases are classified at the inception of the lease at the lower of the fair value of the leased asset and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The rental obligations, net of finance charges, are included in other long-term liabilities. The interest element of the finance cost is charged to the economic outturn account over the lease period so as to produce a constant periodic interest rate on the remaining balance of the liability for each period. The assets acquired under financial leases are depreciated over the shorter of the assets' useful life and the lease term.

Leases where the lessor retains a significant portion of the risks and rewards of ownership are classified as operating leases. Payments made under operating leases are charged to the economic outturn account on a straight-line basis over the period of the lease.

2.5.5 Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

2.5.6 Receivables

Receivables are carried at original invoice amount less write-down for impairment. A write-down for impairment of receivables is established when there is objective evidence that the EESC will not be able to collect all amounts due according to the original terms of receivables. The amount of the write-down is recognised in the economic outturn account statement.

2.5.7 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. They include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

2.6 USE OF ESTIMATES

In accordance with generally accepted accounting principles, the financial statements necessarily include amounts based on estimates and assumptions by management. Significant estimates include, but are not limited to, amounts for employment benefits, provisions for future charges, financial risk on accounts receivables, accrued income and charges, contingent assets and liabilities, and degree of impairment of fixed assets. Actual results could differ from those estimates. Changes in estimates are reflected in the period in which they become known.

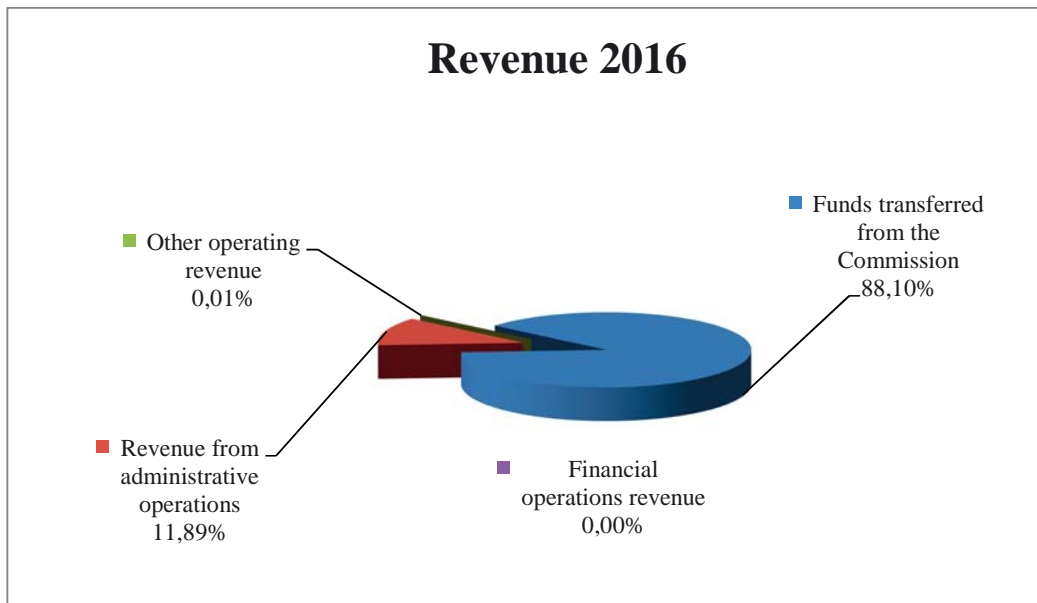
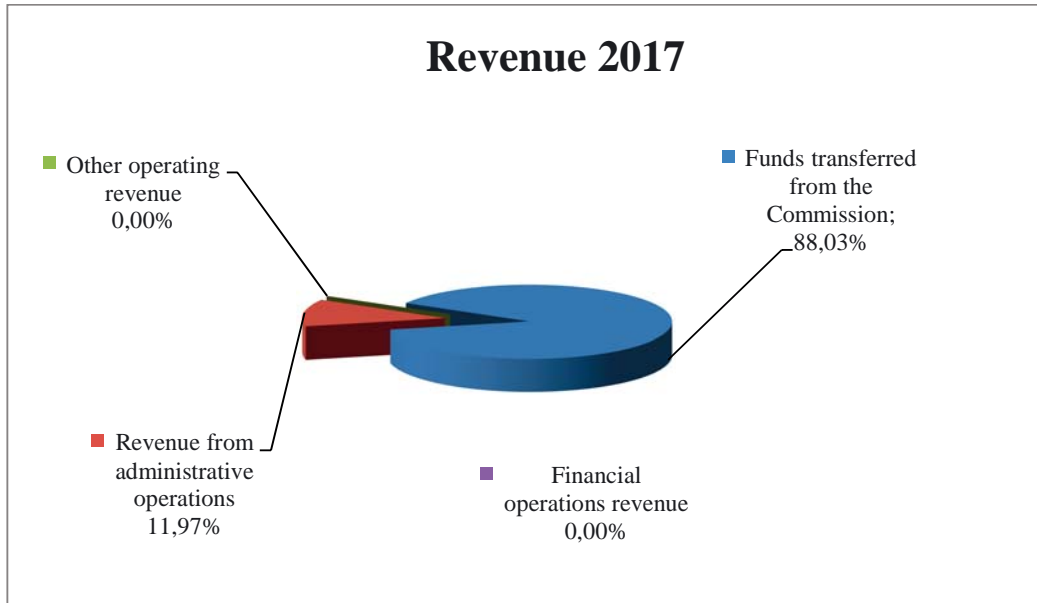
3. THE ECONOMIC OUTTURN ACCOUNT

	Note	2017	2016
From ordinary activities		7,486,496	6,211,992
Revenue			
Funds transferred from the Commission		116,000,000	114,020,000
Revenue from administrative operations		15,775,907	15,390,162
Other operating revenue		<u>2,529</u>	<u>7,451</u>
	1	<u>131,778,436</u>	<u>129,417,613</u>
Expenses			
Staff expenses and Members expenses		-90,577,888	-90,209,162
Depreciation, amounts written off, provisions and accruals		-4,876,956	-13,467,099
Land and building related expenses		-7,012,416	-8,262,503
Other expenses		<u>-21,824,680</u>	<u>-11,266,857</u>
		<u>-124,291,940</u>	<u>-123,205,621</u>
From financial activities		-6,965,859	-7,102,757
Financial operations revenue		2	50
Financial operations expenses	2	-6,965,861	-7,102,807
Economic result of the year		520,637	-890,765

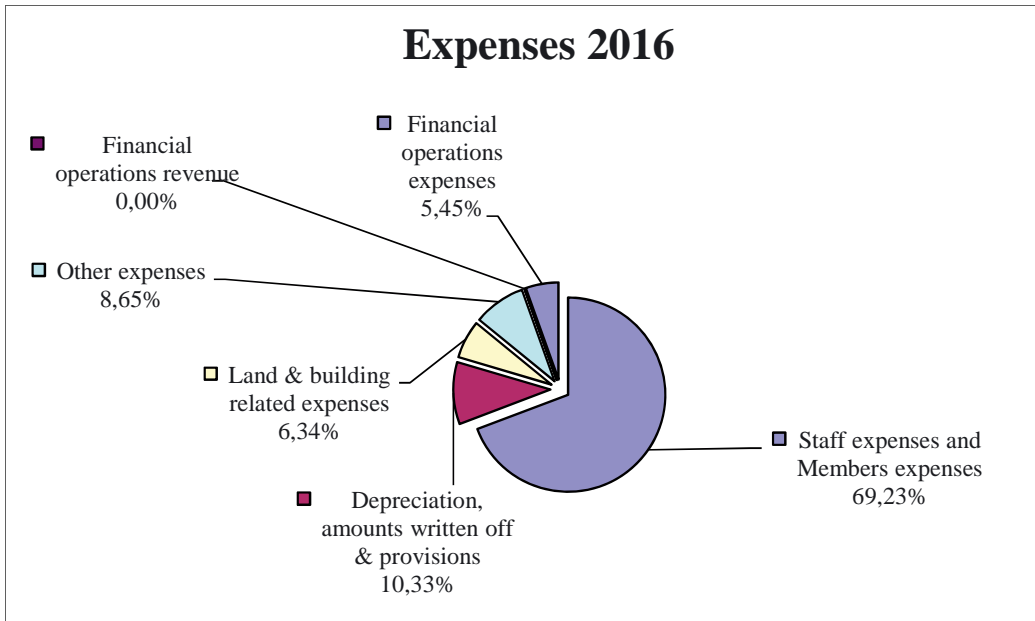
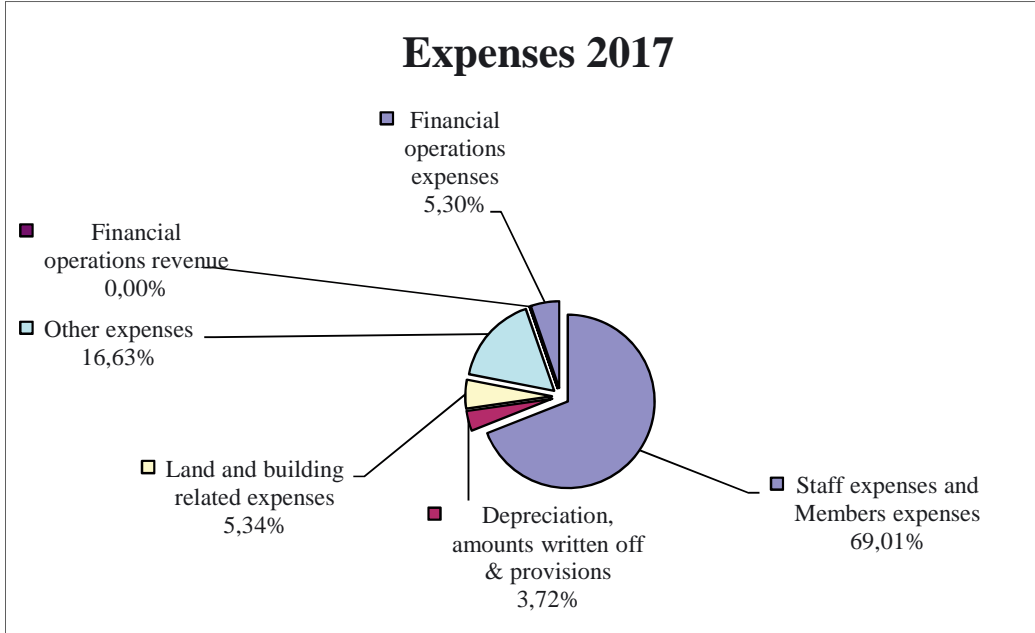
As the EESC is not a profit-making organisation, the economic result of the year should be interpreted with care, and no direct management conclusions should be derived from it. The revenue side is inherently difficult to predict. The funds transferred from the Commission are not accrually founded.

The overall expenses have slightly increased by 1% compared to last year. The increase of 'Other expenses' is mainly explained by the change of assignment of accruals amount which have been included under provisions line since two years only. This reclassification of accruals from 'Other expenses' to 'Depreciation, amounts written off, provisions and accruals' have led to an expected decrease due to the reversal of the accruals for the year 2016. Also, reclassifications have been applied at the level of the inter-entity reconciliations in order to align with the new policy on the intercompany transactions implemented into the accounting SAP tool. These reclassifications have impacted the accounts of 'Other expenses' and 'Land & building related expenses'.

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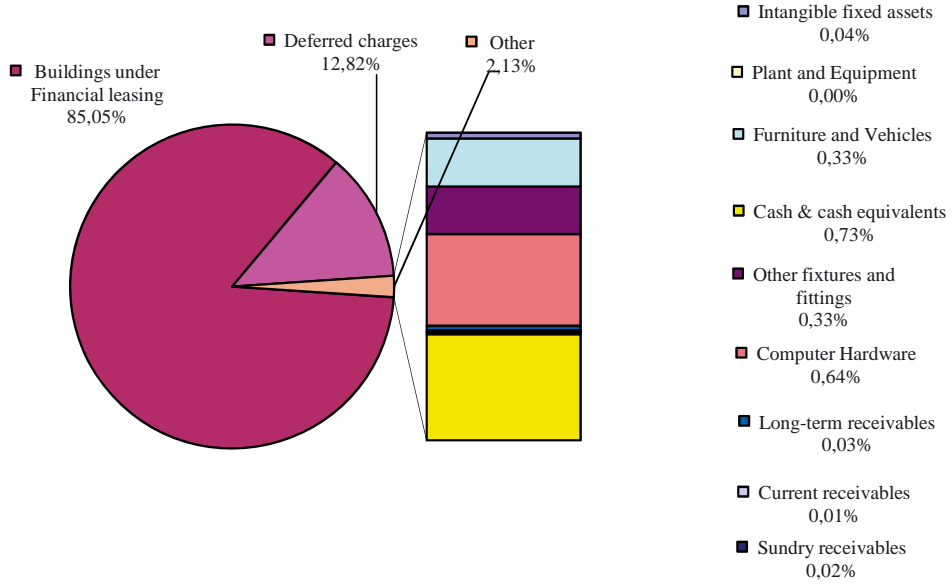
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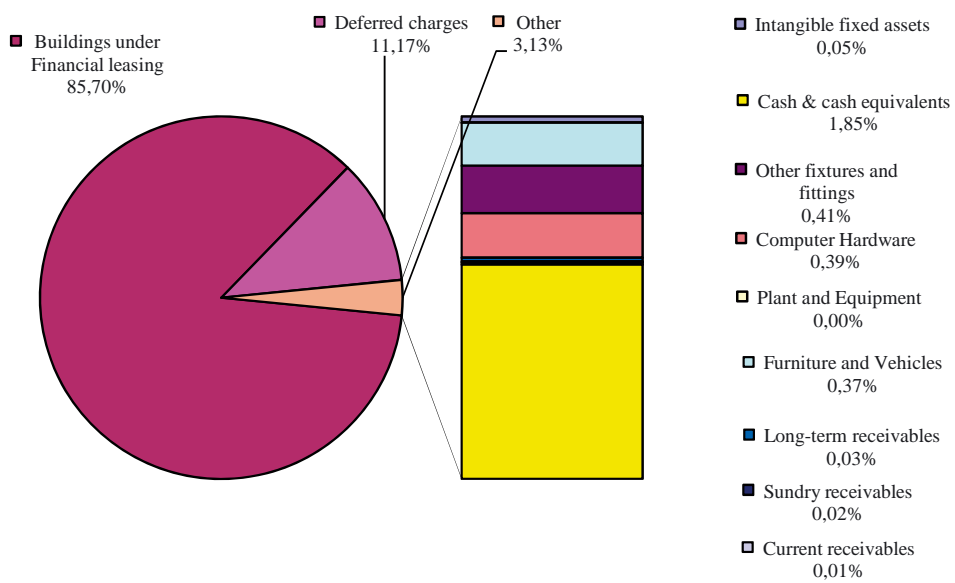
4. THE BALANCE SHEET

	Note	31/12/2017	31/12/2016
<u>I. Non-current assets</u>			
Intangible fixed assets	3	48,710	64,634
<u>Tangible fixed assets</u>			
Buildings under financial leasing	4	98,734,212	103,358,304
Plant and equipment	5	1,555	2,125
Other fixtures and fittings	5	377,716	495,001
Furniture and vehicles	6	384,188	447,981
Computer hardware	7	737,153	465,375
		<u>100,234,824</u>	<u>104,768,786</u>
Long-term receivables	8	36,791	38,502
		<u>100,320,325</u>	<u>104,871,922</u>
<u>II. Current assets</u>			
<u>Short-term receivables</u>			
Current receivables	9	14,604	12,528
Sundry receivables		15,912	21,936
Deferred charges		14,884,601	13,466,840
		<u>14,915,117</u>	<u>13,501,304</u>
Cash and cash equivalents		849,702	2,232,788
		<u>15,764,819</u>	<u>15,734,092</u>
Total assets		116,085,144	120,606,013
<u>III. Non-current liabilities</u>			
Other long-term liabilities	10	81,553,764	86,609,785
		<u>81,553,764</u>	<u>86,609,785</u>
<u>IV. Current liabilities</u>			
Provisions for risk and charges	11	63,000	32,200
		<u>63,000</u>	<u>32,200</u>
<u>Accounts payable</u>			
Current payables	12	3,267,185	3,143,070
Long-term liabilities falling due within the year	13	5,056,020	4,764,534
Sundry payables		24,248	25,134
Accrued charges		8,860,000	9,291,000
		<u>17,207,453</u>	<u>17,223,738</u>
Total liabilities		98,824,217	103,865,723
Net assets			
Contingent assets	14		
Contingent liabilities and Commitments for future funding	15		

Distribution of Assets 31/12/2017



Distribution of Assets 31/12/2016



5. STATEMENT OF CHANGES IN NET ASSETS

	Accumulated surplus/(deficit)	Economic outturn of the year	Total net assets
Balance as of 31 December 2016	17,631,055	-890,765	16,740,290
Allocation of the economic outturn 2016	-890,765	890,765	0
Economic outturn of 2017	0	520,637	520,637
Balance as of 31 December 2017	<u>16,740,290</u>	<u>520,637</u>	<u>17,260,927</u>

Note: The EESC has no share capital or previously injected capital. The net assets is exactly that – the difference between the valuation of the assets and the valuation of the liabilities. The main differences are between the principles for depreciation on buildings and the payment profile on the liabilities regarding the buildings held under long leases.

6. NOTES

NOTE 1

Operating revenue

	2017	2016
Funds transferred from the Commission	<u>116,000,000</u>	<u>114,020,000</u>
Revenue from staff	11,971,812	11,485,238
Other administrative revenue	3,804,095	3,904,924
Revenue from administrative operations	<u>15,775,907</u>	<u>15,390,162</u>
Other operating revenue	0	0
Exchange rate gains	2,529	7,451
Other operating revenue	<u>2,529</u>	<u>7,451</u>
	131,778,436	129,417,613
Non-exchange revenue	129,645,665	127,420,395
Exchange revenue	2,132,771	1,997,218
	131,778,436	129,417,613

The increase by 2% is mainly explained by the higher replenishment amounts received from the European Commission. The total funds received from EC varied by about 2 mio € compared to the year 2016. It was required to cover, on one hand, the additional payments related to the new split of rents as agreed between the CoR and the EESC and on the other hand, to cover one debit note from the Committee of the Regions related to the forthcoming works in the JDE building (1,074 mio € and 1,149 mio € respectively).

II.

Annual General Accounts 2017

NOTE 2

Financial operations expenses

	2017	2016
Other interest expenses	-6,958,629	-7,094,492
Other financial expenses (bank charges)	-7,232	-8,315
	-6,965,861	-7,102,807

NOTE 3**Intangible fixed assets**

	31/12/2017	31/12/2016
<u>Computer software</u>		
Gross carrying amount 1 January	1,223,209	1,212,188
Additions	20,424	11,021
Disposals	0	0
Transfer between headings	0	0
Other changes	<u>0</u>	<u>0</u>
Gross carrying amount 31 December	<u>1,243,634</u>	<u>1,223,209</u>
Accumulated amortization 1 January	-1,158,575	-1,087,890
Amortization	-36,348	-70,685
Disposals	0	0
Transfer between headings	0	0
Other changes	<u>0</u>	<u>0</u>
Accumulated amortization 31 December	<u>-1,194,924</u>	<u>-1,158,575</u>
Net carrying amount 31 December	48,710	64,634
Non-capitalised research costs	0	0
Non-capitalised development costs	113,756	309,920
	113,756	309,920

At 31 December 2017, the EESC and the European Committee of the Regions (CoR) had external research and development costs for a total amount of EUR 189 594. This amount was split according to an agreed repartition between the two Committees as follows :

60% EESC: EUR 113 756

40% CoR: EUR 75 838

The common threshold for joined projects for capitalisation of research and development costs has been established according to the standards of the European Commission and the CoR at EUR 1 000 000.

NOTE 4**Buildings under financial leasing**

	31/12/2017	31/12/2016
Gross carrying amount, 1 January	163,684,283	163,684,283
Additions	0	0
Gross carrying amount, 31 December	163,684,283	163,684,283
Accumulated amortization, 1 January	-60,325,980	-55,701,888
Depreciation	-4,624,091	-4,624,091
Accumulated amortization, 31 December	-64,950,071	-60,325,979
Net carrying amount, 31 December	98,734,212	103,358,304

	Capital	Interest
<u>Distribution of charges</u>		
Cumulative charges paid	76,475,574	109,612,869
<u>Charges to be paid</u>		
< 1 year	5,056,021	4,495,986
1-5 years	23,499,885	14,826,274
> 5 years	58,053,879	11,045,230
	86,609,785	30,367,490
Gross carrying amount 31 December	163,085,359	139,980,359

At 31 December 2017, the EESC and the CoR together had five buildings² under long-term leases:

	Total net asset value	Total debt
Bertha von Suttner building (BvS), Rue Montoyer 92-102	35,828,042	34,851,978
Jacques Delors building (JDE), Rue Belliard 103-113	86,155,650	73,424,368
Remorqueur building (REM), Rue Belliard 93	7,399,501	0
Rue Belliard 68-72 building (B68-72)	17,259,154	16,568,547
Rue de Trèves 74 building (TR74)	15,602,881	18,593,034
TOTAL	162,245,228	143,437,927

These long-term leases are defined as finance leases and are thus recognised and accounted for as assets, and their associated lease obligations as liabilities.

² For completeness it should be mentioned that part of the Van Maerlant II building has been rented from the European Commission since 1 April 2007. This contract is not defined as a financial lease.

II.

Annual General Accounts 2017

The EESC part of the total net-asset-value is EUR 98 734 212. On the liability-side the EESC part of the total debt is EUR 86 609 785 (other long-term liabilities EUR 81 553 764 and long-term liabilities falling due within 1 year EUR 5 056 020).

Lands are included in the total net asset value. The acquisition values of the corresponding land for both Committees are as follows:

BvS	EUR 22,059,400
JDE	EUR 38,915,800
REM	EUR 3,580,000
B68-72	EUR 8,840,000
TR74	EUR 7,670,000

In 2016, the EESC and the CoR implemented a new administrative cooperation agreement. In accordance with practice in previous years, each Committee's share in the net asset values and the liabilities of the five buildings is fixed as follows:

	EESC	CoR
BvS	67%	33%
JDE	67%	33%
REM	50%	50%
B68-72	40%	60%
TR74	40%	60%

Each Committee's contribution to the lease payments is defined in the cooperation agreement between the two Committees. These depend on the respective proportion of the number of staff of each Committee according to the respective establishment plans, adopted by the budgetary authority, on 1 January of the previous financial year and may differ from the shares as defined in the table above.

NOTE 5**Plant and equipment**

	31/12/2017	31/12/2016
Gross carrying amount, 1 January	80,382	80,868
Additions	0	0
Disposals	0	-486
Transfers between headings	0	0
Other changes	0	0
Gross carrying amount, 31 December	<u>80,382</u>	<u>80,382</u>
Accumulated amortization, 1 January	-78,257	-77,653
Depreciation	-570	-1,090
Disposals	0	486
Transfers between headings	0	0
Other changes	0	0
Accumulated amortization, 31 December	<u>-78,827</u>	<u>-78,257</u>
Net carrying amount, 31 December	1,555	2,125

Other fixtures and fittings

	31/12/2017	31/12/2016
Gross carrying amount, 1 January	2,050,847	1,924,023
Additions	100,034	172,047
Disposals	-448	-44,517
Transfers between headings	0	0
Other changes	0	-706
Gross carrying amount, 31 December	<u>2,150,433</u>	<u>2,050,847</u>
Accumulated amortization, 1 January	-1,555,846	-1,395,684
Depreciation	-217,225	-200,611
Disposals	354	40,449
Transfers between headings	0	0
Other changes	0	0
Accumulated amortization, 31 December	<u>-1,772,217</u>	<u>-1,555,846</u>
Net carrying amount, 31 December	377,716	495,001

NOTE 6**Furniture and vehicles**

	31/12/2017	31/12/2016
Gross carrying amount, 1 January	3,365,268	3,393,905
Additions	32,746	62,750
Disposals	-37,217	-91,387
Transfers between headings	0	0
Other changes	<u>0</u>	<u>0</u>
Gross carrying amount, 31 December	<u>3,360,797</u>	<u>3,365,268</u>
Accumulated amortization, 1 January	-2,917,287	-2,904,546
Depreciation	-96,389	-102,947
Disposals	37,067	90,206
Transfers between headings	0	0
Other changes	0	0
Accumulated amortization, 31 December	<u>-2,976,609</u>	<u>-2,917,287</u>
Net carrying amount, 31 December	384,188	447,981

NOTE 7**Computer hardware**

	31/12/2017	31/12/2016
Gross carrying amount, 1 January	3,845,832	3,531,923
Additions	573,865	320,141
Disposals	-209,052	-6,232
Transfers between headings	0	0
Other changes	0	0
Gross carrying amount, 31 December	<u>4,210,645</u>	<u>3,845,832</u>
Accumulated amortization, 1 January	-3,380,457	-3,099,089
Depreciation	-301,099	-287,600
Disposals	208,064	6,232
Transfers between headings	0	0
Other changes	0	0
Accumulated amortization, 31 December	<u>-3,473,492</u>	<u>-3,380,457</u>
Net carrying amount, 31 December	737,153	465,375

II.

Annual General Accounts 2017

NOTE 8

Long-term receivables

	31/12/2017	31/12/2016
Other (advances to members)	36,791	38,502
	36,791	38,502

NOTE 9**Current receivables**

	31/12/2017	31/12/2016
<u>Customers</u>		
Gross total	779	0,00
Amounts written down	0	0,00
Net value	<u>779</u>	<u>0,00</u>
<u>Member States</u>		
Gross total	13,825	12,528
Amounts written down	0	0
Net value, VAT to be recovered	<u>13,825</u>	<u>12,528</u>
<u>Other institutions</u>		
Gross total	0	0
Amounts written down	0	0
Net value	<u>0</u>	<u>0</u>
	14,604	12,528

II.

Annual General Accounts 2017

NOTE 10

Other long-term liabilities

	31/12/2017	31/12/2016
Buildings under financial leasing*	81,553,764	86,609,785
	81,553,764	86,609,785

* Part of the charges (capital) that has to be paid after one year. See also note 4.

II.

Annual General Accounts 2017

NOTE 11

Provisions for risks and charges

	31/12/2017	31/12/2016
Possible results on pending court case	63,000	32,200
	63,000	32,200

NOTE 12**Current payables**

	31/12/2017	31/12/2016
<u>Vendors</u>		
Gross total	<u>225,960</u>	<u>116,081</u>
<u>Other institutions</u>		
European Commission	3,041,225	2,974,189
European Parliament	0	52,800
European Committee of the Regions	0	0
Gross total	<u>3,041,225</u>	<u>3,026,989</u>
	3,267,185	3,143,070

II.

Annual General Accounts 2017

NOTE 13

Long-term liabilities falling due within the year

	31/12/2017	31/12/2016
Buildings under financial leasing*	5,056,020	4,764,534
	5,056,020	4,764,534

* Part of the charges (capital) that has to be paid within one year. See also note 4.

NOTE 14**Contingent assets**

	31/12/2017	31/12/2016
Performance guarantees*	0	0
	0	0

* The sum of performance guarantees in supplier contracts is EUR 925 554 at 31 December 2017. As the probability of inflow of economic benefits is low (estimated by management to be less than 5%) the value is insignificant.

II.

Annual General Accounts 2017

NOTE 15

Contingent liabilities and commitments for future funding

	31/12/2017	31/12/2016
<u>Commitments for future funding</u>		
Commitments against appropriations not yet consumed (RAL)	2,138,902	642,645
Operating leases	9,609,368	5,567,899
Contractual commitments	2,810,815	12,049,619
Other	0	0
	14,559,085	18,260,163

PART III

Annual Budgetary Accounts 2017 (Modified Cash Accounting Principle) and Report on Budgetary and Financial Management

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1. GENERAL REMARKS ON THE BUDGET

1.1 BUDGET OUTTURN 2017

The total 2017 budget was EUR 133.8 million, of which EUR 129.1 million were spent or carried forward to 2018 as commitments¹. This equals a take-up rate of 96.5%, compared to 97.2% in 2016. On the other hand, the take-up of appropriations carried forward from 2016 to 2017 was higher than in 2016: 84.9% (EUR 7.4 million) as compared to 65.7% in 2016 (EUR 6.8 million)².

1.2 ESTABLISHING THE BUDGET 2017

In its guidelines on the establishment of estimates of administrative expenditure for the 2017 draft budget, the European Commission called on all institutions to follow its own approach, i.e. to aim for a nominal freeze at 2016 level of all non-salary related expenditure. The EESC 2017 budget estimates submitted to the Commission totalled EUR 133 272 073, an increase of 2.38% on the 2016 budget. As for salary-related expenditure, the estimates included a one-percent staff reduction (6 posts) in accordance with the Interinstitutional Agreement of 2 December 2013 and one new post for an Irish translator. Other cost-saving measures resulting from the new Staff Regulations (such as the restriction on promotions beyond a certain grade) were also reflected, along with the impact of actual or expected salary adjustments, based on the parameters provided by the Commission.

The Commission adjusted the EESC budget request by reducing the Committee's establishment plan by 12 posts, with relating appropriations (EUR 1 160 280), and applying a further reduction of EUR 213 735 on item 1420 (external translation). The EESC draft budget submitted to the Budgetary Authority thus showed a total of EUR 131 898 058 in appropriations (+1.33% on 2016) and 653 posts in the establishment plan. The reason for the reductions in posts was that the Commission saw an incoherence between the 80 posts created in the EP's establishment plan as a result of the cooperation agreements with the CoR and the EESC, and the 60 posts deducted from the establishment plans of the two Committees. The Commission wanted to ensure full compliance with the principle of budget neutrality.

In its reading, the Council introduced an increase of 0.3% in the 2017 abatement rate (to 4.8%), which reduced the EESC draft budget by another EUR 154 333 to EUR 131 743 725, or an increase of 1.21% on the 2016 budget.

¹ See table "Use of final appropriations (C1) in 2017", page 48.

² See table "Use of appropriations automatically carried forward from 2016 to 2017 (C8)", page 58.

The European Parliament subsequently reinstated the appropriations cut by the Council and the Commission (EUR 1 528 348), comprising also the 12 posts. Consequently, the establishment plan reflected the actual number of posts transferred from the EESC to the Parliament. The reading of the Parliament brought the number of posts in the EESC establishment plan back to 665, with budget estimates totalling EUR 133 272 073 (+2.38% on 2016).

After the two branches of the Budgetary Authority reached an agreement in the negotiations in the Conciliation Committee on 17 November, the final 2017 budget was adopted by the Council on 27 November 2016 and the European Parliament on 1 December 2016. The result of the conciliation for the EESC confirmed the Parliament's position, except for item 1420 (external translation), where the position of the draft budget was adopted (i.e. a cut of EUR 213 735). An amending letter was also included in the conciliation agreement, providing the budgetary appropriations (EUR 749 000) to address an increase in the 2016 salary update above the one used when establishing the budget estimates for 2017.

As a result of the conciliation the EESC's total budget for 2017 was EUR 133 807 338, or an increase on 2016 of 2.79%. The establishment plan approved by the Budgetary Authority reduced posts from 670 in 2016 to 665 in 2017.

1.3 BUDGET GOVERNANCE 2017

The Budget Group, the EESC's supervisory body for financial and budgetary affairs, is composed of nine members and prepares all decisions of a financial or budgetary nature for the EESC Bureau. The Budget Group meets before each EESC Bureau meeting, normally 11 times per year.

The Budget Group supervises all budgetary procedures, in particular the establishment of the budget estimates and the budget implementation, the annual activity report, the discharge and the response to the Court of Auditors' annual report.

Each year, in preparation for the next budget, a three-member subgroup is set up within the Budget Group to analyse the draft estimates of the Secretary General, in close cooperation with the Secretary General. After deliberation, the Budget Group then submits the proposed draft estimates to the Bureau for approval and submission to the Commission. Over the years, the EESC has consistently respected the budgetary guidelines issued by the Commission and the Budgetary Authority. From 2013 to 2018, the nominal increase in the EESC's budget was EUR 5.5 million or 4.2% – a reduction in real terms of 2.8%.

2. REVENUE

		2017	2016
Total		15,859,420	15,410,728
4	Revenue accruing from persons working with the institutions and other union bodies	11,971,812	11,485,238
40	Miscellaneous taxes and deductions	6,264,950	5,933,215
400	Proceeds from taxation of the salaries, wages and allowances of Members of the institution, officials, other servants and persons in receipt of a pension	5,241,878	4,955,680
404	Proceeds from the special levy and the solidarity levy on the salaries of Members of the institution, officials and other servants in active employment	1,023,072	977,535
41	Contributions to the pension scheme	5,706,862	5,552,023
410	Staff contributions to the pension scheme	5,432,944	5,272,313
411	Transfer or purchase of pension rights by staff	273,918	279,710
5	Revenue accruing from the administrative operation of the institution	3,887,608	3,925,490
50	Proceeds from the sale of movable property (supply of goods) and immovable property	485	111
500	Proceeds from the sale of movable property (supply of goods)	485	111
5001	Proceeds from the sale of other movable property — Assigned revenue	485	111
51	Proceeds from letting and hiring	1,524,105	1,505,391
511	Proceeds from letting and subletting immovable property and reimbursement of charges connected with lettings	1,524,105	1,505,391
5110	Proceeds from letting and subletting immovable property — Assigned revenue	1,524,105	1,505,391
52	Revenue from investments or loans granted, bank and other interest	0	51
520	Revenue from investments or loans granted, bank and other interest on the institution's accounts	0	51
55	Revenue from the supply of services and work	2,219,134	2,081,782
550	Revenue from the supply of services and work to other institutions or bodies, including refunds by other institutions or bodies of mission allowances paid on their behalf — Assigned revenue	2,219,134	2,081,782
57	Other contributions and refunds in connection with the administrative operation of the institution	143,383	323,967
570	Revenue arising from the repayment of amounts wrongly paid — Assigned revenue	51,984	10,943
573	Other contributions and refunds in connection with the administrative operation of the institution — Assigned revenue	91,399	313,024
58	Miscellaneous compensation	501	9,671
581	Revenue from insurance payments received — Assigned revenue	501	9,671
59	Other revenue from administrative operations	0	4,517
590	Other revenue from administrative operations	0	4,517

3. FINAL APPROPRIATIONS

Total	
1	Persons working with the institution
10	Members of the institution and delegates
100	Specific allowances and payments
1000	Specific allowances and payments
1004	Travel and subsistence allowances, attendance at meetings and associated expenditure
1008	Travel and subsistence allowances, attendance at meetings and associated expenditure of delegates of the CCMI
105	Further training, language courses and other training
12	Officials and temporary staff
120	Remuneration and other entitlements
1200	Remuneration and allowances
1202	Paid overtime
1204	Entitlements on entering the service, transfer and leaving the service
122	Allowances upon early termination of service
1220	Allowances for staff retired or placed on leave in the interests of the service
14	Other staff and external services
140	Other staff and external persons
1400	Other staff
1404	Graduate traineeships, grants and exchanges of officials
1408	Entitlements on entering the service, transfer and leaving the service
142	External services
1420	Supplementary services for the translation service
1422	Expert advice connected with legislative work
1424	Interinstitutional cooperation and external services in the field of personal management
16	Other expenditure relating to persons working with the institution
161	Expenditure relating to staff management
1610	Expenditure on recruitment
1612	Further training
162	Missions
163	Activities relating to all persons working with the institution
1630	Social welfare
1632	Social contacts between members of staff and other social measures
1634	Medical service
1638	Early childhood centre and approved day nurseries

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Annual Budgetary Accounts 2017 and Report on Budgetary and Financial Management

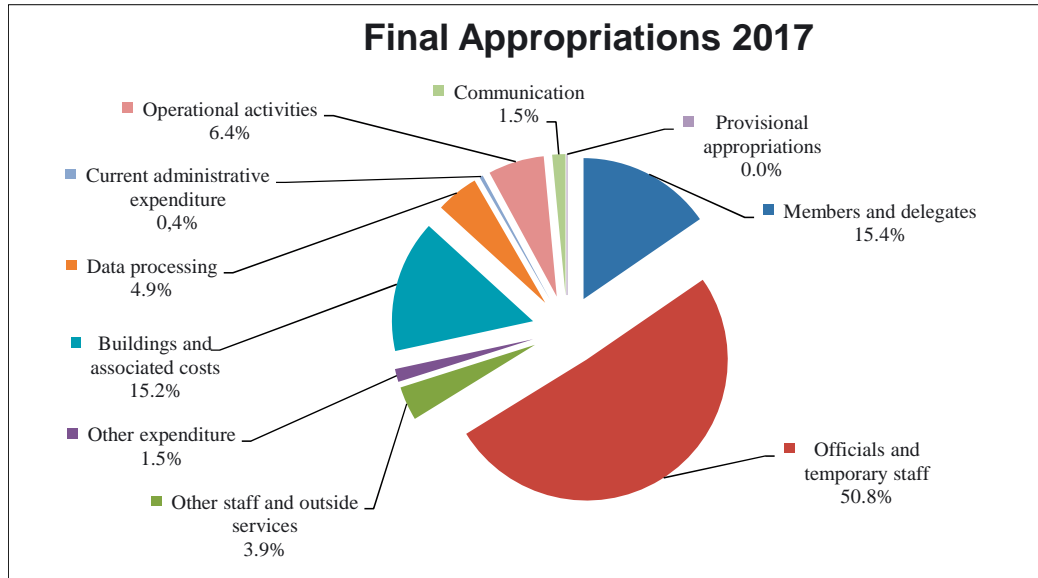
2017			2016
Initial	Transfers	Final	Final
133,807,338	0	133,807,338	130,586,475
95,881,634	-138,417	95,743,217	91,880,690
20,530,405	0	20,530,405	20,193,937
20,465,160	0	20,465,160	20,129,656
96,080	0	96,080	96,080
19,889,612	-70,000	19,819,612	19,561,194
479,468	70,000	549,468	472,382
65,245	0	65,245	64,281
67,942,054	0	67,942,054	64,788,534
67,755,213	0	67,755,213	64,770,534
67,296,213	0	67,296,213	64,319,034
34,000	0	34,000	31,500
425,000	0	425,000	420,000
186,841	0	186,841	18,000
186,841	0	186,841	18,000
5,401,927	-138,417	5,263,510	4,838,719
3,173,001	0	3,173,001	3,025,178
2,261,081	190,000	2,451,081	2,228,292
845,920	-190,000	655,920	729,635
66,000	0	66,000	67,251
2,228,926	-138,417	2,090,509	1,813,541
1,411,075	-138,417	1,272,658	1,020,690
742,851	0	742,851	742,851
75,000	0	75,000	50,000
2,007,248	0	2,007,248	2,059,500
630,000	0	630,000	641,000
50,000	15,000	65,000	55,000
580,000	-15,000	565,000	586,000
438,988	0	438,988	432,500
938,260	0	938,260	986,000
40,000	64,000	104,000	122,000
171,535	-25,000	146,535	169,000
116,725	-45,000	71,725	70,000
610,000	6,000	616,000	625,000

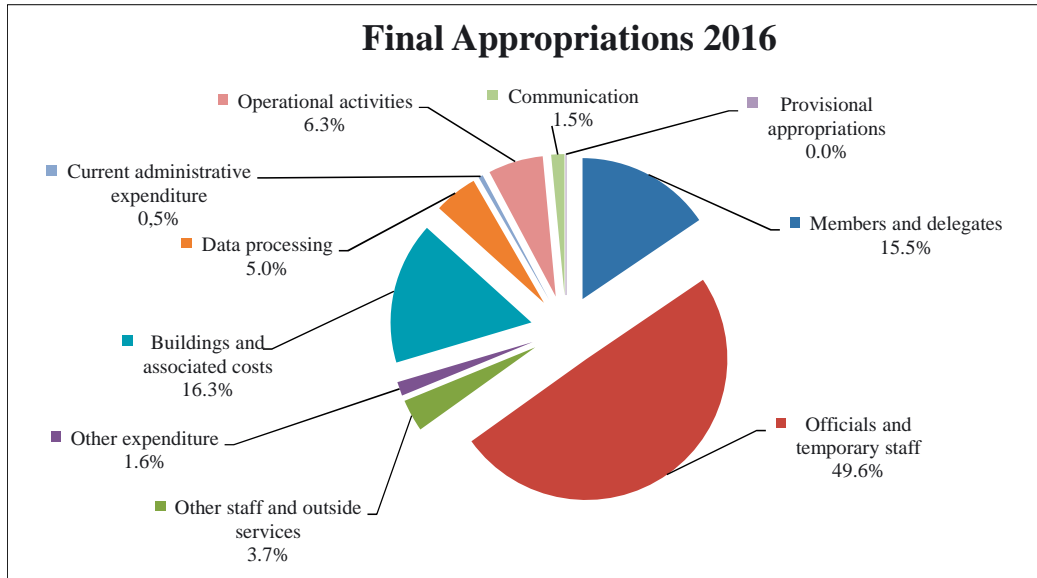
Total	
2	Buildings, furniture, equipment and miscellaneous operating expenditure
20	Buildings and associated costs
200	Buildings
2000	Rent
2001	Annual lease payments and similar expenditure
2003	Purchase of premises
2007	Fitting-out of premises
2008	Other expenditure on buildings
202	Other expenditure on buildings
2022	Cleaning and maintenance
2024	Energy consumption
2026	Security and surveillance
2028	Insurance
21	Data processing, equipment and furniture: purchase, hire and maintenance
210	Equipment, operating costs and services relating to data-processing and telecommunications
2100	Purchase, servicing and maintenance of equipment and software, and related work
2102	Outside assistance for the operation, development and maintenance of software systems
2103	Telecommunications
212	Furniture
214	Technical equipment and installations
216	Vehicles
23	Current administrative expenditure
230	Stationery, office supplies and miscellaneous consumables
231	Financial charges
232	Legal costs and damages
236	Postage on correspondence and delivery charges
238	Removals and other administrative expenditure
25	Operational activities
254	Meetings, conferences, congresses, seminars and other events
2540	Miscellaneous expenditure on internal meetings
2542	Expenditure on the organisation of and participation in hearings and other events
2544	Costs of organising the CCMI
2546	Representation expenses
2548	Interpreting
26	Communication, publications and acquisition of documentation
260	Communication, information and publications
2600	Communication
2602	Publishing and promotion of publications
2604	Official Journal
262	Acquisition of information, documentation and archiving
2620	Studies, research and hearings
2622	Documentation and library expenditure
2624	Archiving and related work

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2017			2016
Initial	Transfers	Final	Final
133,807,338	0	133,807,338	130,586,475
37,925,704	138,417	38,064,121	38,705,785
20,348,390	0	20,348,390	21,272,663
14,672,640	0	14,672,640	15,592,720
2,169,393	0	2,169,393	2,157,194
12,049,281	-1,312,120	10,737,161	12,351,560
0	48,000	48,000	0
397,114	1,264,120	1,661,234	1,027,114
56,852	0	56,852	56,852
5,675,750	0	5,675,750	5,679,943
2,662,728	241,372	2,904,100	2,825,931
807,921	-241,372	566,549	738,832
2,125,372	0	2,125,372	2,035,451
79,729	0	79,729	79,729
6,138,123	457,129	6,595,252	6,534,687
4,819,870	192,813	5,012,683	5,004,233
1,549,824	280,930	1,830,754	1,726,199
1,901,512	0	1,901,512	2,079,300
1,368,534	-88,117	1,280,417	1,198,734
144,819	0	144,819	167,228
1,082,549	264,316	1,346,865	1,258,166
90,885	0	90,885	105,060
513,359	0	513,359	698,677
177,359	0	177,359	184,859
6,000	0	6,000	6,000
95,000	0	95,000	245,000
90,000	0	90,000	102,000
145,000	0	145,000	160,818
8,906,132	-318,712	8,587,420	8,243,753
8,906,132	-318,712	8,587,420	8,243,753
255,000	0	255,000	282,430
617,132	35,000	652,132	817,745
50,000	0	50,000	75,000
99,000	0	99,000	99,000
7,885,000	-353,712	7,531,288	6,969,578
2,019,700	0	2,019,700	1,956,005
1,563,000	0	1,563,000	1,488,500
831,000	0	831,000	775,500
482,000	0	482,000	508,000
250,000	0	250,000	205,000
456,700	0	456,700	467,505
205,000	-16,000	189,000	211,000
158,700	16,000	174,700	165,700
93,000	0	93,000	90,805





4. USE OF FINAL APPROPRIATIONS (C1) IN 2017

		Final Appropriations
Total		133,807,338
1	Persons working with the institution	95,743,217
10	Members of the institution and delegates	20,530,405
100	Specific allowances and payments	20,465,160
1000	Specific allowances and payments	96,080
1004	Travel and subsistence allowances, attendance at meetings and associated expenditure	19,819,612
1008	Travel and subsistence allowances, attendance at meetings and associated expenditure of delegates of the CCMI	549,468
105	Further training, language courses and other training	65,245
12	Officials and temporary staff	67,942,054
120	Remuneration and other entitlements	67,755,213
1200	Remuneration and allowances	67,296,213
1202	Paid overtime	34,000
1204	Entitlements on entering the service, transfer and leaving the service	425,000
122	Allowances upon early termination of service	186,841
1220	Allowances for staff retired or placed on leave in the interests of the service	186,841
14	Other staff and external services	5,263,510
140	Other staff and external persons	3,173,001
1400	Other staff	2,451,081
1404	Graduate traineeships, grants and exchanges of officials	655,920
1408	Entitlements on entering the service, transfer and leaving the service	66,000
142	External services	2,090,509
1420	Supplementary services for the translation service	1,272,658
1422	Expert advice connected with legislative work	742,851
1424	Interinstitutional cooperation and external services in the field of personal management	75,000
16	Other expenditure relating to persons working with the institution	2,007,248
161	Expenditure relating to staff management	630,000
1610	Expenditure on recruitment	65,000
1612	Further training	565,000
162	Missions	438,988
163	Activities relating to all persons working with the institution	938,260
1630	Social welfare	104,000
1632	Social contacts between members of staff and other social measures	146,535
1634	Medical service	71,725
1638	Early childhood centre and approved day nurseries	616,000

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Annual Budgetary Accounts 2017 and Report on Budgetary and Financial Management

Committed	Committed (%)	Payments	Appropriations carried forward to 2017	Unused appropriations	Unused Appropriations (%)
129,096,473	96.48%	119,864,404	9,232,069	4,710,865	3.52%
93,246,607	97.39%	90,646,265	2,600,342	2,496,610	2.61%
20,454,371	99.63%	18,560,777	1,893,593	76,034	0.37%
20,400,555	99.68%	18,525,485	1,875,069	64,605	0.32%
66,829	69.56%	63,780	3,048	29,251	30.44%
19,784,258	99.82%	17,996,930	1,787,328	35,354	0.18%
549,468	100.00%	464,775	84,693	0	0.00%
53,816	82.48%	35,292	18,524	11,429	17.52%
66,446,333	97.80%	66,430,982	15,351	1,495,721	2.20%
66,263,488	97.80%	66,248,137	15,351	1,491,725	2.20%
66,058,104	98.16%	66,044,378	13,726	1,238,109	1.84%
9,064	26.66%	9,064	0	24,936	73.34%
196,320	46.19%	194,695	1,625	228,680	53.81%
182,845	97.86%	182,845	0	3,996	2.14%
182,845	97.86%	182,845	0	3,996	2.14%
4,466,925	84.87%	4,211,653	255,272	796,585	15.13%
3,041,838	95.87%	2,965,683	76,155	131,163	4.13%
2,386,682	97.37%	2,367,519	19,163	64,399	2.63%
622,239	94.87%	565,247	56,992	33,681	5.13%
32,916	49.87%	32,916	0	33,084	50.13%
1,425,088	68.17%	1,245,970	179,117	665,421	31.83%
853,000	67.03%	737,595	115,405	419,658	32.97%
517,851	69.71%	473,890	43,961	225,000	30.29%
54,237	72.32%	34,485	19,752	20,763	27.68%
1,878,978	93.61%	1,442,853	436,125	128,270	6.39%
559,805	88.86%	389,202	170,604	70,195	11.14%
53,102	81.70%	51,739	1,363	11,898	18.30%
506,703	89.68%	337,463	169,241	58,297	10.32%
385,870	87.90%	308,983	76,887	53,118	12.10%
933,303	99.47%	744,668	188,634	4,957	0.53%
102,000	98.08%	77,093	24,907	2,000	1.92%
144,073	98.32%	106,973	37,099	2,462	1.68%
71,230	99.31%	38,114	33,116	495	0.69%
616,000	100.00%	522,488	93,512	0	0.00%

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		Final Appropriations
Total		133,807,338
2	Buildings, furniture, equipment and miscellaneous operating expenditure	38,064,121
20	Buildings and associated costs	20,348,390
200	Buildings	14,672,640
2000	Rent	2,169,393
2001	Annual lease payments and similar expenditure	10,737,161
2003	Purchase of premises	48,000
2007	Fitting-out of premises	1,661,234
2008	Other expenditure on buildings	56,852
202	Other expenditure on buildings	5,675,750
2022	Cleaning and maintenance	2,904,100
2024	Energy consumption	566,549
2026	Security and surveillance	2,125,372
2028	Insurance	79,729
21	Data processing, equipment and furniture: purchase, hire and maintenance	6,595,252
210	Equipment, operating costs and services relating to data-processing and telecommunications	5,012,683
2100	Purchase, servicing and maintenance of equipment and software, and related work	1,830,754
2102	Outside assistance for the operation, development and maintenance of software systems	1,901,512
2103	Telecommunications	1,280,417
212	Furniture	144,819
214	Technical equipment and installations	1,346,865
216	Vehicles	90,885
23	Current administrative expenditure	513,359
230	Stationery, office supplies and miscellaneous consumables	177,359
231	Financial charges	6,000
232	Legal costs and damages	95,000
236	Postage on correspondence and delivery charges	90,000
238	Removals and other administrative expenditure	145,000
25	Operational activities	8,587,420
254	Meetings, conferences, congresses, seminars and other events	8,587,420
2540	Miscellaneous expenditure on internal meetings	255,000
2542	Expenditure on the organisation of and participation in hearings and other events	652,132
2544	Costs of organising the CCMI	50,000
2546	Representation expenses	99,000
2548	Interpreting	7,531,288
26	Communication, publications and acquisition of documentation	2,019,700
260	Communication, information and publications	1,563,000
2600	Communication	831,000
2602	Publishing and promotion of publications	482,000
2604	Official Journal	250,000
262	Acquisition of information, documentation and archiving	456,700
2620	Studies, research and hearings	189,000
2622	Documentation and library expenditure	174,700
2624	Archiving and related work	93,000

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Annual Budgetary Accounts 2017 and Report on Budgetary and Financial Management

Committed	Committed (%)	Payments	Appropriations carried forward to 2017	Unused appropriations	Unused Appropriations (%)
35,849,866	94.18%	29,218,140	6,631,727	2,214,255	5.82%
19,959,835	98.09%	16,808,085	3,151,749	388,555	1.91%
14,560,908	99.24%	13,284,097	1,276,811	111,732	0.76%
2,082,865	96.01%	1,504,702	578,162	86,528	3.99%
10,737,161	100.00%	10,459,044	278,117	0	0.00%
45,001	93.75%	0	45,001	2,999	6.25%
1,647,083	99.15%	1,284,208	362,875	14,151	0.85%
48,799	85.84%	36,144	12,655	8,053	14.16%
5,398,926	95.12%	3,523,988	1,874,938	276,824	4.88%
2,894,589	99.67%	1,283,735	1,610,855	9,511	0.33%
511,296	90.25%	511,296	0	55,253	9.75%
1,951,700	91.83%	1,688,402	263,297	173,672	8.17%
41,342	51.85%	40,556	786	38,387	48.15%
6,330,734	95.99%	4,524,348	1,806,386	264,518	4.01%
4,938,966	98.53%	3,928,626	1,010,340	73,717	1.47%
1,830,712	100.00%	1,354,549	476,163	42	0.00%
1,901,337	99.99%	1,486,399	414,938	175	0.01%
1,206,917	94.26%	1,087,678	119,239	73,500	5.74%
63,774	44.04%	11,362	52,412	81,045	55.96%
1,261,294	93.65%	529,668	731,627	85,571	6.35%
66,700	73.39%	54,693	12,007	24,185	26.61%
428,094	83.39%	227,478	200,616	85,265	16.61%
159,955	90.19%	83,934	76,021	17,404	9.81%
6,000	100.00%	2,015	3,985	0	0.00%
35,300	37.16%	4,800	30,500	59,700	62.84%
88,703	98.56%	41,250	47,453	1,297	1.44%
138,136	95.27%	95,479	42,657	6,864	4.73%
7,319,938	85.24%	6,711,269	608,669	1,267,482	14.76%
7,319,938	85.24%	6,711,269	608,669	1,267,482	14.76%
214,147	83.98%	150,352	63,795	40,853	16.02%
439,624	67.41%	346,174	93,451	212,508	32.59%
11,495	22.99%	11,263	232	38,505	77.01%
50,000	50.51%	33,059	16,941	49,000	49.49%
6,604,672	87.70%	6,170,422	434,250	926,616	12.30%
1,811,266	89.68%	946,959	864,307	208,434	10.32%
1,416,245	90.61%	780,118	636,126	146,755	9.39%
788,810	94.92%	470,190	318,620	42,190	5.08%
444,045	92.13%	126,538	317,507	37,955	7.87%
183,390	73.36%	183,390	0	66,610	26.64%
395,021	86.49%	166,841	228,180	61,679	13.51%
182,360	96.49%	14,900	167,460	6,640	3.51%
171,706	98.29%	110,985	60,721	2,994	1.71%
40,956	44.04%	40,956	0	52,044	55.96%

4.1 REMARKS ON USE OF FINAL APPROPRIATIONS (C1) IN 2017

For all budget lines with non-committed appropriations of more than EUR 25 000, representing more than 5% of the final appropriations, more detailed information is provided below.

1000 Specific allowances and payments

❖ Amount not committed: EUR 29 251 (30.44%)

These appropriations cover insurances for members, the special duty allowance for the president and the vice-presidents and specific interventions in favour of members with disabilities. A certain safety margin is needed to cover measures for members with disabilities and unforeseen expenses not covered by the insurance contract.

1204: Entitlements on entering the service, transfer and leaving the service

❖ Amount not committed: EUR 228 680 (53.81%)

These appropriations cover various statutory allowances and removal costs for officials and temporary agents on entry or departure. The number of staff members entering or leaving the service is inherently difficult to predict. Likewise, the various allowances are highly dependent on the situation of the official concerned (family composition, place of origin, time of removal).

1404: Graduate traineeships, grants and exchanges of officials

❖ Amount not committed: EUR 33 681 (5.13%)

The budget appropriations for 2017 corresponded to 5.5 full time equivalents of seconded national experts (SNEs) over the full period. The withdrawal of a secondment and the refusal of a requested extension of a secondment led to delays in the recruitment of new seconded national experts.

1408: Entitlements in connection with entering the service, transfer and leaving the service

❖ Amount not committed: EUR 33 084 (50.13%)

These appropriations cover various statutory allowances and costs for removals for contractual agents on entry or departure. The reasons for which appropriations have not been used are the same as for item 1204 above.

1420: Supplementary services for the translation service

- ❖ Amount not committed: EUR 419 658 (32.97%)

Appropriations under this budget heading were increased in the context of the cooperation agreement signed with the EP and the resulting reduction in translation staff. The Directorate for Translation is still in transition towards a higher degree of outsourcing. Outsourcing accounted for 9.7% of translations in 2015, 16.6% in 2016 and 17.1% in 2017. For 2018, outsourcing is expected to reach 20%. Prices have gone down since the initial budget request, but are expected to increase following a pilot project in the European Parliament on accreditation of freelancers to which the EESC will be associated.

1422: Expert advice connected with legislative work

- ❖ Amount not committed: EUR 225 000 (30.29%)

The need for expert advice depends entirely on the type and number of opinions which the Committee has to produce. A tight cost monitoring together with a reduced need for expert advice have contributed to containing spending.

1612: Further training

- ❖ Amount not committed: EUR 58 297 (10.32%)

A new and more costly service level agreement between the Commission and the EESC was supposed to enter into force in 2017 and was therefore included in the 2017 estimates. However, the Commission decided to postpone the entry into force by one year.

162: Mission expenses

- ❖ Amount not committed: EUR 53 118 (12.10%)

The cost of missions cannot be predicted with a high level of accuracy, as it depends on the destination and the duration of the mission. Estimates for 2017 were based on the implementation in previous years, corrected for expected inflation, and included a safety margin to make up for the inherently variable nature of this expenditure. For 2018, appropriations have been adjusted downwards by about 9%.

2024: Energy consumption

- ❖ Amount not committed: EUR 55 253 (9.75%)

Appropriations under this budget heading cover water, gas and electricity costs. The underutilisation of appropriations is due to favourable weather conditions, but is also the result of improved energy consumption management. Furthermore, additional appropriations became available due to payments from the Brussels Capital Region (EUR 310 171) following a Court of Justice decision and the payment of an environmental premium for the improvement of the insulation of a building.

2026: Security and surveillance

- ❖ Amount not committed: EUR 173 672 (8.17%)

Joint Services (EESC/CoR): the underspending is due to the postponement of an expected rise in guarding costs from January 2017 to June 2017 and to more efficiency in the organisation of services.

Own services: The surplus is due to the fact that no EESC plenary sessions were held in the premises of the European Parliament which means that no supplementary costs for security services incurred.

2028: Insurance

- ❖ Amount not committed: EUR 38 387 (48.15%)

The property insurance contract has a clause about additional costs in case of damage. An amount is kept in reserve to cover this. Since there were no claims, this reserve was not spent.

2103: Telecommunications

- ❖ Amount not committed: EUR 73 500 (5.74%)

EESC co-finances members' and CCMI delegates' IT, telecommunications and electronic office equipment expenses, provided that these attend at least 50% of the plenary sessions and section meetings (or, in the case of CCMI delegates, at least 50% of the CCMI meetings). These conditions are not always met by members and delegates, and variations in compliance are not possible to predict.

212: Furniture

- ❖ Amount not committed: EUR 81 045 (55.96%)

This underutilisation is due partly to a decrease in the volume of requests for furniture and partly to a delay in the conclusion of a new inter-institutional call for tender.

214: Technical equipment and installations

- ❖ Amount not committed: EUR 85 571 (6.35%)

Requests for repairs or supplies of equipment have been fewer than envisaged, and expenditure related to purchases of equipment have been incorporated in maintenance framework contracts. Consumption was also lower than envisaged in security due to the fact that two tenders could be awarded at a lower price than anticipated.

232: Legal costs and damages

- ❖ Unused amount: EUR 59 700 (62.84%)

Given a limited number of files, the variation in expenditure and the uncertainty about the timing of Court decisions, it was difficult to predict actual expenses under this budget heading.

2540: Miscellaneous expenditure on internal meetings

- ❖ Amount not committed: EUR 40 853 (16.02%)

The estimate for 2017 was based on the consumption of water and coffee at meetings in previous years. Measures introduced to fight waste turned out to be very effective and there was a decrease in the needs of certain services.

2542: Expenditure on the organisation of and participation in hearings and other events

- ❖ Amount not committed: EUR 212 508 (32.59%)

Travel costs for external participants are often covered by their own organisations and, when this is not the case, costs vary considerably depending on the country of origin and the venue of the event. In 2017, fewer speakers came from outside Brussels. With regard to opinions referred by the Parliament and the Commission, tight deadlines did not always enable planned public hearings to take place. Several hearings in conjunction with own-initiative opinions and

evaluations planned for the second half of the year did not materialise or were in the end covered by other institutions. The EESC has also continued to reduce reception expenses.

2544: Costs of organising the work of the Consultative Commission on Industrial Change (CCMI)

- ❖ Amount not committed: EUR 38 505 (77.01%)

This budget line covers expenses similar to those on budget line 2542 but specifically for the Consultative Commission on Industrial Change (CCMI). The number of CCMI own-initiative opinions, with corresponding expenditure on organising hearings, was relatively limited in 2017. The EESC has also continued to reduce reception expenses.

2546: Representation expenses

- ❖ Amount not committed: EUR 49 000 (49.49%)

This budget line covers expenses related to the obligations of the institution regarding representation costs and is allocated to several EESC entities. Efforts have been made over the last years to contain these expenses. Appropriations were consequently adjusted downwards in the 2018 budget.

2548: Interpreting

- ❖ Amount not committed: EUR 926 616 (12.30%)

Spending on this budget line is highly dependent on the EESC's political programme which cannot be established with any great accuracy at the time when budget estimates are finalized. The varying needs (languages of members) and the actual availability of languages for particular meetings further complicates planning. Also, the cost of an interpretation slot was originally expected to be higher than it turned out to be. Some savings have been made thanks to recourse to cheaper local free-lance interpreters for meetings held outside of Brussels. A safety margin was envisaged to enable the Committee to use EP interpreters. In the end, this option was rarely used. Finally, additional savings were obtained due to further intensified efforts to prevent cancellation costs.

2600: Communication

- ❖ Amount not committed: EUR 42 190 (5.08%)

Following a change in communication priorities less was spent on promotional articles, video production, photography services and advertising. A major event, the "Media Seminar", was less costly due to partner contribution, and spending on media monitoring dropped due to a change in contract terms. Furthermore, the two Presidencies with related cultural activities were less expensive than envisaged. Also the prize money for the Video Challenge remained unspent as the video challenge project was postponed to 2018.

2602: Publishing and promotion of publications

❖ Amount not committed: EUR 37 955 (7.87%)

The main reason for the low consumption was the continuing transition to digital publications. Printed publications and the "CESE Info" proved to be cheaper to produce than anticipated. There was also less spending on article writing.

2604: Official Journal

❖ Amount not committed: EUR 66 610 (26.64%)

The estimate for 2017 was based on the number of opinions published in previous years, with an appropriate safety margin to cater for the change of invoicing policy announced by the Publications Office.

2624: Archiving and related work

❖ Amount not committed: EUR 52 044 (55.96%)

A framework contract on the microfilming of EESC documents was expected to be signed in 2017. For reasons outside the Committee's control, it was not possible to sign this contract before the end of the year.

5. USE OF APPROPRIATIONS AUTOMATICALLY CARRIED FORWARD
FROM 2016 TO 2017 (C8)

Total	
1	Persons working with the institution
10	Members of the institution and delegates
100	Specific allowances and payments
1000	Specific allowances and payments
1004	Travel and subsistence allowances, attendance at meetings and associated expenditure
1008	Travel and subsistence allowances, attendance at meetings and associated expenditure of delegates of
105	Further training, language courses and other training
12	Officials and temporary staff
120	Remuneration and other entitlements
1200	Remuneration and allowances
1204	Entitlements on entering the service, transfer and leaving the service
14	Other staff and external services
140	Other staff and external persons
1400	Other staff
1404	Graduate traineeships, grants and exchanges of officials
142	External services
1420	Supplementary services for the translation service
1422	Expert advice connected with legislative work
1424	Interinstitutional cooperation and external services in the field of personal management
16	Other expenditure relating to persons working with the institution
161	Expenditure relating to staff management
1610	Expenditure on recruitment
1612	Further training
162	Missions
163	Activities relating to all persons working with the institution
1630	Social welfare
1632	Social contacts between members of staff and other social measures
1634	Medical service
1638	Early childhood centre and approved day nurseries

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Appropriations	Payments	Payments (%)	Unused	Unused (%)
8,742,645	7,423,640	84.91%	1,319,005	15.09%
1,668,203	1,200,544	71.97%	467,659	28.03%
627,008	572,774	91.35%	54,233	8.65%
604,934	559,747	92.53%	45,186	7.47%
2,476	0	0.00%	2,476	100.00%
585,430	542,724	92.71%	42,707	7.29%
17,028	17,024	99.98%	4	0.02%
22,074	13,027	59.02%	9,047	40.98%
50,267	38,931	77.45%	11,336	22.55%
50,267	38,931	77.45%	11,336	22.55%
19,710	17,700	89.80%	2,010	10.20%
30,557	21,231	69.48%	9,326	30.52%
490,480	237,781	48.48%	252,699	51.52%
100,204	81,399	81.23%	18,805	18.77%
50,281	35,709	71.02%	14,572	28.98%
49,924	45,691	91.52%	4,233	8.48%
390,276	156,382	40.07%	233,894	59.93%
141,053	118,260	83.84%	22,793	16.16%
232,388	26,003	11.19%	206,385	88.81%
16,835	12,119	71.99%	4,716	28.01%
500,448	351,057	70.15%	149,391	29.85%
197,418	155,256	78.64%	42,162	21.36%
3,495	418	11.96%	3,077	88.04%
193,923	154,838	79.85%	39,085	20.15%
62,334	24,121	38.70%	38,213	61.30%
240,696	171,679	71.33%	69,017	28.67%
30,461	19,253	63.20%	11,209	36.80%
26,369	6,350	24.08%	20,019	75.92%
28,678	22,444	78.26%	6,235	21.74%
155,188	123,633	79.67%	31,555	20.33%

Total	
2	Buildings, furniture, equipment and miscellaneous operating expenditure
20	Buildings and associated costs
200	Buildings
2000	Rent
2007	Fitting-out of premises
2008	Other expenditure on buildings
202	Other expenditure on buildings
2022	Cleaning and maintenance
2026	Security and surveillance
2028	Insurance
21	Data processing, equipment and furniture: purchase, hire and maintenance
210	Equipment, operating costs and services relating to data-processing and telecommunications
2100	Purchase, servicing and maintenance of equipment and software, and related work
2102	Outside assistance for the operation, development and maintenance of software systems
2103	Telecommunications
212	Furniture
214	Technical equipment and installations
216	Vehicles
23	Current administrative expenditure
230	Stationery, office supplies and miscellaneous consumables
231	Financial charges
232	Legal costs and damages
236	Postage on correspondence and delivery charges
238	Removals and other administrative expenditure
25	Operational activities
254	Meetings, conferences, congresses, seminars and other events
2540	Miscellaneous expenditure on internal meetings
2542	Expenditure on the organisation of and participation in hearings and other events
2544	Costs of organising the CCMI
2546	Representation expenses
2548	Interpreting
26	Communication, publications and acquisition of documentation
260	Communication, information and publications
2600	Communication
2602	Publishing and promotion of publications
262	Acquisition of information, documentation and archiving
2620	Studies, research and hearings
2622	Documentation and library expenditure
2624	Archiving and related work

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Appropriations	Payments	Payments (%)	Unused	Unused (%)
8,742,645	7,423,640	84.91%	1,319,005	15.09%
7,074,442	6,223,096	87.97%	851,346	12.03%
2,990,689	2,685,886	89.81%	304,803	10.19%
986,670	829,385	84.06%	157,285	15.94%
447,680	297,025	66.35%	150,655	33.65%
517,019	511,607	98.95%	5,412	1.05%
21,971	20,753	94.46%	1,218	5.54%
2,004,019	1,856,501	92.64%	147,518	7.36%
1,569,225	1,441,465	91.86%	127,760	8.14%
433,516	414,619	95.64%	18,897	4.36%
1,278	417	32.63%	861	67.37%
2,378,877	2,325,653	97.76%	53,224	2.24%
1,283,385	1,255,748	97.85%	27,636	2.15%
611,382	606,615	99.22%	4,767	0.78%
562,026	556,962	99.10%	5,064	0.90%
109,977	92,171	83.81%	17,806	16.19%
21,386	20,791	97.22%	595	2.78%
1,067,862	1,048,179	98.16%	19,683	1.84%
6,244	934	14.96%	5,310	85.04%
213,709	133,788	62.60%	79,921	37.40%
60,720	52,341	86.20%	8,379	13.80%
3,288	2,129	64.74%	1,160	35.26%
75,800	33,600	44.33%	42,200	55.67%
33,996	11,130	32.74%	22,866	67.26%
39,905	34,588	86.68%	5,317	13.32%
756,598	420,463	55.57%	336,135	44.43%
756,598	420,463	55.57%	336,135	44.43%
70,053	36,705	52.40%	33,348	47.60%
51,558	28,269	54.83%	23,289	45.17%
4,397	4,082	92.82%	316	7.18%
12,285	1,874	15.26%	10,410	84.74%
618,304	349,532	56.53%	268,772	43.47%
734,569	657,307	89.48%	77,262	10.52%
488,417	417,791	85.54%	70,625	14.46%
155,786	116,863	75.02%	38,923	24.98%
332,630	300,928	90.47%	31,702	9.53%
246,153	239,516	97.30%	6,637	2.70%
171,790	171,790	100.00%	0	0.00%
23,802	23,534	98.88%	268	1.12%
50,561	44,192	87.40%	6,369	12.60%

5.1 REMARKS ON USE OF APPROPRIATIONS AUTOMATICALLY CARRIED FORWARD FROM 2016 TO 2017 (C8)

For all budget lines with appropriations carried forward from 2016 to 2017 of which more than EUR 25 000 remained unused, representing more than 5% of the amount carried forward, more detailed information is provided below.

1004: Travel and subsistence allowances, attendance at meetings and associated expenditure

❖ Unused amount: EUR 42 707 (7.29%)

This budget heading covers travel expenses and allowances for members. Reimbursement claims for meetings in 2016 could be submitted until 30 October 2017 and an amount therefore had to be carried forward to cover any remaining expenditure for 2016.

1422: Expert advice connected with consultative work

❖ Unused amount: EUR 206 385 (88.81%)

This budget heading covers travel expenses and allowances for external experts providing advice in consultative work. Reimbursement claims for meetings in 2016 could be submitted until 30 October 2017 and an amount had to be carried forward to cover any remaining expenditure for 2016.

1612: Further training

❖ Unused amount: EUR 39 085 (20.15%)

The amount carried forward from 2016 to 2017 was overestimated, especially in the fields of external language training and inter-institutional IT training. Inter-institutional IT training costs, in particular, were affected by inaccurate indicative prices. A new service level agreement with the Commission in this area will prevent uncertainty by operating with one global amount for all training. Provisions for external language training are being applied very strictly.

162: Mission expenses

❖ Unused amount: EUR 38 213 (61.30%)

The amount carried forward from 2016 to 2017 was slightly overestimated. For 2017, corrective actions have been taken to reduce the amount carried forward.

1638: Early Childhood Centre and approved day nurseries

❖ Unused amount: EUR 31 555 (20.33%)

The appropriations were based on the estimated annual cost provided by the Commission. As more children than estimated on the basis of inscriptions in previous years were inscribed in the nurseries and after-school childcare facilities, a net transfer of 55 000 EUR was executed at the end of 2016 to reinforce this budget item. Furthermore, provisions had to be made after the Commission had announced a likely increase in costs due to a new framework contract related to nurseries and after-school childcare facilities. The final debit note from the Commission arrived in November 2017 and the amount to be paid was lower than anticipated.

2000: Rent

❖ Unused amount: EUR 150 655 (33.65%)

The final amount to be paid for service costs related to the rented VM-2 building was only confirmed with the receipt of invoices in 2017. Indexation and energy consumption was lower than expected.

2022: Cleaning and maintenance

❖ Unused amount: EUR 127 760 (8.14%)

The underutilisation stems mainly from a safety margin applied in the planning phase to cover any unforeseen events. The exact amount to be paid was only known upon receipt of the final invoices in 2017.

232: Legal costs and damages

❖ Unused amount: EUR 42 200 (55.67%)

All anticipated costs did not materialise. The transfer of all civil service cases to the General Court in 2016 with the effect that proceedings take more time than before has made forecasting particularly difficult.

2540: Miscellaneous expenditure on internal meetings

- ❖ Unused amount: EUR 33 348 (47.60%)

The applied safety margin consequently turned out to be too large. A savings initiative launched in 2015 proved to be more efficient than anticipated.

2548: Interpreting

- ❖ Unused amount: EUR 268 772 (43.47%)

Appropriations carried forward cover the expenditure that could not be settled or paid in 2016, with a safety margin that turned out to be on the high side.

2600: Communication

- ❖ Unused amount: EUR 38 923 (24.98%)

In several cases amounts carried forward for activities or events still expected to incur expenditure remained unspent or partially unspent. Less photography services than anticipated were charged, and travel and accommodation costs were lower than foreseen.

2602: Publishing and promotion of publications

- ❖ Unused amount: EUR 31 702 (9.53%)

The contribution to the EC Publications Office for general publications was lower than expected. Furthermore, there was less usage of article writing than expected.



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6. USE OF ASSIGNED REVENUE IN 2017 (C4)

		Final Appropriations
Total		3,807,385
1	Persons working with the institution	50,679
10	Members of the institution and delegates	22,371
100	Specific allowances and payments	22,371
1000	Specific allowances and payments	0
1004	Travel and subsistence allowances, attendance at meetings and associated expenditure	22,371
12	Officials and temporary staff	501
120	Remuneration and other entitlements	501
1200	Remuneration and allowances	501
16	Other expenditure relating to persons working with the institution	27,807
163	Activities relating to all persons working with the institution	27,807
1638	Early childhood centre and approved day nurseries	27,807
2	Buildings, furniture, equipment and miscellaneous operating expenditure	3,756,706
20	Buildings and associated costs	3,065,998
200	Buildings	1,524,105
2000	Rent	1,524,105
202	Other expenditure on buildings	1,541,893
2026	Security and surveillance	1,541,893
21	Data processing, equipment and furniture: purchase, hire and maintenance	629,974
210	Equipment, operating costs and services relating to data-processing and telecommunications	187,806
2100	Purchase, servicing and maintenance of equipment and software, and related work	4,064
2102	Outside assistance for the operation, development and maintenance of software	3,050
2103	Telecommunications	180,692
214	Technical equipment and installations	442,169
23	Current administrative expenditure	36,159
230	Stationery, office supplies and miscellaneous consumables	36,159
25	Operational activities	962
254	Meetings, conferences, congresses, seminars and other events	962
2542	Expenditure on the organisation of and participation in hearings and other events	962
26	Communication, publications and acquisition of documentation	23,613
260	Communication, information and publications	425
2600	Communication	425
262	Acquisition of information, documentation and archiving	23,188
2622	Documentation and library expenditure	23,188

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Committed	Committed (%)	Payments	Payments (%)	Outstanding commitments	Available credits	Available percentage
3,751,231	98.53%	3,144,398	83.82%	606,833	56,154	1.47%
29,268	57.75%	501	1.71%	28,767	21,411	42.25%
960	4.29%	0	0.00%	960	21,411	95.71%
960	4.29%	0	0.00%	960	21,411	95.71%
0		0	0.00%	0	0	0.00%
960	4.29%	0	0.00%	960	21,411	95.71%
501	100.00%	501	100.00%	0	0	0.00%
501	100.00%	501	100.00%	0	0	0.00%
501	100.00%	501	100.00%	0	0	0.00%
27,807	100.00%	0	0.00%	27,807	0	0.00%
27,807	100.00%	0	0.00%	27,807	0	0.00%
27,807	100.00%	0	0.00%	27,807	0	0.00%
3,721,963	99.08%	3,143,898	84.47%	578,065	34,743	0.92%
3,061,798	99.86%	2,862,718	93.50%	199,080	4,200	0.14%
1,524,105	100.00%	1,524,105	100.00%	0	0	0.00%
1,524,105	100.00%	1,524,105	100.00%	0	0	0.00%
1,537,693	99.73%	1,338,613	87.05%	199,080	4,200	0.27%
1,537,693	99.73%	1,338,613	87.05%	199,080	4,200	0.27%
600,963	95.39%	260,761	43.39%	340,202	29,012	4.61%
180,761	96.25%	180,761	100.00%	0	7,045	3.75%
485	11.93%	485	100.00%	0	3,579	88.07%
3,050	100.00%	3,050	100.00%	0	0	0.00%
177,226	98.08%	177,226	100.00%	0	3,466	1.92%
420,202	95.03%	80,000	19.04%	340,202	21,967	4.97%
36,014	99.60%	20,419	56.70%	15,595	145	0.40%
36,014	99.60%	20,419	56.70%	15,595	145	0.40%
0	0.00%	0	0.00%	0	962	100.00%
0	0.00%	0	0.00%	0	962	100.00%
0	0.00%	0	0.00%	0	962	100.00%
23,188	98.20%	0	0.00%	23,188	425	1.80%
0	0.00%	0	0.00%	0	425	100.00%
0	0.00%	0	0.00%	0	425	100.00%
23,188	100.00%	0	0.00%	23,188	0	0.00%
23,188	100.00%	0	0.00%	23,188	0	0.00%

7. RE-USED ASSIGNED REVENUE FROM 2016 (C5)

		Final Appropriations
Total		45,114
1	Persons working with the institution	17,358
10	Members of the institution and delegates	17,028
100	Specific allowances and payments	17,028
1000	Specific allowances and payments	9,671
1004	Travel and subsistence allowances, attendance at meetings and associated expenditure	7,356
16	Other expenditure relating to persons working with the institution	330
163	Activities relating to all persons working with the institution	330
1632	Social contacts between members of staff and other social measures	260
1634	Medical service	70
2	Buildings, furniture, equipment and miscellaneous operating expenditure	27,756
20	Buildings and associated costs	11,644
202	Other expenditure on buildings	11,644
2022	Cleaning and maintenance	5,478
2026	Security and surveillance	6,165
21	Data processing, equipment and furniture: purchase, hire and maintenance	13,224
210	Equipment, operating costs and services relating to data-processing and telecommunications	13,224
2103	Telecommunications	13,224
23	Current administrative expenditure	2,617
232	Legal costs and damages	2,617
25	Operational activities	272
254	Meetings, conferences, congresses, seminars and other events	272
2542	Expenditure on the organisation of and participation in hearings and other events	272

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Committed	Committed (%)	Payments	Payments (%)	Outstanding commitments	Available credits	Available percentage
43,925	97.36%	43,925	100.00%	0	1,189	2.64%
17,358	100.00%	17,358	100.00%	0	0	0.00%
17,028	100.00%	17,028	100.00%	0	0	0.00%
17,028	100.00%	17,028	100.00%	0	0	0.00%
9,671	100.00%	9,671	100.00%	0	0	0.00%
7,356	100.00%	7,356	100.00%	0	0	0.00%
330	100.00%	330	100.00%	0	0	0.00%
330	100.00%	330	100.00%	0	0	0.00%
260	100.00%	260	100.00%	0	0	0.00%
70	100.00%	70	100.00%	0	0	0.00%
26,567	95.72%	26,567	100.00%	0	1,189	4.28%
11,644	100.00%	11,644	100.00%	0	0	0.00%
11,644	100.00%	11,644	100.00%	0	0	0.00%
5,478	100.00%	5,478	100.00%	0	0	0.00%
6,165	100.00%	6,165	100.00%	0	0	0.00%
13,224	100.00%	13,224	100.00%	0	0	0.00%
13,224	100.00%	13,224	100.00%	0	0	0.00%
13,224	100.00%	13,224	100.00%	0	0	0.00%
1,700	64.96%	1,700	100.00%	0	917	35.04%
1,700	64.96%	1,700	100.00%	0	917	35.04%
0	0.00%	0	0.00%	0	272	100.00%
0	0.00%	0	0.00%	0	272	100.00%
0	0.00%	0	0.00%	0	272	100.00%

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8. APPROPRIATIONS FROM EXTERNAL ASSIGNED REVENUE (R0)

		Final appropriations
Total		311,784
2	Buildings, furniture, equipment and miscellaneous operating expenditure	311,784
25	Operational activities	311,784
254	Meetings, conferences, congresses, seminars and other events	311,784
2542	Expenditure on the organisation of and participation in hearings and other events	311,784

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Committed	Committed (%)	Payments	Payments (%)	Outstanding commitments	Available credits	Available percentage
154,778	49.64%	144,778	93.54%	10,000	157,006	50.36%
154,778	49.64%	144,778	93.54%	10,000	157,006	50.36%
154,778	49.64%	144,778	93.54%	10,000	157,006	50.36%
154,778	49.64%	144,778	93.54%	10,000	157,006	50.36%
154,778	49.64%	144,778	93.54%	10,000	157,006	50.36%

9. EESC BUDGET RESULT

2017	EUR
Revenue for the financial year	15,859,420
Payments against current year's budget appropriations	-119,864,404
Payments against assigned revenue appropriations	-3,333,101
Payment appropriations carried over to year N+1	-9,232,069
Cancellation of unused payment appropriations carried over from year N-1	1,319,005
Evolution of assigned revenue	-786,068
Exchange differences for the year (symbolic)	0
Budget result	-116,037,218

PART IV

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1. INTERNAL CONTROL ENVIRONMENT: STATE OF PLAY

This appendix presents improvements made in the implementation of internal control standards and, where appropriate, shows their repercussions on the whole control framework.

1.1 MISSION (ICS 1)

The European Economic and Social Committee (EESC) is an advisory body of the European Union. Its main tasks are (see also part I of this Annual Activity Report):

- to advise the EU institutions (the Council, the European Parliament and the Commission);
- to make the voice of civil society organisations heard in Brussels and to make these organisations aware of the impact EU legislation has on citizens' lives;
- to strengthen and support civil society both inside and outside the EU.

In 2017, the EESC continued to focus its work on legislative work, inter-institutional cooperation and relations with European organised civil society.

1.2 ETHICAL AND ORGANISATIONAL VALUES (ICS 2)

After adoption of decisions on the prevention and combat of harassment (EESC No 200/14 A) and whistleblowing (EESC No 053/16 A), the EESC works towards a consolidation of statutory and internal rules on ethical and respectful civil service behaviour.

The Directorate for Human Resources and Finance has also laid down, with colleagues in the EESC, aspects of the use of social media, the IT system and data protection that are relevant to ethical behaviour on behalf of its staff. In addition, with its counterparts in the European Committee of the Regions (CoR) it has continued to find ways to apply rules to staff in a coherent manner, in particular where colleagues in the Joint Services are concerned.

The consolidation effort aims at setting up a new comprehensive "Ethics and Integrity" framework, which will be given visibility through revamped intranet pages, brochures, presentations and training.

1.3 STAFF ALLOCATION AND MOBILITY (ICS 3)

1.3.1 Establishment plan

With the return of five posts to the budgetary authority in 2017 the EESC completed its obligation to reduce staff by 5% between 2013 and 2017.

In this context, the EESC adjusted its organisational structure, notably through the merger of the Human Resources and the Finance Directorates in May 2017 (see below ICS 7 "Operational structure").

Another change in the organisation chart follows from the gradual phasing out of the derogation for Irish language capacity: in October 2017, with the recruitment of the first Irish translation staff, the English translation unit became the English and Irish translation unit. This unit will have reached its full size in 2021, and will then offer complete Irish translation service.

In line with the cooperation agreement between the EESC and the CoR, which entered into force in January 2016, the first transfers of staff members from the Directorate for Translation to the own services took place in 2016 and 2017.

1.3.2 Mobility

Structural mobility for managers and certain other groups of officials in the EESC is governed by a Mobility Decision, which is in force since 2015. Officials concerned have two years to change job or to take up an offer of personalised career guidance once they reach the time limit in the position they occupy.

In order to facilitate internal moves, the Directorate for Human Resources and Finance offers several accompanying measures such as job shadowing, temporary assignment to another EESC entity or career guidance.

In autumn 2017, the third round of job shadowing was launched. The objectives of this initiative were to contribute to a better understanding of the institution, to create an opportunity to make useful new contacts and to develop networks. It also aimed to facilitate and potentially prepare staff members for a change of job.

1.3.3 Human Resources (HR) reporting

Various reports on the state-of-play and developments relating to human resources policies have regularly been made available to the Committee's management and political authorities.

The list of reports for the year 2017 includes:

- HR Annual report: report by the Secretary-General presented to the Bureau every year.
- Six-month report: report by the Secretary-General presented to the President biannually.
- Key Figures: general staff statistics presented to management once a year.
- Fact sheets per directorate: statistics per directorate presented to the management once a year.

1.4 STAFF APPRAISAL AND DEVELOPMENT (ICS 4)

1.4.1 Appraisals/promotions

In the summer 2017, establishment of an electronic workflow for the 2017 appraisal exercise was initiated. This should increase the efficiency of the process, improve data protection and reduce paper consumption.

1.4.2 Certification

The general implementing provisions have recently been revised to better meet the needs of the institution and to narrow down the selection of assistants (AST) that have the potential to become administrators (AD). In this context, it should be stressed that the training offered represents an important investment both for the institution and for the candidate. More focus has been given to the needs of the service, the need for continued training during the career, the knowledge of the training language (EN or FR), prior experience and the motivation of the candidates to become AD. An interview of the candidates by the certification panel has been added as part of the selection process.

1.4.3 Training and professional development

At the end of 2016, the EESC migrated towards "EU Learn", a new interinstitutional learning management system replacing Syslog. The new tool better responds to current challenges, offering a series of functionalities, such as a personalised learner interface, interactivity of users, easy access from mobile devices, etc.

In 2016, several important framework contracts expired and were replaced; in some cases new training providers won the contract, which meant that training courses had to be completely redesigned.

The new EESC Learning and Development Strategy aims to promote a learning culture which recognises continuous learning and development as a key factor in improving motivation at work as an integral part of a human resources policy. All types of learning are covered, including on-the-job learning and learning from colleagues and peers.

1.5 RISK MANAGEMENT PROCESS (ICS 6)

1.5.1 Risk assessment for financial transactions without ex-ante verification

Internal controls are in place such as ex-ante and ex-post verification and related risks are monitored. During 2017, the EESC carried out an assessment of risks related to financial transactions managed under the four eyes principle (i.e. the authorising officer by sub-delegation acts as verifier which means that only two persons are involved in low risk transactions).

The corresponding decision on light verification will be updated in early 2018.

1.6 OPERATIONAL STRUCTURE (ICS 7)

1.6.1 Merger of Human Resources and Finance Directorates

Following a decision of the Bureau, upon proposal of the Secretary General, the new Directorate for Human Resources and Finance was created in May 2017 by merging the HR services of the former Directorate for Human Resources and Internal Services and the former Directorate for Budget and Finance; at the same time, the Conferences and Internal Services unit was transferred to the Department for Communication. By gathering human and financial resources in one directorate, working methods have been pooled and new synergies created.

1.6.2 Creation of a new post for assessment of risks and Internal Control Standards

An administrator post was dedicated to the function of Internal Control Coordinator for the EESC; the aim was to ensure a general improvement of the risk assessment and Internal Control environment at the EESC.

1.7 PROCESSES AND PROCEDURES (ICS 8)

1.7.1 Electronic workflow for management of staff missions

A new electronic workflow (called MiMa) for management of travel orders and statement of travel expenses was made available to staff in November 2017.

This system replaces the circulation of about 900 paper files and 5000 handwritten signatures per year.

Training sessions and documentation on missions were offered to staff.

1.7.2 Electronic invoicing for payment of travel services

During 2017, the EESC developed its technical infrastructure to receive electronic invoices compliant with the Directive 2014/55/EU and its norm EN 16931-1:2017.

12 000 invoices are issued by the travel agency each year; they will all be sent to the EESC through the e-Prior portal (managed by the European Commission - DIGIT).

After tests in December 2017 the switch from paper to e-invoicing is planned to take place in early 2018.

1.8 MANAGEMENT SUPERVISION (ICS 9)

During 2017, the financial services of the EESC drafted new internal financial rules for the implementation of the EESC budget; the document was presented to the Budget Group and then to the Bureau in December 2017 and is now undergoing further in-depth analyses.

1.9 CONTINUITY OF OPERATIONS (ICS 10)

Following an initiative of the EESC President, the Bureau adopted a decision on 18 October 2016 on the composition and functioning of the EESC's crisis management team (CMT).

- 1 the personal safety of members and staff;
- 2 preserving working tools that cannot be replaced (servers, documentation, etc.);
- 3 preserving the most valuable infrastructure (e.g. buildings);
- 4 the continuity or re-establishment of critical, essential and necessary tasks as soon as possible;
- 5 the continuity or re-establishment of other operations as soon as possible.

The plan was rewritten in 2017 and will be presented in early 2018 during the first meeting of the CMT in its new composition.

1.10 INFORMATION AND COMMUNICATION (ICS 12)

1.10.1 External communication

The EESC's objectives and priorities in the area of communication are set out in the annual work programme and monitored by the Communication Group.

With the aim of increasing its visibility, the EESC in 2017 on the one hand further strengthened its relations with media and, on the other hand, put a focus on on-line communication (Internet, social media).

1.10.2 Internal Communication

Internal Communication for Members

The Newsletter for Members informs EESC members about the Committee's major events, training courses offered to members, latest developments in IT and other topics, including reimbursement of travel and subsistence allowances. The newsletter is one of the channels used to reach members on matters that require action on their side (e.g. updating their declarations of interests or answering surveys).

Members are informed by email about unexpected events (e.g. strikes or renovation works) that may impact their work at the Committee.

Internal Communication for Staff

Internal communication is an important tool for strengthening staff members' sense of belonging. It explains the organisation's goals and the initiatives taken to achieve them, but also informs staff about new administrative policies and decisions.

The "HR TV" channel for video messages was further developed as an information tool that covers various areas of interest to staff through short clips and interviews broadcast on the intranet. An improved format of this tool – @Work-TV – will be launched in 2018.

Additional administrative information for staff was provided via the online magazine, EESCoop.

1.11 EVALUATION OF ACTIVITIES (ICS 14)

At the beginning of each year, the Directorate for Human Resources and Finance coordinates the preparation of the Annual Activity Report for the previous year, based on input from various services.

The Annual Activity Report (AAR) includes a declaration of assurance in which the Secretary-General, in his role as Authorising Officer by Delegation (AOD), provides assurance with regard to the view given by the report, and the legality, regularity and sound financial management of all financial transactions. It gives an account of the achievement of key objectives and activities by the EESC and the resources spent and serve as the Secretary-General's management report, covering all aspects of management.

1.12 INTERNAL AUDIT CAPABILITY (ICS 16)

The risk assessment carried out by the administration is accompanied by the Internal Audit's own assessments. The annual audit work plan is discussed and coordinated with management and the three-member Audit Committee which oversees the EESC's audit and control environment. It complements the administration's work plan. Financial compliance audits are planned in a multiannual context; other engagements and audit coverage are discussed and developed based on the assessed risks and current challenges. Audits target both the EESC's own services and the Joint Services that are shared with the CoR. Audits concerning the latter are based on procedures defined in the cooperation agreement (see also appendix 2).

2. MAIN RECOMMENDATIONS OF THE INTERNAL AUDITOR CONTAINED IN AUDIT REPORTS PRODUCED IN 2017 AND ACTION TAKEN TILL DATE

2.1 AUDITS AND AUDIT FOLLOW-UP

Outsourcing in translation

An extensive evaluation of the outsourcing processes in the translation services gave a clear picture of the impact of the many changes in staffing levels, budget, working procedures, introduction of electronic work flows and quality assurance. The cooperation agreement with the European Parliament provides for a reduction in translation staff, to be compensated for by increased outsourcing of translations. The resulting changes in the management of translation work and the related procedural and financial impacts were the focus of an evaluation on outsourcing and its practical execution and restrictions.

The transition to working processes involving a high percentage of outsourcing has been successful: the target levels have been achieved, and all associated parameters have been kept under control. The governance of these processes has been adapted appropriately, and technical support has been assured. Costs have been reduced significantly. The internal audit service (IAS) highlighted certain areas requiring further attention from management. The new approach also has an impact on the working procedures of the EESC itself (timeliness, flexibility), which should be addressed by management and members alike. To accompany the changes and to improve communication, efforts to further develop existing reporting structures were suggested.

This evaluation did not include formal audit recommendations; nevertheless, the directorate intends to proactively develop the areas concerned.

Salary payment

Following the 2015 transfer of salary-related staff and responsibilities to the then Directorate for Human Resources, an audit was launched on the procedures for salary payment. The sector responsible for executing salary payments not only controls these financial transactions, but also serves as a verification point for the established individual rights, thus playing an important role in the HR control concept. No undue risks were detected. It is proposed that more effective control steps should be developed and that the overall control concept should be reviewed by the entities concerned.

Financial management compliance audits

Evaluating financial management activities is a continuous task for the IAS, following a standardised procedure and covering different areas identified during the annual risk assessment process. The financial management issues addressed in these reports relate to the formal and regulatory framework, to the actual management and control of budget execution and to operational aspects of financial management. Due to a prolonged sick leave in the IAS, the

various reports have unfortunately not yet been finalised. So far, no undue risks have been detected in the investigated areas; the findings have already been addressed by the units concerned and several measures have been taken. Formal action plans are yet to be established.

Follow-up on recommendations

Continuous follow-up on agreed action plans is crucial in order to ensure proper implementation of audit recommendations. The internal audit service follows up on all pending actions and regularly reports on the progress made. The aim is to evaluate developments at least once a year. In 2017, the review exercise was concluded satisfactorily; many open points were closed. Eight action plans contain agreed actions that have not been implemented yet.

2.2 OTHER AUDIT WORK AND INVOLVEMENT OF THE INTERNAL AUDIT SERVICE

Change management

The charter of the internal auditor provides for routine involvement in procedural changes such as new internal rules and regulations, reorganisation, changes in control processes and new IT applications, in order for the internal auditor to be able to provide timely feedback on audit concerns and observed risks. The internal audit service is in close contact with the services responsible for supervising control standards, risk analyses, sensitive functions, business continuity, etc.

Internal regulations

In accordance with its charter the internal audit service strives to monitor all major changes and developments in the Secretariat to ensure that these changes are compliant with existing regulations. In 2016, the Directorate for Finance launched a process to review the Internal Rules for the Execution of the EESC Budget. The IAS engaged in an in-depth analysis of the proposed changes and fields of application and presented the directorate with its critical remarks and proposals. At the end of 2017, the revised Internal Rules were presented to the Budget Group. A final decision on these rules is expected in mid-2018.

Statement of assurance and discharge

The Budget Unit in the Directorate for Human Resources and Finance is the agreed EESC contact point for audit work carried out by the European Court of Auditors in the context of its annual statement of assurance, as well as for all procedures with the European Parliament in the context of budget planning and the discharge procedure. It is the task of this unit to ensure that the internal auditor is kept fully informed of any developments in this area.

IAS interactions

The internal audit service is in close contact with the verification service and other staff carrying out internal controls. There is well-established cooperation with the internal audit service of the European Committee of the Regions regarding audits and other kinds of investigations in the Joint Services (Logistics and Translation, jointly managed by the EESC and the Committee of the Regions). The IAS is also in regular contact with the internal audit services of other Union institutions.

2.3 FRAMEWORK FOR THE INTERNAL AUDIT SERVICE

Self-assessment

The internal audit service self-assessment procedure of 2016 resulted in a list of measures to be implemented starting in 2017. Progress is monitored as part of the follow-up on agreed action plans.

Audit Committee

The Audit Committee consists of three EESC members, supported by an external person with expertise in audit matters. The Audit Committee monitors the ongoing audit work and all issues related to control. Representatives of the Secretariat are regularly invited to Audit Committee meetings where they can directly respond to relevant queries.

The Audit Committee discussed a new framework for its responsibilities, as the EESC Rules of Procedure are being revised.

The IAS is in close contact with the members of the Audit Committee.

In 2017 the Audit Committee held five meetings. The Audit Committee also had a successful working visit to the European Court of Auditors and intends to repeat this as a regular exercise.

Audit coverage

The Audit Committee discussed the topic of audit coverage and its connection to risk analysis and assurance. As a result, the IAS has developed a new approach to its risk assessment. A specific audit on risk and control coverage is to be integrated into the 2018 work plan.

IAS staff

The internal audit service is currently staffed with two administrators and one assistant. Staff members regularly follow training sessions, with a more intense training schedule for newly recruited colleagues.

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Reporting

The internal auditor reports to the president of the EESC. The Audit Committee is the IAS's control body and monitors all IAS work.

The internal audit service is administratively attached to the Secretary-General.

3. DISPOSING OF FIXED ASSETS 2017

Financial Regulation, Art. 157: The Inventory

1.1 *Each institution and body referred to in Article 141 shall keep inventories showing the quantity and value of all the Union's tangible, intangible and financial assets in accordance with a model drawn up by the accounting officer of the Commission.*

Each institution and body referred to in Article 141 shall check that entries in the inventory correspond to the actual situation."

1.2 *The sale of the Union's tangible assets shall be suitably advertised.*

Rules of Application, Art. 253: Procedure for disposing of tangible assets

A statement or record shall be drawn up by the authorising officer whenever any property in the inventory, including buildings, is sold, given away free of charge, scrapped, hired out or missing on account of loss, theft or any other reason.

The statement or record shall indicate in particular whether the item must be replaced at the expense of an official or other servant of the Union or any other person.

Where immovable property or major installations are made available free of charge, a contract must be drawn up and the case notified in an annual report sent to the European Parliament and the Council when the draft budget is presented.

Members, officials or other servants and any other staff of the institutions and bodies referred to in Article 141 of the Financial Regulation may not be recipients of the property in the inventory given away free of charge or scrapped.

3.1 DISPOSING OF IMMOVABLE PROPERTY OR MAJOR INSTALLATIONS FREE OF CHARGE IN 2017

No immovable property or major installations were made available free of charge by the European Economic and Social Committee during 2017.

4. KEY ACTIVITY AND PERFORMANCE INDICATORS ("KAPIs")

4.1 INTRODUCTION

According to the Financial Regulation (articles 30.3 and 38.3 (e) (i)) and its Rules of Application (article 18), every institution must define and report annually on a set of performance indicators.

The EESC secretariat has therefore developed a set of indicators for all its directorates. Some measure the level of performance (e.g. payment lead times), whilst others measure the level of activity (e.g. a production volume). These are referred to as Key Activity and Performance Indicators (KAPIs). The KAPIs in this appendix reflect the situation at the beginning of 2017, unless otherwise indicated.

The KAPI initiative is not a top-down exercise. It is, first and foremost, a management tool for the competent services and heads of units and a means to raise awareness about performance amongst all members of staff. Moreover, the exercise gives transparency to the Committee's work, not only for members or senior management, but also vis-à-vis the other institutions.

KAPIs are tools and care should be taken when interpreting them. It is not so much their absolute values as their evolution over time that can reveal trends that may need to be addressed.

KAPIs are presented by directorate and the unit monitoring them but they may reflect an overall situation, such as the absence rate in the secretariat.

For internal purposes, most KAPIs are measured on a monthly basis. For this annual activity report, only annual data have been included.

KAPIs evolve along with the secretariat's activities and organisation and are reviewed regularly.

Abbreviations

For the indicators in this area, the following abbreviations are used:

AD = administrators
AST = assistants
CT = contract agents (CT-S = structural contract agents)
EN = seconded national experts
F = female
FS = officials on probation
FT = established officials
FTE = full-time equivalents
JS = Joint Services (shared by the EESC and the CoR)
M = male

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SC = secretaries/clerks

TP = temporary agents

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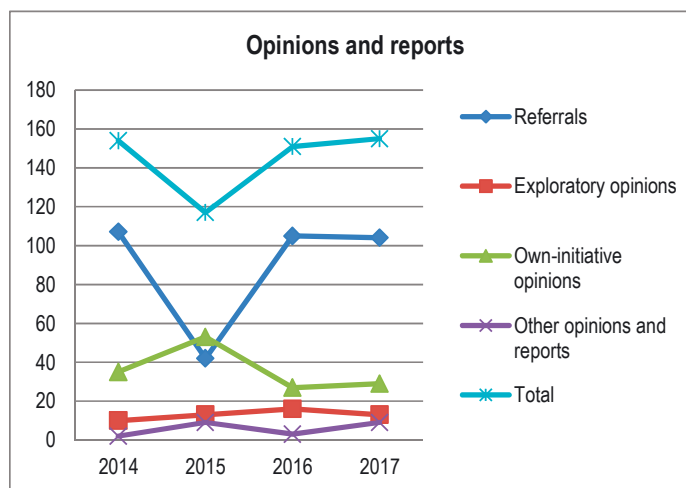
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4.2 DIRECTORATES FOR LEGISLATIVE WORK

Opinions and reports

This indicator measures the number of opinions and reports adopted by the Committee.

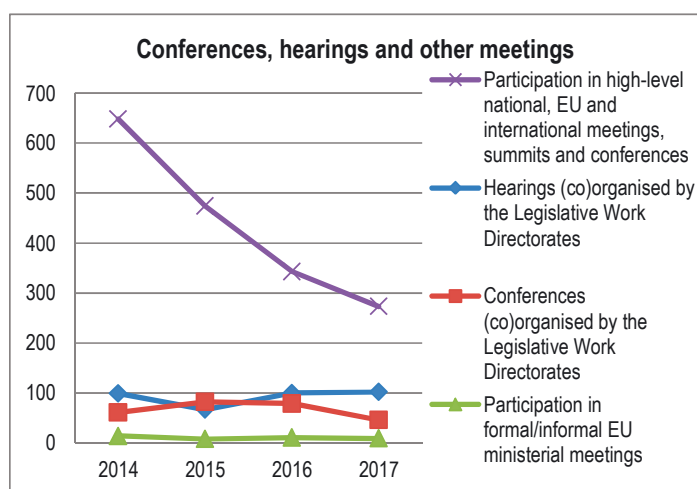
Opinions and reports					
	Referrals	Exploratory opinions	Own-initiative opinions	Other opinions and reports	Total
2017	104	13	29	9	155
2016	105	16	27	3	151
2015	42	13	53	9	117
2014	107	10	35	2	154



Conferences, hearings and other meetings

This indicator measures the number of meetings organised by the EESC and the participation of EESC members in high-level conferences.

Conferences, hearings and other meetings				
	Hearings (co)organised by the Legislative Work Directorates	Conferences (co)organised by the Legislative Work Directorates	Participation in formal/informal EU ministerial meetings	Participation in high-level national, EU and international meetings, summits and conferences
2017	102	46	9	273
2016	100	79	11	343
2015	67	82	8	474
2014	99	61	14	648



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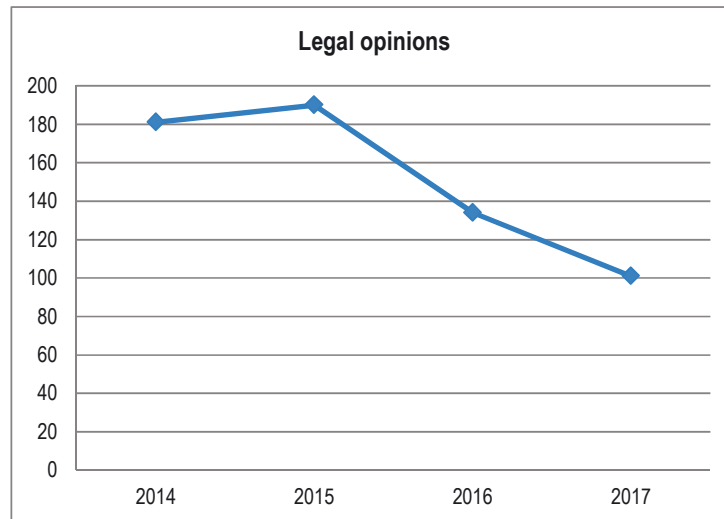
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4.3 DIRECTORATE FOR LEGISLATIVE PLANNING, RELATIONS WITH INSTITUTIONS AND CIVIL SOCIETY

Legal opinions

This indicator measures the number of legal opinions issued by the Legal Service.

	Legal opinions
2017	101
2016	134
2015	190
2014	181



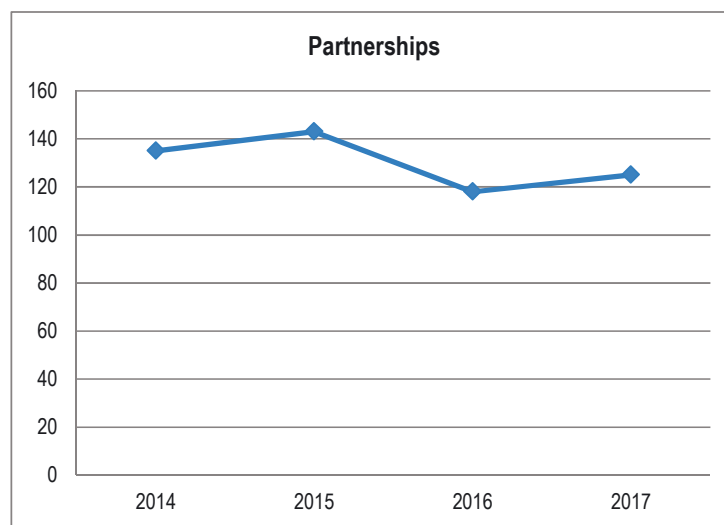
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Partnerships

This indicator measures the number of events organised by external organisations in partnership with the EESC.

Partnerships	
2017	125
2016	118
2015	143
2014	135

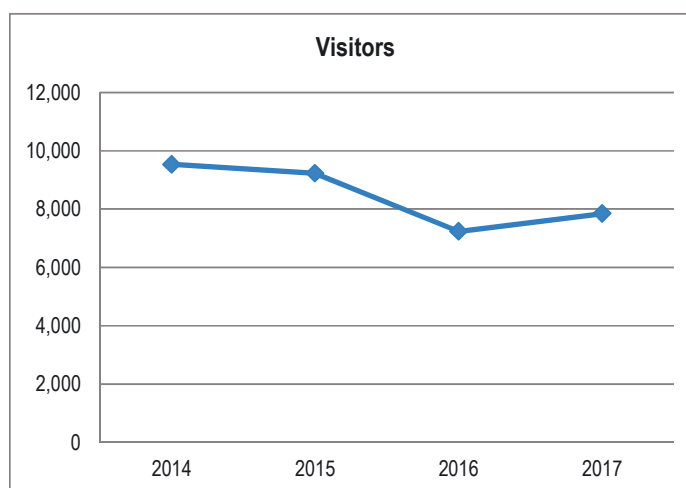
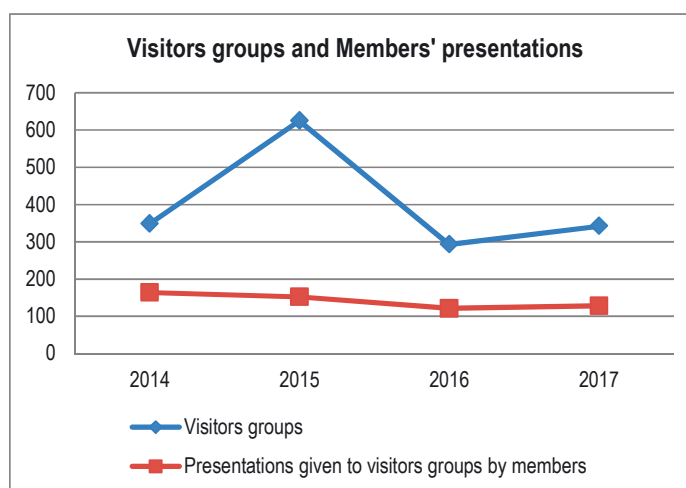


4.4 DEPARTMENT FOR COMMUNICATION

Visitors groups

This indicator measures the number of visitors groups and visitors, as well as the number of presentations given to visitors groups by members.

	Visitors groups	Presentations given to visitors groups by members	Visitors
2017	342	128	7,847
2016	293	121	7,237
2015	625	152	9,230
2014	348	164	9,534



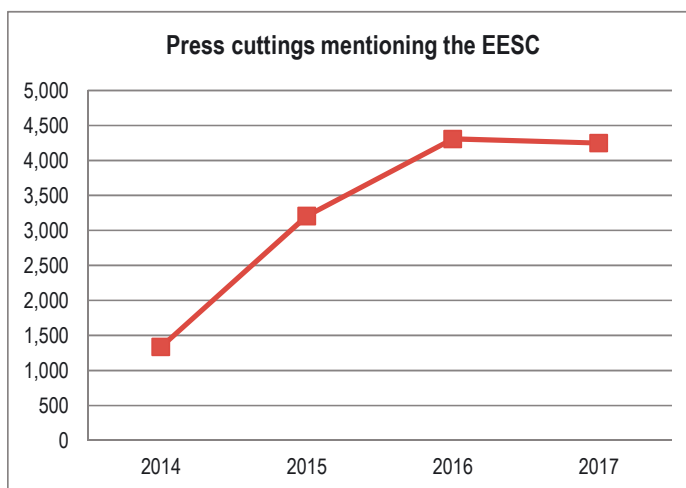
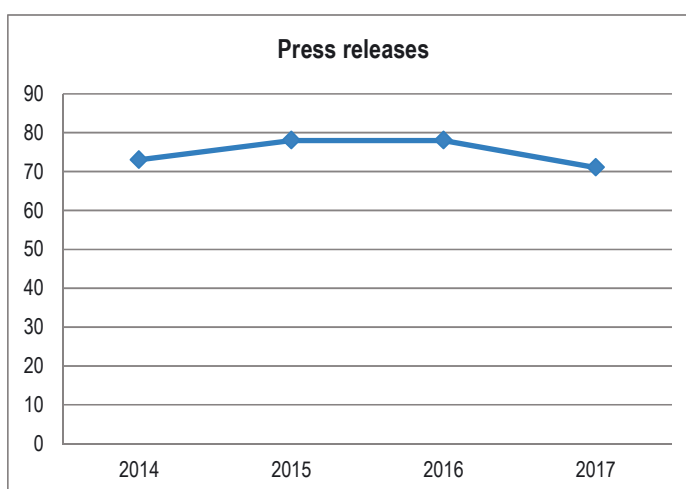
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Press activities

This indicator measures the number of press releases issued by the Committee and the number of press cuttings reported in which the Committee is mentioned.

	Press releases	Press cuttings mentioning the EESC
2017	71	4,247
2016	78	4,307
2015	78	3,205
2014	73	1,334



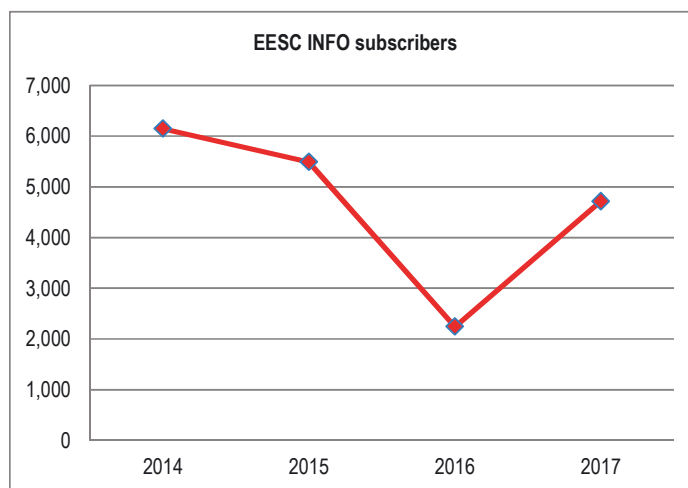
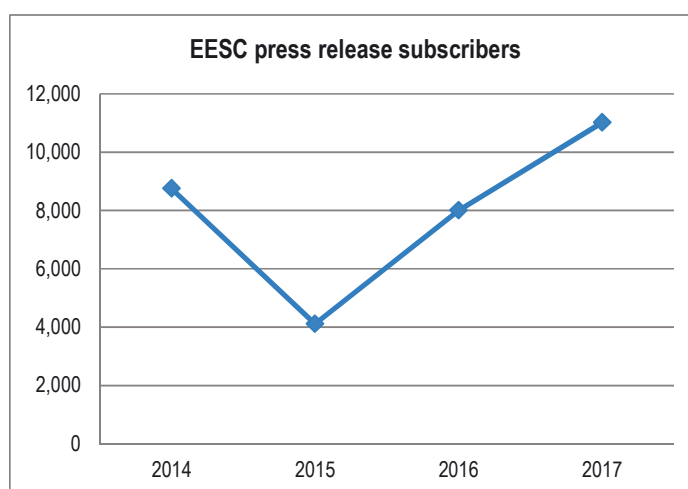
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Information subscribers

This indicator measures the number of subscribers to the EESC's press releases and to EESC INFO.

	Press release subscribers	EESC INFO subscribers
2017	11,013	4,717
2016	8,004	2,244
2015	4,107	5,491
2014	8,745	6,147



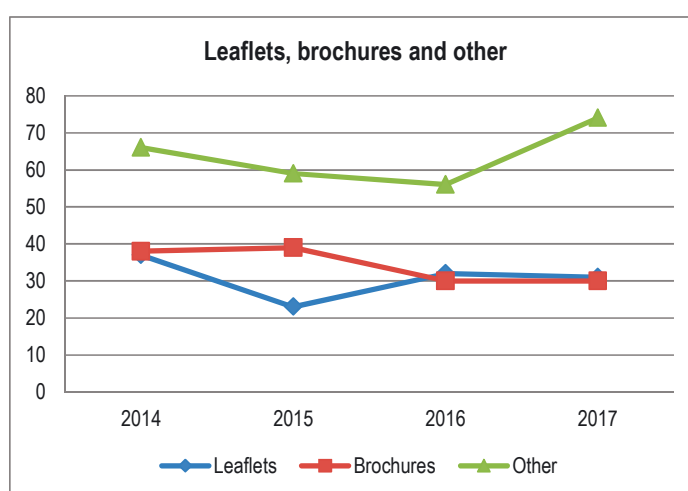
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Publications

This indicator measures the number of leaflets, brochures and other (booklets, etc.) published by the EESC.

	Leaflets	Brochures	Other	Total
2017	31	30	74	135
2016	32	30	56	118
2015	23	39	59	121
2014	37	38	66	141

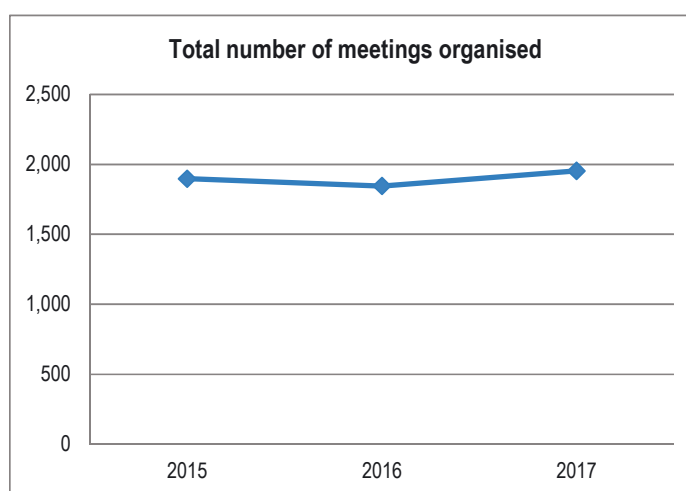


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Meetings organised

This indicator measures the number of EESC and CoR meetings taking place in the Committees' conference rooms (rooms equipped with interpretation facilities)*.

	EESC		CoR		JS		Total	FTE	Meetings / FTE
	Number	%	Number	%	Number	%			
2017	1,075	55.0%	856	43.8%	22	1.1%	1,953	21.2	92.3
2016	1,029	55.8%	778	42.2%	37	2.0%	1,844	21.8	84.7
2015	1,013	53.4%	858	45.3%	25	1.3%	1,896	15.6	121.5

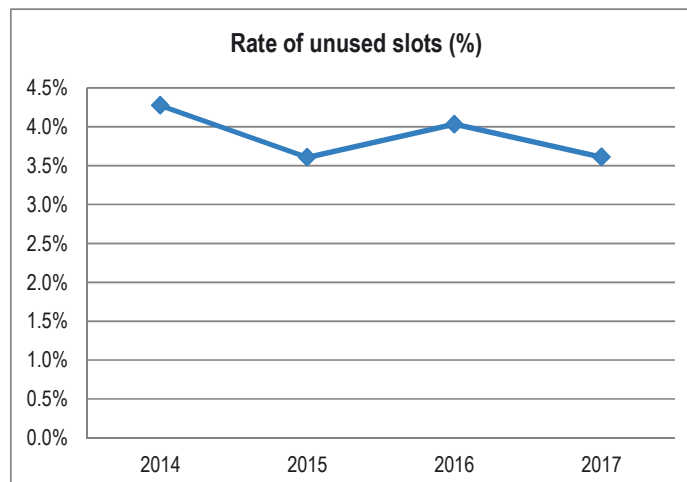
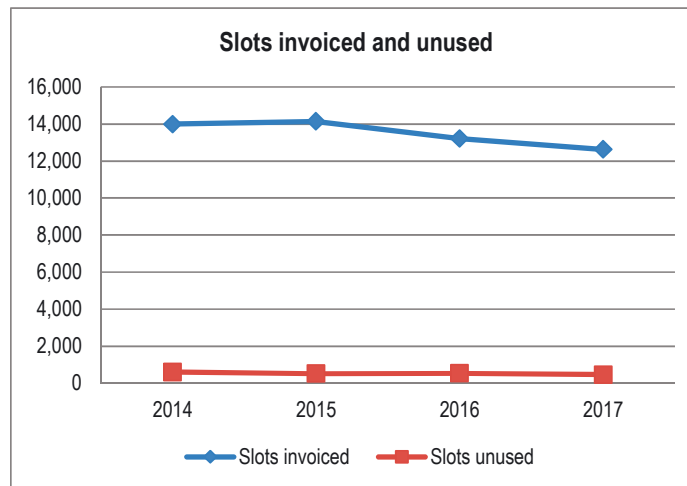


* All types of occupation of rooms (meetings, visits, conferences, etc.).

Interpretation activity and rate of unused interpretation

The EESC depends on DG Interpretation and its rules according to which DG Interpretation bills for services which are no longer required but not cancelled 2-3 weeks in advance (depending on the day of the week). This indicator shows the level of interpretation activity at the EESC, as well as the level of DG Interpretation services paid for but not rendered.

	Slots invoiced		Slots unused		
	Number	Amount (€)	Number	Amount (€)	Rate of unused slots (%)
2017	12,630	6,651,440	456	212,040	3.6%
2016	13,214	5,880,230	533	237,185	4.0%
2015	14,140	6,306,440	510	227,460	3.6%
2014	13,990	6,211,560	598	266,708	4.3%



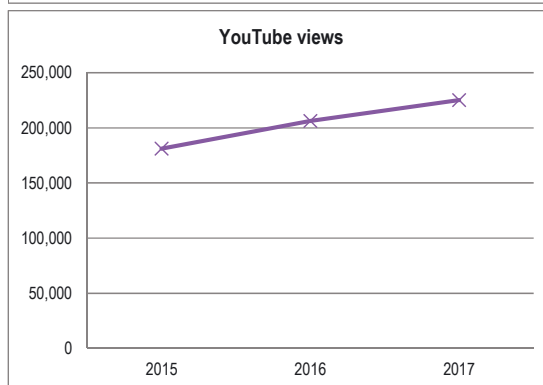
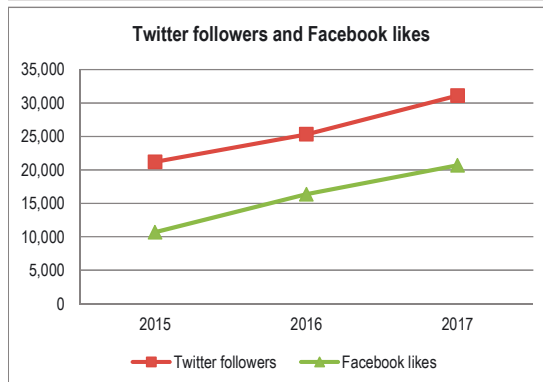
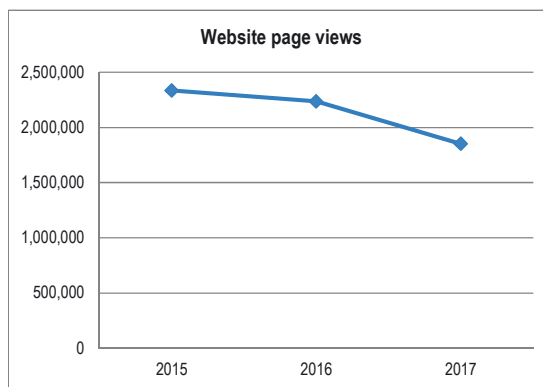
IV.

APPENDICES

Internet and social media

This indicator measures the number of pages viewed on the Internet site of the Committee, the number of followers on the EESC corporate Twitter account, the number of "likes" on the EESC corporate Facebook account, and the number of views on the EESC YouTube channel.

	Website page views	Twitter followers	Facebook likes	YouTube views
2017	1,851,141	31,091	20,674	225,105
2016	2,236,026	25,303	16,352	206,162
2015	2,334,228	21,190	10,659	181,064

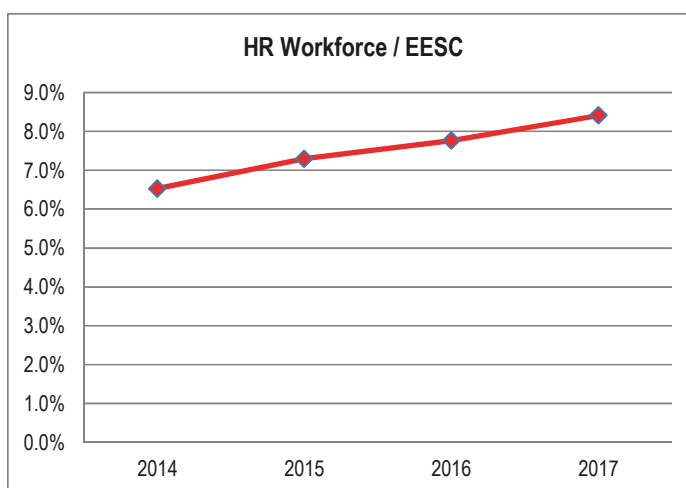
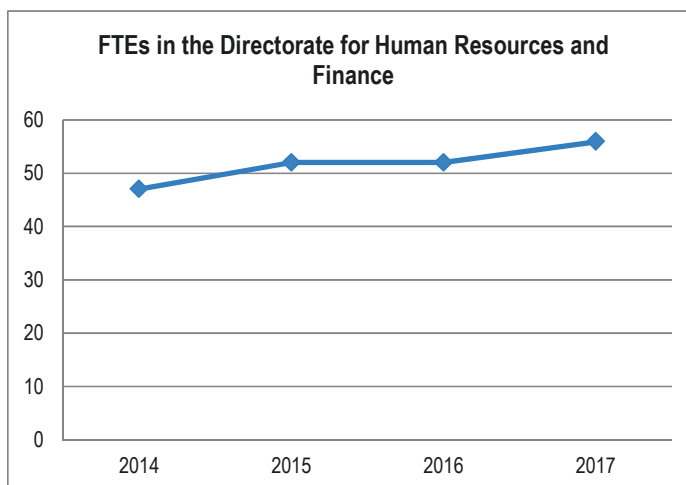


4.5 DIRECTORATE FOR HUMAN RESOURCES AND FINANCE

HR workforce

This indicator measures the ratio between resources of the Directorate for Human Resources, in "full-time equivalents" (FTEs), and the total headcount (establishment plan) of the Committee.

	HR Workforce	Official posts	HR Workforce / Official posts
2017	56	665	8.4%
2016	52	670	7.8%
2015	52	713	7.3%
2014	47	720	6.5%



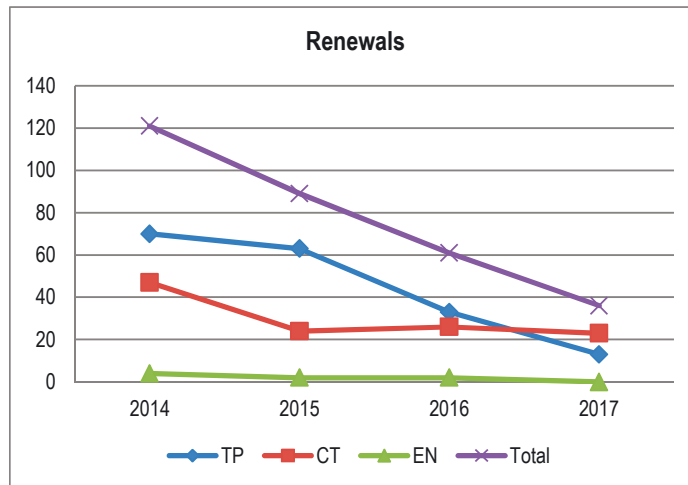
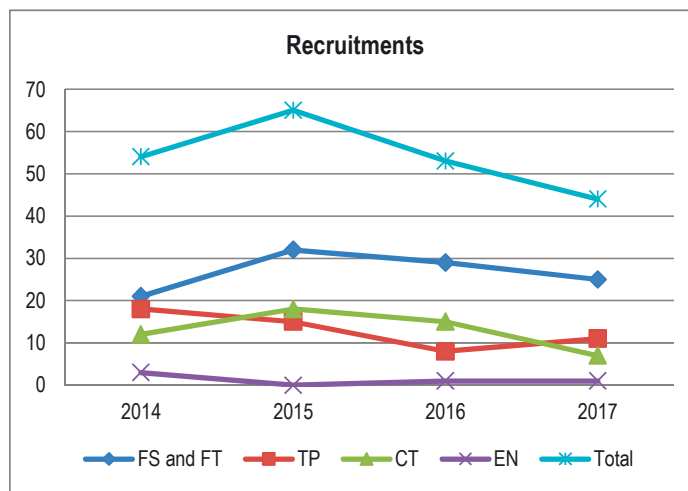
IV.

APPENDICES

Number of recruitments/renewals

This indicator measures the number of recruitments and renewals by type of contract.

	Recruitments					Renewals			
	FS and FT	TP	CT	EN	Total	TP	CT	EN	Total
2017	25	11	7	1	44	13	23	0	36
2016	29	8	15	1	53	33	26	2	61
2015	32	15	18	0	65	63	24	2	89
2014	21	18	12	3	54	70	47	4	121



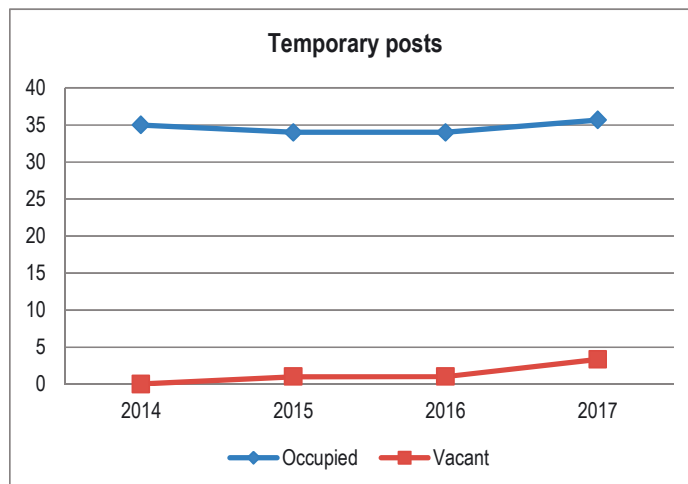
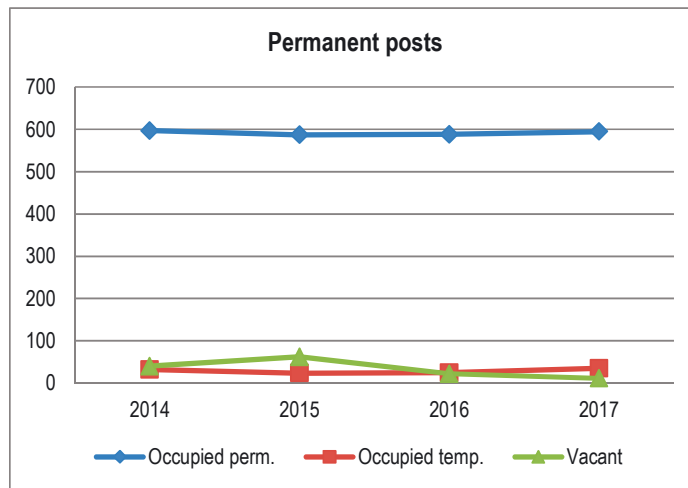
IV.

APPENDICES

Post occupation rate

This indicator measures the average occupation rate, based on "full-time equivalents" (FTEs), of the Committee's posts. It distinguishes between an occupation by officials and by temporary agents (temporary occupation due to CCP or parental leave of an official for less than 6 months is considered as permanently occupied).

	Total	Permanent posts							Temporary posts		
		All	AD	AST	SC	Occupied perm.	Occupied temp.	Vacant	All	Occupied	Vacant
2017	665	626	311	288	27	595	20	11	39	36	3
2016	670	635	315	300	20	588	25	22	35	34	1
2015	713	678	342	331	5	587	24	62	35	34	1
2014	720	685	344	341	-	597	32	40	35	35	0



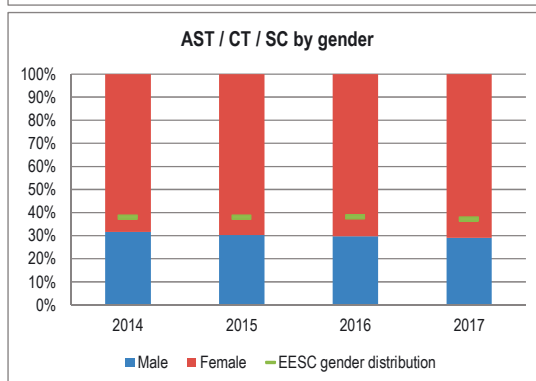
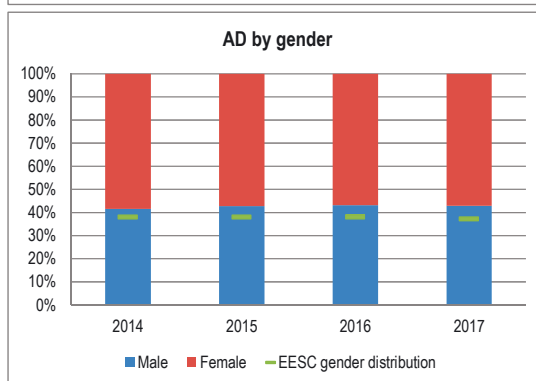
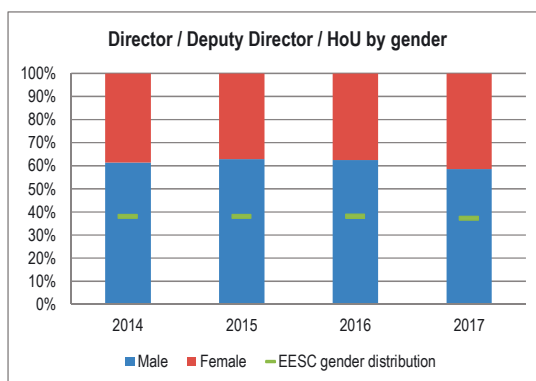
IV.

APPENDICES

Staff pyramid and equal opportunities

This indicator measures, at the end of the year, the distribution of the Committee's staff by gender (grouped by category: Director/Deputy Director/Head of unit, AD, AST/CT/SC). Annex 13 of this report shows data from May 2017.

	Director/Deputy Director/Head of unit				AD				AST/CT/SC			
	Number	% M	% F	% of total	Number	% M	% F	% of total	Number	% M	% F	% of total
2017	43	58.6%	41.4%	6.1%	323	42.9%	57.1%	46.3%	332	29.1%	70.9%	47.6%
2016	45	62.5%	37.5%	6.5%	324	43.2%	56.8%	46.6%	326	29.8%	70.2%	46.9%
2015	43	62.8%	37.2%	6.2%	323	42.7%	57.3%	46.4%	330	30.3%	69.7%	47.4%
2014	44	61.4%	38.6%	6.1%	327	41.6%	58.4%	45.5%	347	31.7%	68.3%	48.4%



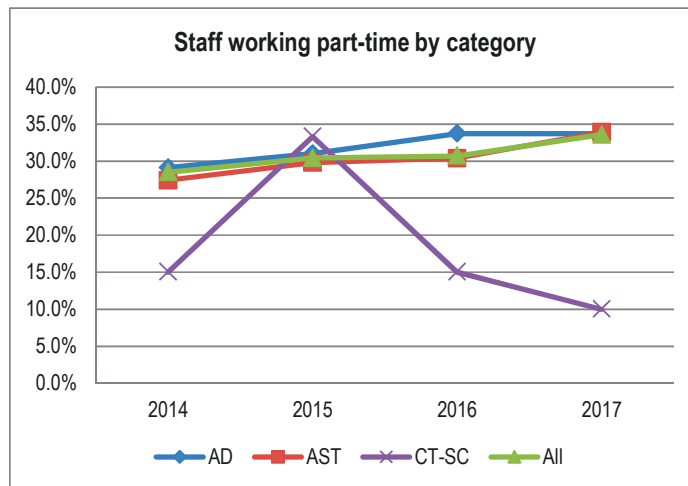
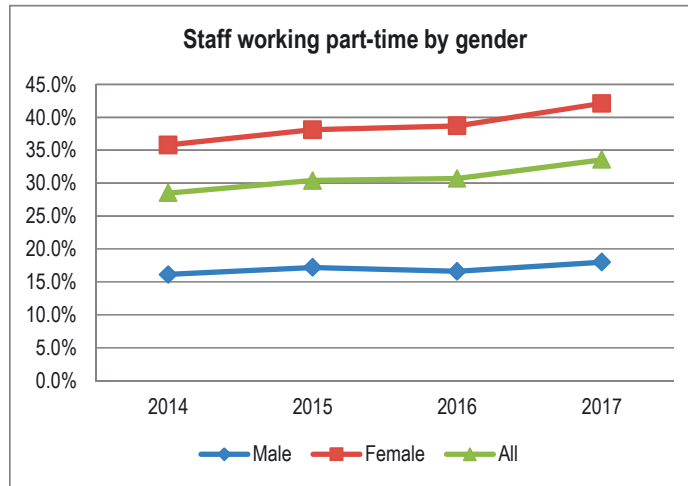
IV.

APPENDICES

Flexibility in terms of working time arrangements

This indicator measures the proportion of permanent staff working part-time, by gender and category (AD, AST and CT-SC).

	By gender				By category						All	
	M		F		AD		AST		CT-SC		Number	%
	Number	%	Number	%	Number	%	Number	%	Number	%		
2017	45	18.0%	192	42.1%	113	33.7%	119	33.9%	2	10.0%	237	33.6%
2016	43	16.6%	174	38.7%	109	33.7%	104	30.4%	3	15.0%	217	30.7%
2015	45	17.2%	169	38.1%	104	31.0%	108	29.8%	2	33.3%	214	30.4%
2014	44	16.1%	167	35.8%	104	29.1%	104	27.4%	20	15.0%	211	28.5%



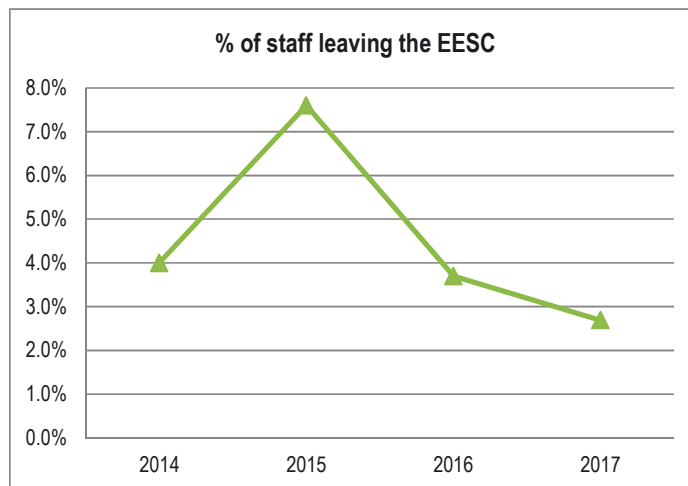
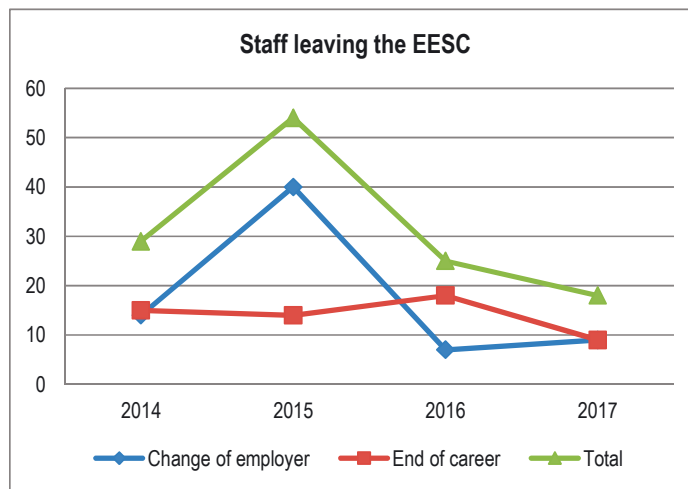
IV.

APPENDICES

Staff turnover

This indicator measures the number of permanent staff (officials and structural contract agents) who left the Committee, by reason.

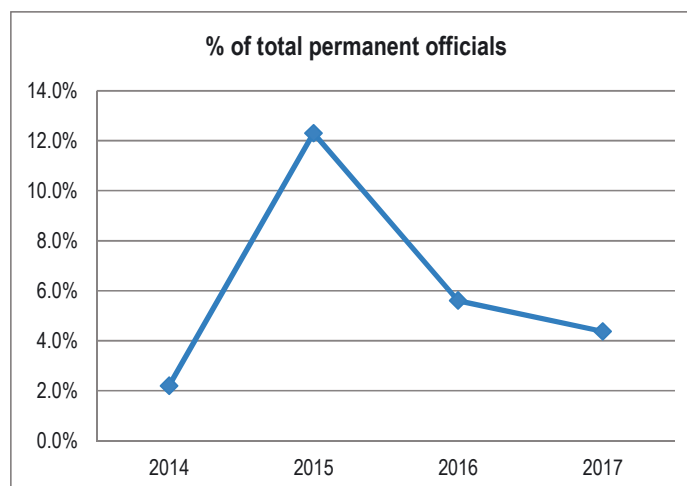
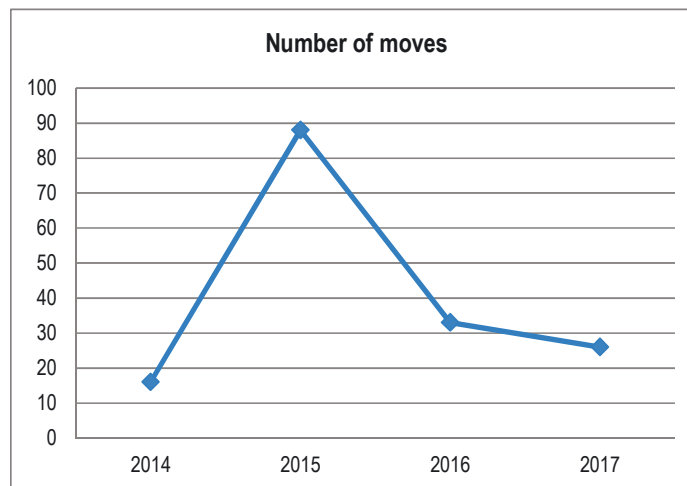
	Staff leaving the EESC			
	Change of employer	End of career	Total	% of total staff
2017	9	9	18	2.7%
2016	7	18	25	3.7%
2015	40	14	54	7.6%
2014	14	15	29	4.0%



Internal mobility

This indicator measures the number of moves of permanent officials (FS and FT) from one department to another within the Committee. Mobility is essential for the Committee to keep its secretariat dynamic and to adapt to evolving needs.

Staff changing service		
	Number of moves	% of total permanent officials
2017	26	4.4%
2016	33	5.6%
2015	88	12.3%
2014	16	2.2%



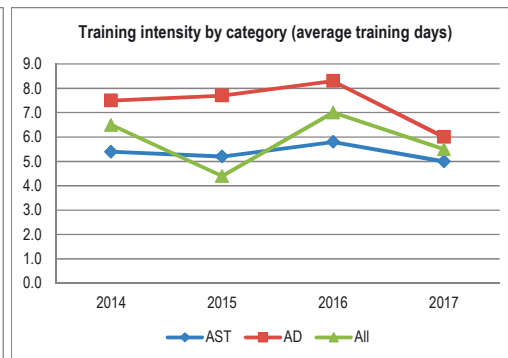
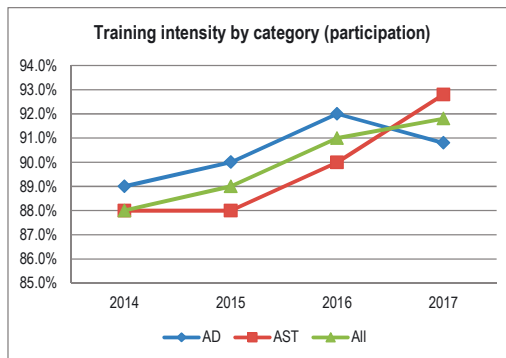
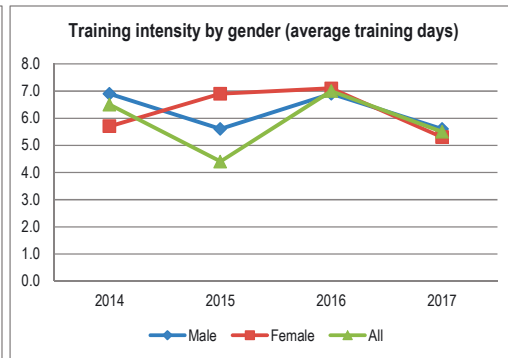
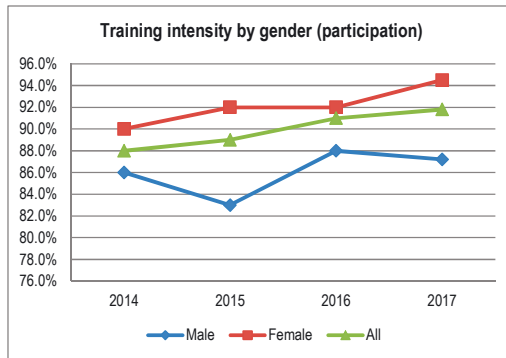
IV.

APPENDICES

Training intensity

This indicator measures the percentage of staff having followed training and the average number of days of training.

	By gender				By category				All	
	M		F		AD		AST			
	Participation rate (%)	Average training days	Participation rate (%)	Average training days	Participation rate (%)	Average training days	Participation rate (%)	Average training days	Participation rate (%)	Average training days
2017	87.2%	5.6	94.5%	5.3	90.8%	6.0	92.8%	5.0	91.8%	5.5
2016	88.0%	6.9	92.0%	7.1	92.0%	8.3	90.0%	5.8	91.0%	7.0
2015	83.0%	5.6	92.0%	6.9	90.0%	7.7	88.0%	5.2	89.0%	4.4
2014	86.0%	6.9	90.0%	5.7	89.0%	7.5	88.0%	5.4	88.0%	6.5



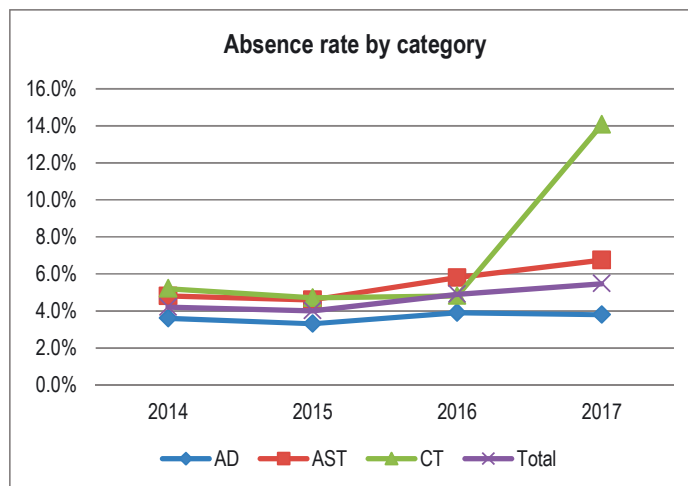
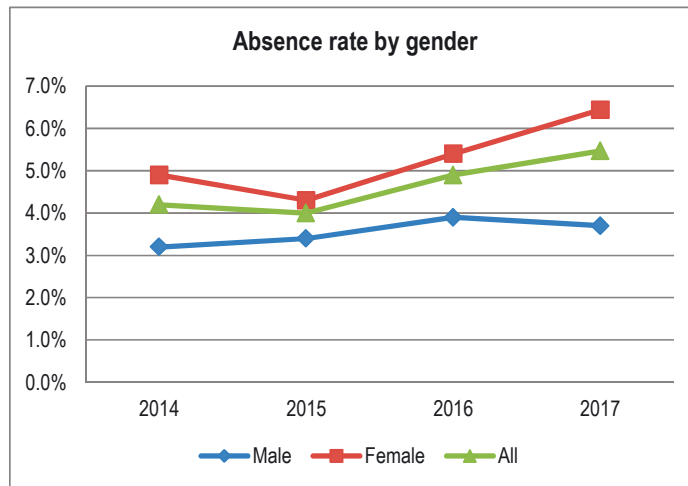
IV.

APPENDICES

Absence rate

This indicator measures the absence rate according to the interinstitutional definition (total absence in calendar days, divided by 365 and by the number of staff at the end of the year), by gender and by category (AD, AST, CT).

	Male (%)				Female (%)				All (%)			
	AD	AST	CT	Total	AD	AST	CT	Total	AD	AST	CT	Total
2017	2.3%	4.9%	10.4%	3.7%	4.6%	7.5%	20.9%	6.4%	3.8%	6.7%	14.1%	5.5%
2016	2.7%	5.4%	4.5%	3.9%	4.7%	6.0%	5.1%	5.4%	3.9%	5.8%	4.8%	4.9%
2015	2.3%	4.5%	5.1%	3.4%	4.0%	4.6%	4.4%	4.3%	3.3%	4.6%	4.7%	4.0%
2014	2.4%	4.1%	4.4%	3.2%	4.4%	5.2%	6.8%	4.9%	3.6%	4.8%	5.2%	4.2%



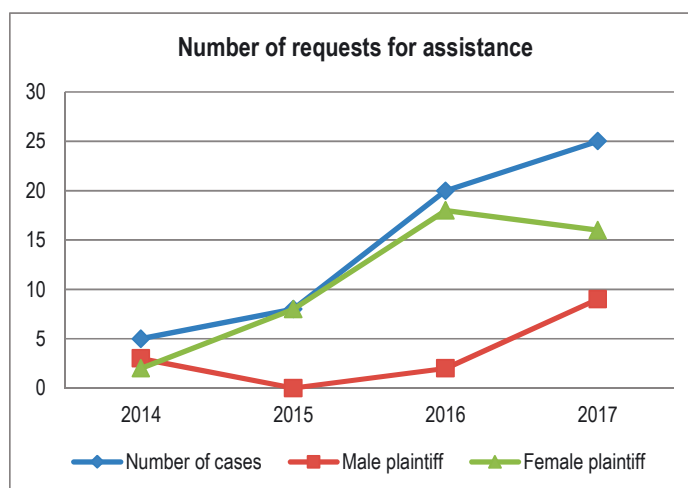
IV.

APPENDICES

Perceived harassment

This indicator measures the number of cases treated by the administration following a request for assistance by staff addressed to the network of confidential counsellors or to the harassment panel. In 2014, the harassment panel was replaced by a network of confidential counsellors to whom members of staff tend to turn more easily.

	Number of cases	By gender	
		Male plaintiff	Female plaintiff
2017	25	9	16
2016	20	2	18
2015	8	0	8
2014	5	3	2



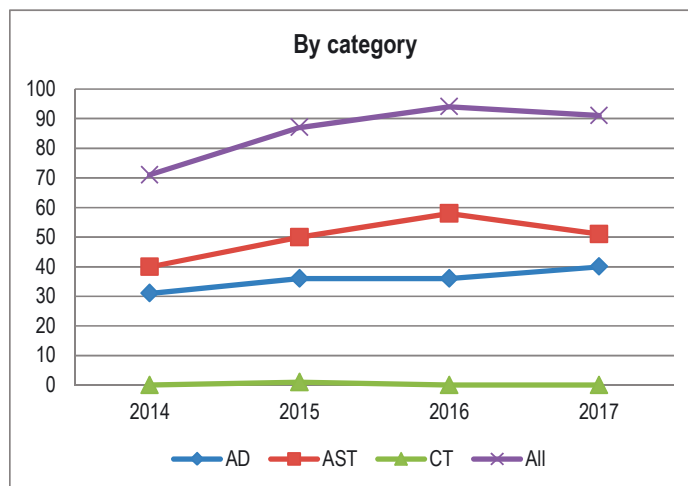
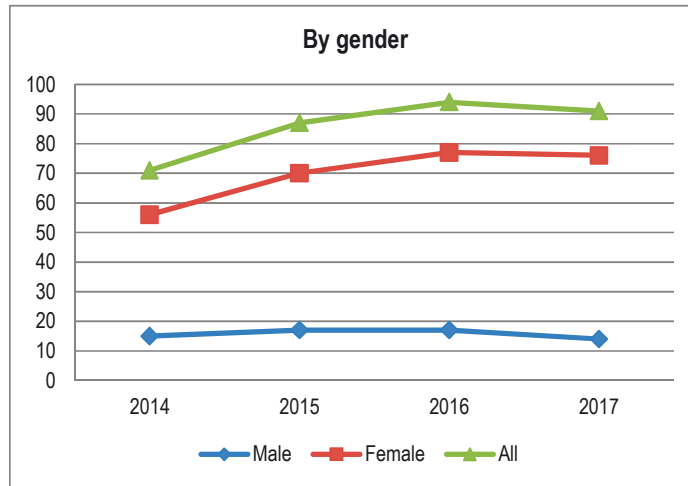
IV.

APPENDICES

Structural telework

Structural teleworkers are members of staff allowed to work at home a maximum of five days over a period of two consecutive weeks. The teleworker and the institution (represented by the director of Human Resources and Finance) conclude a written agreement for a period of one year, which may be renewed.

	By gender				By category						All	
	Male		Female		AD		AST		CT		Total	Total (%)
	M	M (%)	F	F (%)	AD	AD (%)	AST	AST (%)	CT	CT (%)		
2017	14	5.6%	76	16.7%	40	11.9%	51	14.5%	0	0.0%	91	12.9%
2016	17	6.6%	77	17.1%	36	10.5%	58	16.8%	0	0.0%	94	13.3%
2015	17	6.5%	70	15.8%	36	11.2%	50	15.4%	1	5.0%	87	12.4%
2014	15	5.7%	56	12.6%	31	9.1%	40	11.5%	0	0.0%	71	10.0%



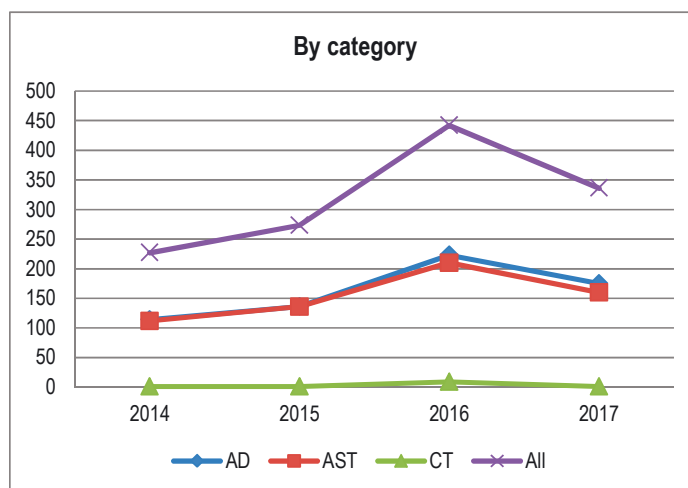
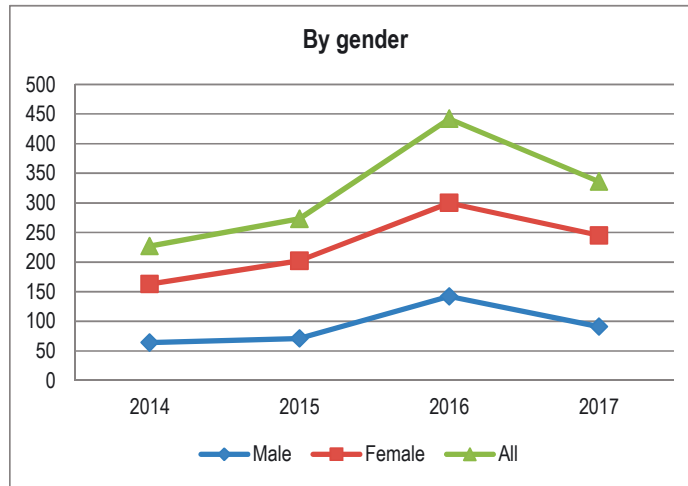
IV.

APPENDICES

Occasional telework

As far as the nature of the work allows it, authorisation to perform occasional teleworking is granted on a (half-) daily basis and is renewable, normally up to a maximum of 28 days per calendar year. Requests for occasional teleworking shall be submitted to the Head of unit who shall decide according to service needs.

	By gender				By category						All	
	Male		Female		AD		AST		CT		Total	Total (%)
	M	M (%)	F	F (%)	AD	AD (%)	AST	AST (%)	CT	CT (%)		
2017	91	36.4%	245	53.7%	175	52.2%	160	45.6%	1	5.0%	336	47.6%
2016*	142	55.0%	300	66.8%	223	65.2%	210	60.9%	9	45.0%	442	62.5%
2015	71	27.2%	202	45.6%	136	42.2%	136	42.0%	1	5.0%	273	38.8%
2014	64	24.3%	163	36.7%	114	33.4%	112	32.3%	1	5.3%	227	32.1%



* In 2016, due to the terror attacks in Brussels, the SG asked the staff to telework (if possible) on the 22/03/2016. This explains why the figures related to occasional TW are higher than in 2015 and 2017.

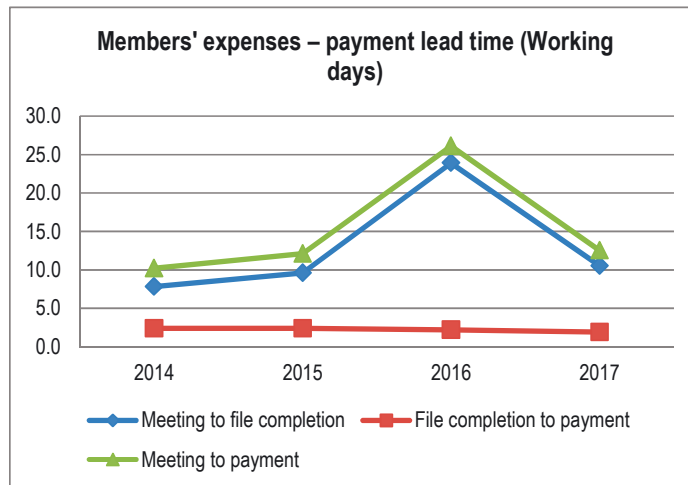
IV.

APPENDICES

Members' expenses – payment lead time

EESC members receive a compensation for travel and subsistence expenses incurred in that capacity. This indicator measures the average lead times between the meeting date and the completion of the file and between the latter and the payment date. All lead times are in working days.

	Lead times (working days)												
	Meeting to file completion					File completion to payment					Meeting to payment		Files created - monthly average (workload)
	Average (days)	For 80 %	1 step average	Multiple steps		Average	For 80 %	Verifi- cation	Author. Officer.	Account./ Bank	Average	For 80 %	
				Average	%								
2017	10.5	13	9.4	25.6	6.97	1.9	1	0.9	0.3	0.7	12.5	13	
2016	23.9	22	16.8	63.8	14.9	2.2	1	1.1	0.4	0.7	26.1	23	1,816
2015	9.6	11	7.7	23.8	12.3	2.4	1	1.1	1.0	0.8	12.1	13	1,695
2014	7.8	9	6.1	22.7	9.8	2.4	3	1.5	0.5	0.6	10.2	11	1,832



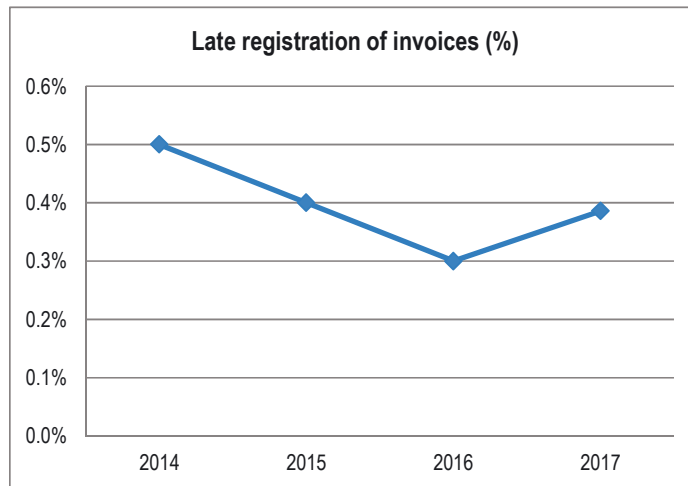
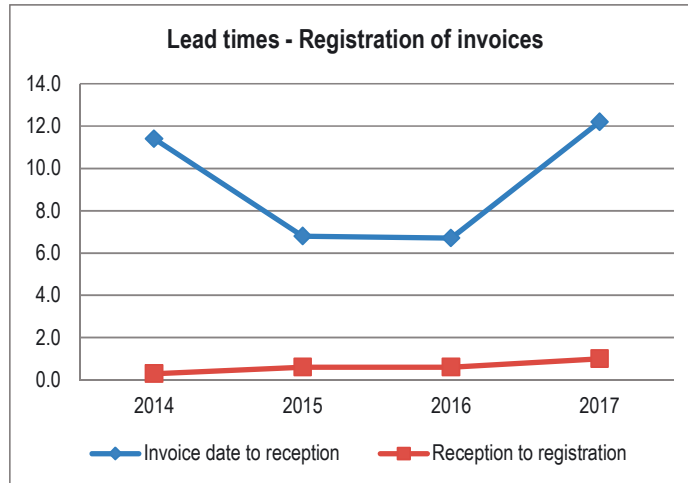
IV.

APPENDICES

Registration of invoices

This indicator measures the average lead time between the reception of invoices and their registration and the number and percentage of invoices for which this registration took more than seven calendar days.

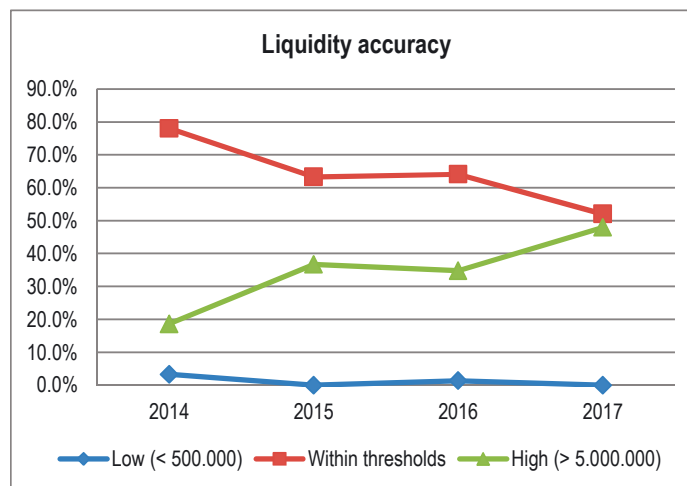
	Average lead times (calendar days)		Late registration (7+ calendar days)	
	Invoice date to reception	Reception to registration	Number late registration	% of total
2017	12.2	1.0	46	0.4
2016	6.7	0.6	36	0.3
2015	6.8	0.6	19	0.4
2014	11.4	0.3	16	0.5



Liquidity accuracy

The Committee's bank account should hold enough funds to ensure that payments can be made on time. However, the amount available should not be unnecessarily high. This indicator measures the percentage of calendar days when the balance of the Committees' bank account was less than EUR 500 000 (risk of unavailability of funds for a payment due), within thresholds and more than EUR 5 000 000 (too much cash on hand).

	Bank account balance					
	Calendar days below € 500.000		Calendar days between € 500.000 and € 5.000.000		Calendar days above € 5.000.000	
	days	%	days	%	days	%
2017	0	0	190	52	175	47
2016	5	1	234	64	127	35
2015	0	0	231	61	134	36
2014	12	3	285	78	68	19

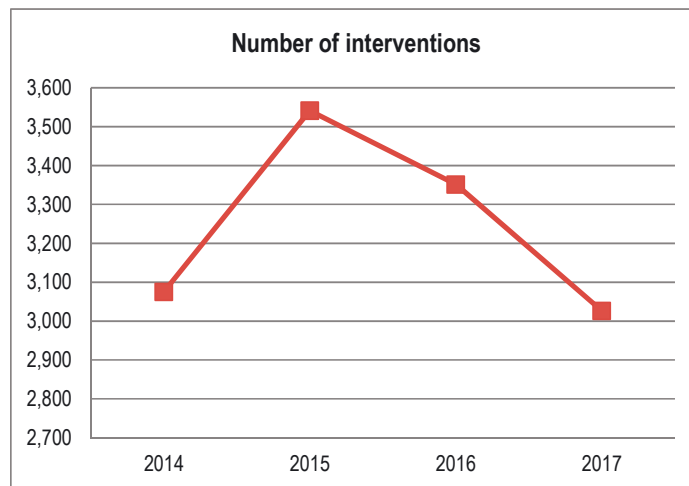


4.6 DIRECTORATE FOR LOGISTICS

Number of building maintenance interventions

This indicator measures the number of building maintenance interventions carried out by the Infrastructure Unit.

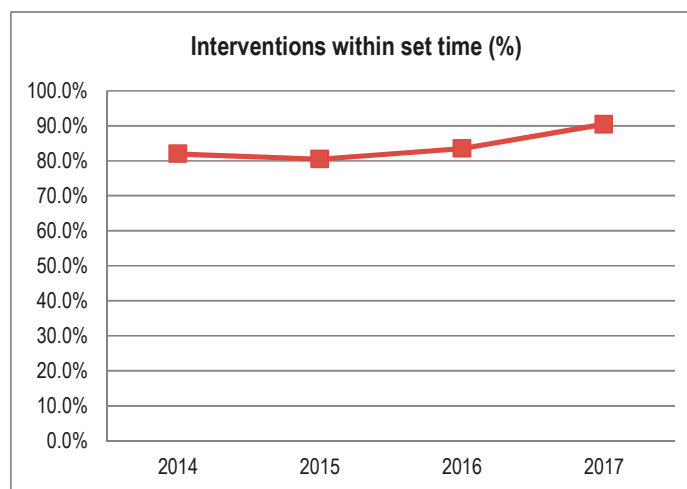
	Number of interventions
2017	3,026
2016	3,351
2015	3,541
2014	3,075



Building maintenance intervention lead time

This indicator measures the percentage of interventions that were successfully handled within a set time (depending on the category of the intervention: two days or five days).

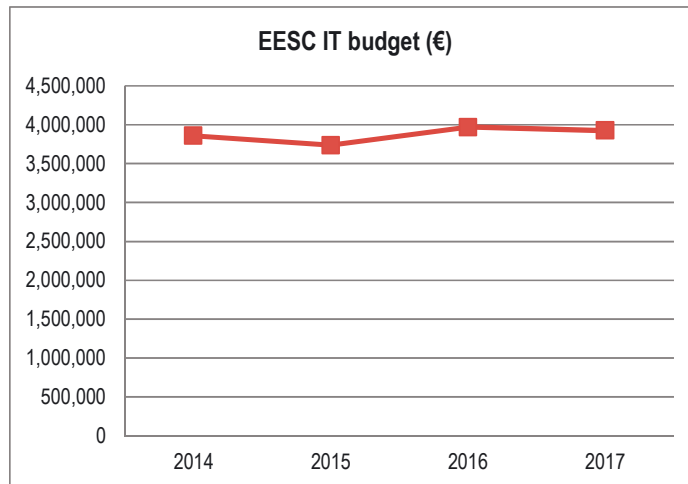
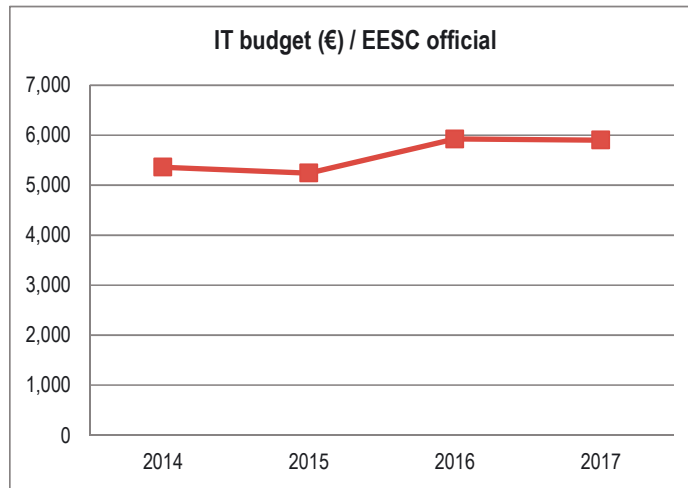
	Interventions within set time (%)
2017	90.5%
2016	83.5%
2015	80.5%
2014	82.0%



IT costs per official

This indicator measures the ratio between the total operational IT budget after transfers (equipment, external sub-contractors, telecommunication costs; excluding cost of statutory IT staff) and the total headcount (establishment plan). It also measures the proportion of this budget vs. the overall EESC budget.

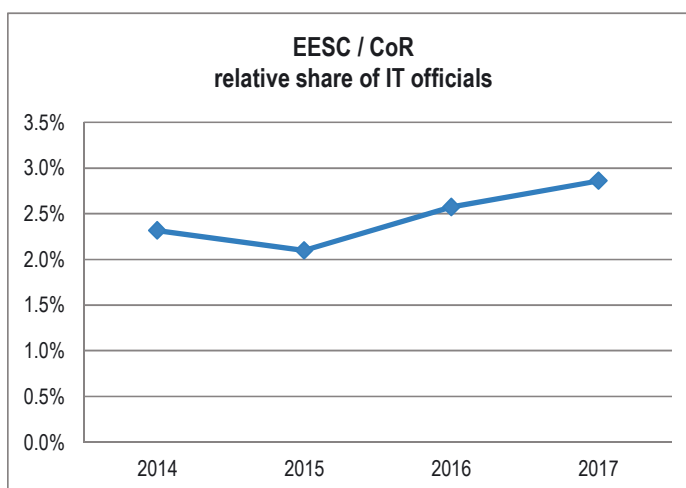
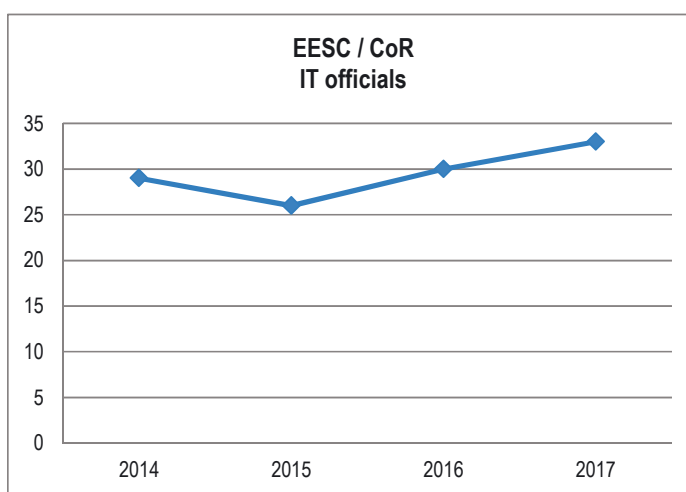
	EESC IT budget (€)	EESC officials	EESC IT budget (€) / EESC official	EESC budget (€)	% IT budget / Total budget
2017	3,925,283	665	5,903	133,807,338	2.9%
2016	3,968,833	670	5,924	130,171,475	3.0%
2015	3,737,341	713	5,242	130,479,720	2.9%
2014	3,858,987	720	5,360	128,559,380	3.0%



IV.**APPENDICES****IT Unit workforce**

This indicator measures the ratio between officials working in the IT Unit and the total headcount (posts, according to establishment plans) of the two Committees.

	EESC / CoR IT officials	EESC / CoR officials	EESC / CoR IT officials / officials
2017	33	1,154	2.9%
2016	30	1,166	2.6%
2015	26	1,240	2.1%
2014	29	1,252	2.3%



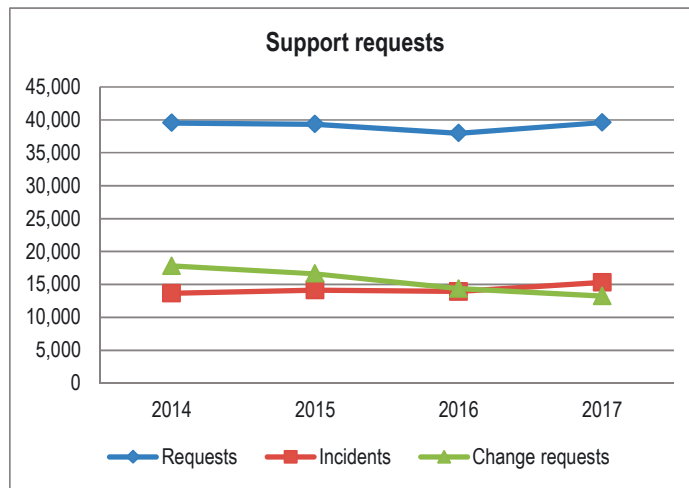
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IT user support requests

This indicator measures the number of IT user support requests, divided by the total staff resources (internal and external) of the service handling these. The number of user support requests accounts for all questions addressed to the IT helpdesk (by telephone or email) as registered in the helpdesk software tool. Requests may be handled immediately or give rise to an "incident" (e.g. repairing a broken hard disk) or to a "change request" (e.g. moving a PC).

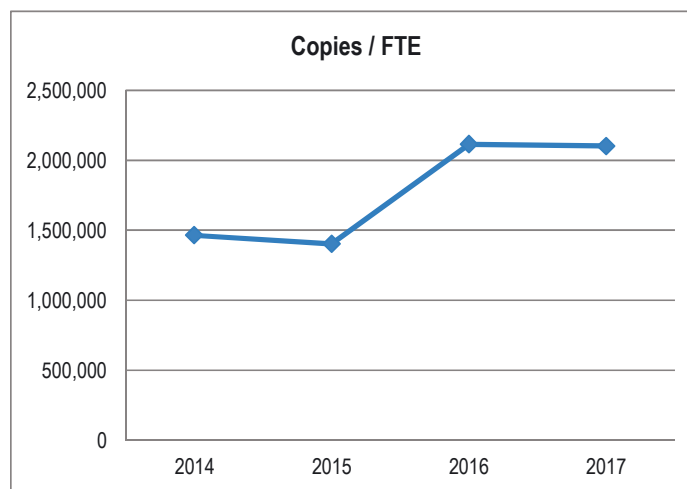
	Requests	Incidents	Change requests	Helpdesk staff (FTE)	Requests / Helpdesk staff
2017	39,565	15,314	13,226	18	2,198
2016	37,951	13,928	14,324	18	2,108
2015	39,331	14,123	16,618	20	1,975
2014	39,498	13,652	17,800	20	2,000



IV.**APPENDICES****Copy shop productivity**

This indicator measures the number of copies produced by the copy shop team, divided by the number of "full-time equivalent" staff (FTEs) in that team.

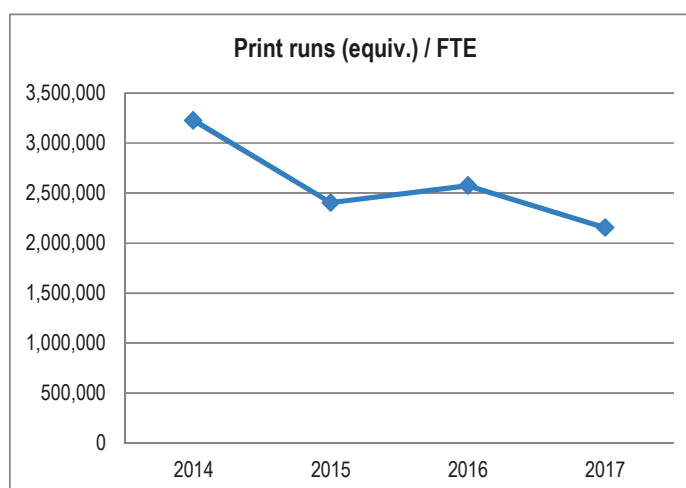
	EESC		CoR		Total	FTE	Copies / FTE
	Copies	%	Copies	%			
2017	6,372,525	51.3%	6,060,413	48.7%	12,432,938	5.9	2,101,342
2016	6,480,428	49.7%	6,560,634	50.3%	13,041,062	6.2	2,114,767
2015	6,317,255	50.3%	6,240,110	49.7%	12,557,365	9.0	1,401,752
2014	8,034,217	58.0%	5,808,908	42.0%	13,843,125	9.5	1,463,590



Offset productivity

This indicator measures the number of equivalent print runs, i.e. both real print runs (sheets) and settings (a "setting" being the initialisation of a print run, counted as equivalent to 3 700 print runs), divided by "full-time equivalent" (FTE) staff in the offset team.

	EESC		CoR		Total	FTE	Print runs (equiv.) / FTE
	Print runs (equiv.)	%	Print runs (equiv.)	%			
2017	4,191,140	77.8%	1,192,800	22.2%	5,383,940	2.5	2,153,576
2016	3,398,670	46.6%	3,894,750	53.4%	7,293,420	2,8	2,574,148
2015	4,160,300	57.7%	3,051,125	42.3%	7,211,425	3,0	2,403,808
2014	4,322,840	48.7%	4,551,480	51.3%	8,874,320	2.8	3,227,025



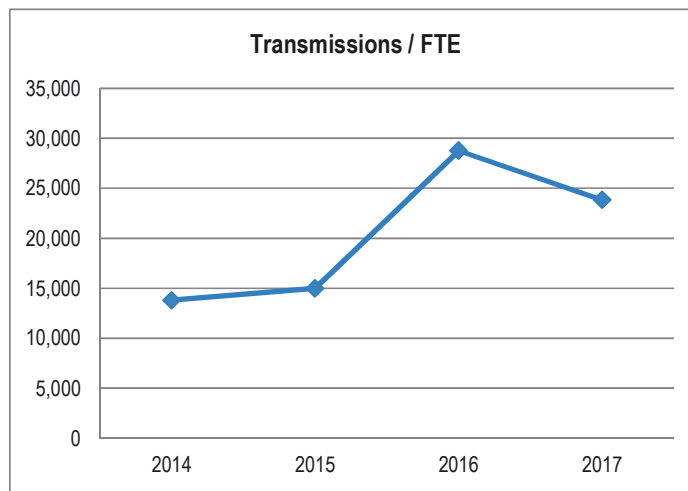
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Mailing productivity

This indicator measures the number of mailings (transmissions) done by the expedition team, divided by the number of "full-time equivalent" staff (FTEs) in that team.

	EESC		CoR		Total	FTE	Transmissions / FTE
	Transmissions	%	Transmissions	%			
2017	27,022	85.1%	4,740	14.9%	31,762	1.3	23,822
2016	33,451	77.6%	9,673	22.4%	43,124	1.5	28,749
2015	38,418	78.9%	10,296	21.1%	48,714	3.3	14,989
2014	50,658	81.6%	11,417	18.4%	62,075	4.5	13,794



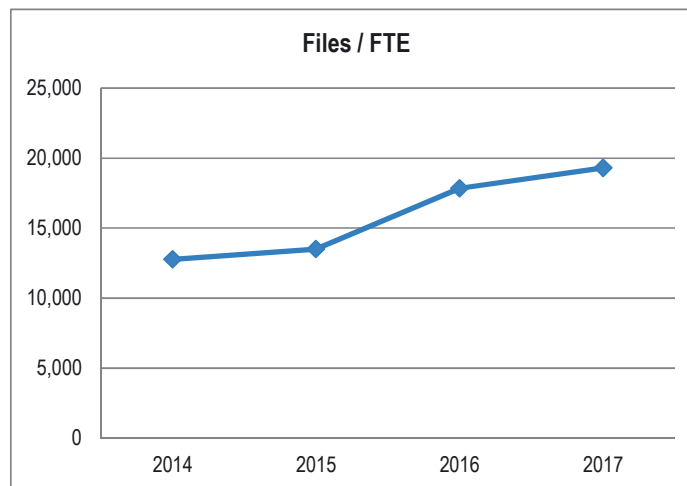
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Internal distribution productivity

This indicator measures the number of files for members that the internal distribution team made in preparation for meetings, divided by the number of "full-time equivalent" staff (FTEs) in that team.

	EESC		CoR		Total	FTE	Files / FTE
	Files	%	Files	%			
2017	47,475	74.8%	16,032	25.2%	63,507	3.3	19,293
2016	51,479	75.3	16,889	24.7	68,368	3.8	17,835
2015	46,673	69.1	20,830	30.9	67,503	5.0	13,501
2014	46,790	72.1	18,057	27.9	64,847	5.0	12,757

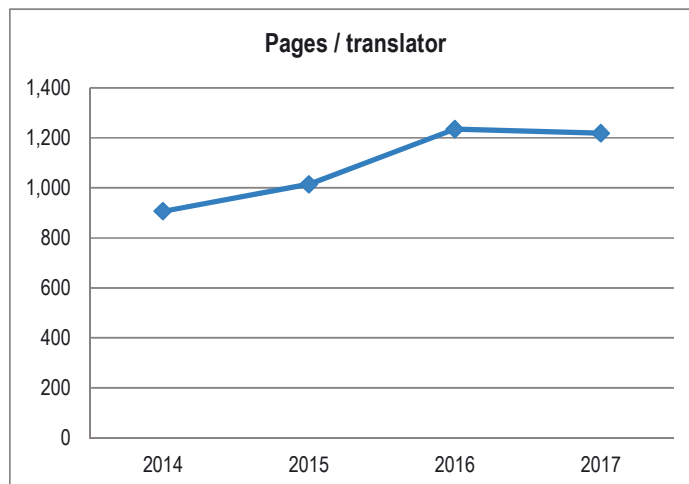
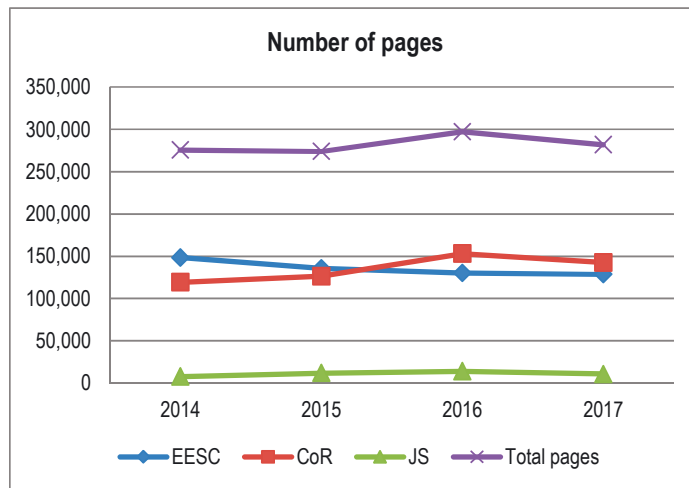


4.7 DIRECTORATE FOR TRANSLATION

Internal translation output

This indicator measures the total number of pages translated per translator post in the establishment plan. A page is defined as 1,500 characters without spaces.

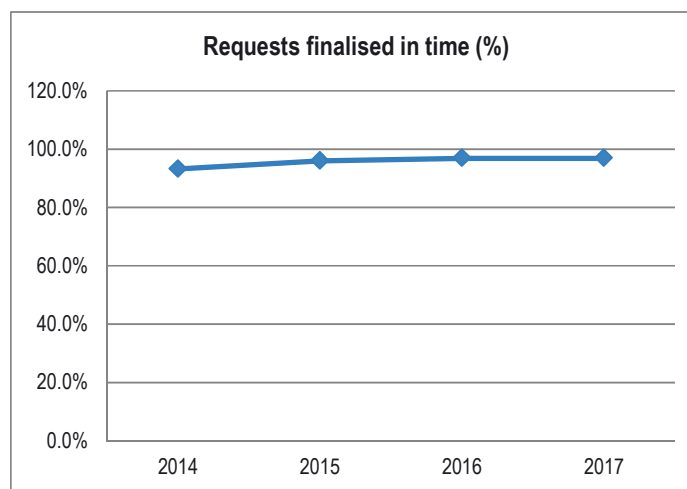
	EESC		CoR		JS		Total pages	FTE	Pages / translator
	Pages	%	Pages	%	Pages	%			
2017	128,569	45.6%	142,445	50.6%	10,725	3.8%	281,739	231.2	1,219
2016	130,037	43.8%	153,124	51.5%	13,959	4.7%	297,120	240.6	1,235
2015	135,600	49.5%	126,367	46.1%	11,911	4.3%	273,878	270.0	1,014
2014	148,435	53.9%	119,206	43.3%	7,824	2.8%	275,465	304.0	906



Translation deadline compliance rate

This indicator measures the percentage of translation requests that were finalised within the requested deadline.

	Requests finalised in time (%)
2017	96.9%
2016	96.9%
2015	96.0%
2014	93.2%



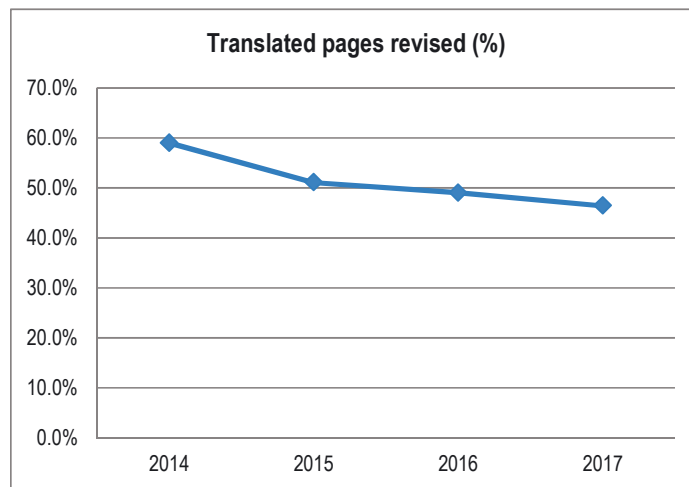
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Translation revision rate

This indicator measures the percentage of pages that have been revised.

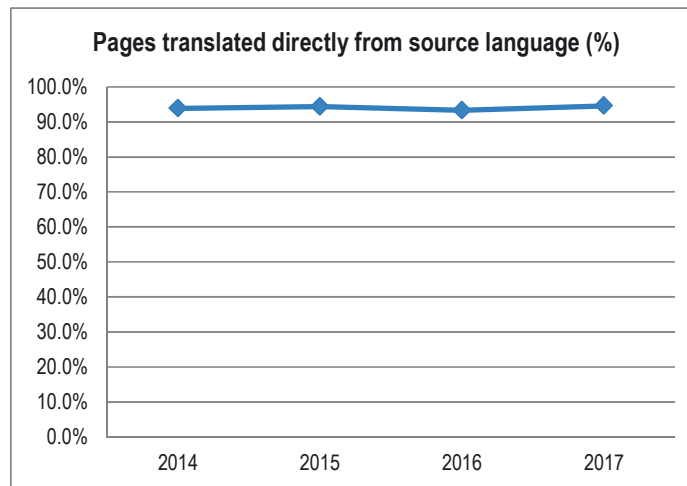
	Translated pages revised (%)
2017	46.4%
2016	49.0%
2015	51.1%
2014	59.0%



Direct translation rate

Until 2004, nearly all translations could be made directly from the source language into the target language. After enlargement, it was no longer possible to cover all source languages in every translation unit. Therefore, a system based on indirect translation (through "pivot" languages) was put into place. This indicator measures the percentage of pages translated directly from source language to target language, i.e. not translated via a pivot language.

	Pages translated directly from source language (%)
2017	94.6%
2016	93.3%
2015	94.4%
2014	93.9%



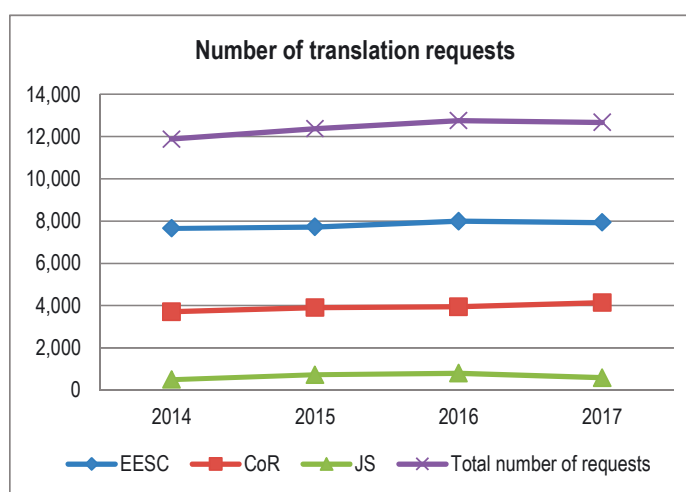
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Number of translation requests

This indicator measures the number of translation requests over the reference period.

	EESC		CoR		JS		Total number of requests
	Requests	%	Requests	%	Requests	%	
2017	7,932	62.6%	4,138	32.7%	593	4.7%	12,663
2016	7,989	62.7%	3,951	31.0%	809	6.3%	12,749
2015	7,725	62.5%	3,909	31.6%	730	5.9%	12,364
2014	7,652	64.5%	3,713	31.3%	507	4.3%	11,872



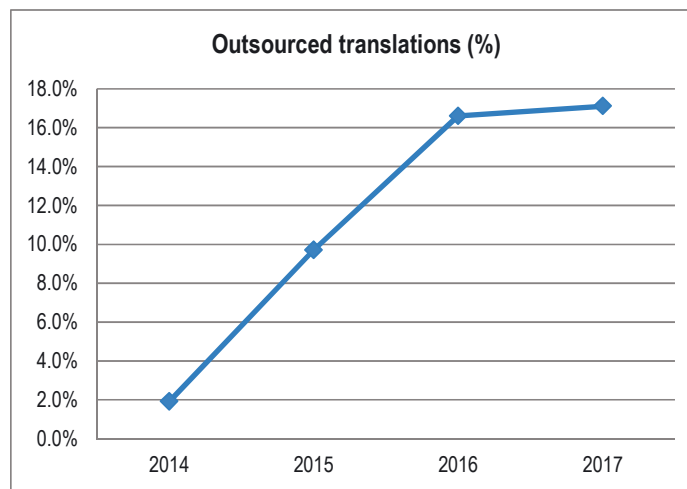
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External translation rate

This indicator compares the number of pages outsourced for translation with the total number of pages translated.

	Outsourced translations (%)
2017	17.1%
2016	16.6%
2015	9.7%
2014	1.9%



5. RESULTS OF EX POST CONTROLS 2017

Financial Regulation and Rules of Application, Preamble (recital 27)

The internalisation of ex ante controls requires, in particular, a clear distinction between tasks relating to the initiation of operations in implementation of the budget and tasks relating to the verification of such operations. Moreover, each institution should adopt a code of professional standards applicable to the staff responsible for ex ante and ex post verifications. It is also necessary to provide that the responsibilities assumed are accounted for in an annual report to the institution which is in charge of, inter alia, the ex post verifications. The supporting documents relating to the operations carried out should be kept. Finally, all the various forms of negotiated procedure for the award of public contracts should, since those contracts represent derogations from the usual award procedures, be the subject of a special report to the institution and of a communication to the European Parliament and Council.

Financial Regulation, Art. 66(9): Powers and duties of the authorising officer

The authorising officer by delegation shall report to his or her institution on the performance of his or her duties in the form of an annual activity report containing financial and management information, including the results of controls, declaring that, except as otherwise specified in any reservations related to defined areas of revenue and expenditure, he or she has reasonable assurance that:

- (a) the information contained in the report presents a true and fair view;*
- (b) the resources assigned to the activities described in the report have been used for their intended purpose and in accordance with the principle of sound financial management;*
- (c) the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.*

The activity report shall indicate the results of the operations by reference to the objectives set, the risks associated with those operations, the use made of the resources provided and the efficiency and effectiveness of internal control systems, including an overall assessment of the costs and benefits of controls.

No later than 15 June each year, the Commission shall send to the European Parliament and the Council a summary of the annual activity reports for the preceding year. The annual activity report of each authorising officer by delegation shall also be made available to the European Parliament and the Council.

Rules of Application, Article 49(4): Ex post controls

The ex post controls may be carried out on the basis of documents and, where appropriate, on the spot.

The ex post controls shall verify that operations financed by the budget are correctly implemented and in particular that the criteria referred to in paragraph 3 are complied with.

The outcomes of ex post controls shall be reviewed by the authorising officer by delegation at least annually to identify any potential systemic issues. The authorising officer by delegation shall take measures to address those issues.

5.1 OVERALL ASSESSMENT OF THE COSTS AND BENEFITS OF CONTROLS

During 2017, the public procurement department further developed the tools made available for any type of procedure, such as written instructions and templates, and offered guidance and advice to all financial actors concerned. The use of templates, together with expert guidance, has produced a significant qualitative improvement in procurement procedures and reduced the errors detected in ex-ante controls. To improve the efficiency and effectiveness of controls, the EESC verification department works closely with the public procurement department.

The main task within the control system chain – verification of financial transactions as stated in the Financial Regulation – is carried out ex ante and ex post by seven full-time-equivalent verifiers with the required knowledge and skills. For efficiency reasons, some low-value transactions were subject to ex-ante verification by authorising officers, and ex-post controls were then carried out on a subset of operations. In this area, an assessment of risks was carried out during 2017, aimed at updating the list of transactions submitted to ex-ante verification and further improving the efficiency and effectiveness of controls.

The EESC verification department works closely with the verification department of the European Committee of the Regions. In this context, control procedures are to a large extent harmonised and performed with cross-checks between the two departments.

As point 5.2 shows, the 2017 ex-post controls confirmed that the EESC's internal control system is working in a satisfactory manner. Only a few minor issues of a formal nature required follow-up. All outstanding questions were thoroughly examined by the departments concerned and appropriate action was taken to address any shortcomings.

5.2 RESULTS OF EX POST VERIFICATION

Ex post controls are done by sampling, based on an assessment of the risk. They are done by a verifying agent, other than the one who did the ex ante verification.

Please also refer to Appendix 1, which describes the internal control environment of the EESC.

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Field of expenditure	Ex-post control undertaken	Verifier's observations	Conclusions/ main action taken by the AOS
Payment of salaries 2017	Re-examination of a monthly sample of at least 25 EESC staff payslips. The sample was chosen from payslips where the amounts changed compared with the previous month and from those of persons with a reduced work schedule. The ex-post verification is carried out by analysing supporting documents.	No particular problem identified. Only minor remarks of a formal nature.	On the basis of the verifier's comments, the AOS concludes that the control systems worked properly for the payment of salaries in 2017. The minor remarks that were made were brought to the attention of the services concerned (individual rights and time management).
Printshop - Purchase of printing paper	Following a request from the AOS, ex-post control conducted by the EESC verification service on transactions which had undergone ex-ante verification by the CoR.	Formal aspects of procurement procedure to be improved.	The service concerned has taken due note of the remarks made by the verifier and has taken the measures necessary to improve procedures.
Printshop - Management of dangerous waste	Following a request from the AOS, ex-post control conducted by the EESC verification service on transactions which had undergone ex-ante verification by the CoR.	Formal aspects of procurement procedure to be improved.	The service concerned has taken due note of the remarks made by the verifier and has taken the measures necessary to improve procedures.
Distribution - express delivery services	Following a request from the AOS, ex-post control conducted by the EESC verification service on transactions which had undergone ex-ante verification by the CoR.	Formal aspects of procurement procedure to be improved.	The service concerned has taken due note of the remarks made by the verifier and has taken the measures necessary to improve procedures.
IT - Purchase of laptops	Following a request from the AOS, ex-post control conducted by the EESC verification service on transactions which had undergone ex-ante verification by the CoR.	No particular problem identified. Only minor remarks of a formal nature.	The service concerned has taken due note of the remarks made by the verifier and has taken the measures necessary to improve procedures.
IT - Helpdesk team leader	Following a request from the AOS, ex-post control conducted by the EESC verification service on transactions which had undergone ex-ante verification by the CoR.	No particular problem identified. Only minor remarks of a formal nature.	The service concerned has taken due note of the remarks made by the verifier and has taken the measures necessary to improve procedures.
IT - Internet access	Following a request from the AOS, ex-post control conducted by the EESC verification service on transactions which had undergone ex-ante verification by the CoR.	No remarks.	-
Security - Installation of entry lock	Following a request from the AOS, ex-post control conducted by the EESC verification service on transactions which had undergone ex-ante verification by the CoR.	No particular problem identified. Only minor remarks of a formal nature.	The service concerned provided the verifier with a satisfactory explanation, which gave rise to no further inquiries.

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Field of expenditure	Ex-post control undertaken	Verifier's observations	Conclusions/ main action taken by the AOS
Security: - Purchase and maintenance of fire extinguishers	Following a request from the AOS, ex-post control conducted by the EESC verification service on transactions which had undergone ex-ante verification by the CoR.	No particular problem identified. Only minor remarks of a formal nature.	The service concerned has taken due note of the remarks made by the verifier and has taken the measures necessary to improve procedures.
Security - Building surveillance and security services	Following a request from AOS, ex-post control conducted by the EESC verification service on transactions which had undergone ex-ante verification by the CoR.	No remarks.	-
Security - Installation of pedestrian gates	Following a request from AOS, ex-post control conducted by the EESC verification service on transactions which had undergone ex-ante verification by the CoR.	No particular problem identified. Only minor remarks of a formal nature.	The service concerned has taken due note of the remarks made by the verifier and has taken the measures necessary to improve procedures.
Infrastructure - Finishing works	Following a request from AOS, ex-post control conducted by the CoR verification service on transactions which had undergone ex-ante verification by the EESC.	No particular problem identified. Only minor remarks of a formal nature.	-
Infrastructure - Control of cleaning services	Following a request from AOS, ex-post control conducted by the CoR verification service on transactions which had undergone ex-ante verification by the EESC.	No particular problem identified. Only minor remarks of a formal nature.	The service concerned has taken due note of the remarks made by the verifier and is able to take the measures necessary to improve procedures.
Infrastructure - Restaurant services	Following a request from AOS, ex-post control conducted by the CoR verification service on transactions which had undergone ex-ante verification by the EESC.	Formal aspects of procurement procedure to be improved.	The service concerned has taken due note of the remarks made by the verifier and has taken the measures necessary to improve procedures.
Infrastructure - Purchase of a tray sealer	Following a request from AOS, ex-post control conducted by the CoR verification service on transactions which had undergone ex-ante verification by the EESC.	No remarks.	-

6. REPORT ON BUILDING CONTRACTS 2017 AND REPORT TO THE EUROPEAN PARLIAMENT AND THE COUNCIL ACCORDING TO ART. 203(3) OF THE FINANCIAL REGULATION

Financial Regulation, Art. 103: Publicity measures

1. *For procedures with a value equal to or greater than the thresholds referred to in Article 118(1) or Article 190, the contracting authority shall publish in the Official Journal of the European Union:*
 - (a) *a contract notice to launch a procedure, except in the case of the procedure referred to in point (d) of Article 104(1);*
 - (b) *a contract award notice on the results of the procedure.*
2. *Procedures with a value below the thresholds referred to in Article 118(1) or Article 190 shall be advertised by appropriate means.*

Rules of Application, Art. 124(2): Advertising of procedures falling below the thresholds under Article 118(1) of the Financial Regulation or falling outside the scope of Directive 2014/24/EU

2. *For contracts awarded in accordance with points (g) and (i) of Article 134 of this Regulation, the contracting authority shall send a list of contracts no later than 30 June of the following financial year, to the European Parliament and Council. In the case of the Commission, it shall be annexed to the summary of the annual activity reports referred to in Article 66(9) of the Financial Regulation.*

Rules of Application, Art. 134 (1): Use of a negotiated procedure without prior publication of a contract notice

1.
...
(g) *for building contracts, after prospecting the local market;*

6.1 BUILDING CONTRACTS 2017

No building contracts were awarded in 2017.

6.2 ARTICLE 203 FR REPORT

Financial Regulation, Art. 203(3): Working document on the building policy

Each institution shall provide the European Parliament and the Council, by 1 June each year, with a working document on its building policy, which shall incorporate the following information:

- (a) for each building, the expenditure and surface area covered by the appropriations of the corresponding budget lines;*
- (b) the expected evolution of the global programming of surface area and locations for the coming years with a description of the building projects in planning phase which are already identified;*
- (c) the final terms and costs, as well as relevant information regarding project implementation of new building projects previously submitted to the European Parliament and the Council under the procedure established in paragraphs (4) and (5) and not included in the preceding year's working documents.*

6.2.1 Part 1: The expenditure and surface area for each building

Information about the office premises of the European Economic and Social Committee and the European Committee the Regions can be found under point 6.2.4.

6.2.2 Part 2: The expected evolution of the global programming

Following the letter of 4 March 2016 referenced OIB.RE.1/AI/lm – Ares(2016)1341965 announcing that the Administrative Agreement for the renting of the van Maerlant 2 building (VMA), located at Rue van Maerlant 2 – 1040 Brussels, will end on 31 March 2019 as foreseen, the European Economic and Social Committee and the European Committee of the Regions have launched a property prospection in order to find a suitable building to replace it.

Indeed, the EC has communicated his intention to demolish that building in the coming years and to redevelop a new modern building more appropriate to their needs.

With the letter 01651-000868 of 22 November 2016, the European Economic and Social Committee and the European Committee of the Regions sent to the budgetary authority the information on the envisaged replacement of the VMA building, in compliance with Article 203(4).

The property prospection notice CDR/DL/99/2016 was published in the Official Journal S239 of 10 December 2016, with the closing date for offers on 31 January 2017.

By letter of 26 June 2017 referenced Ares(2017)3192988 Secretary General Italianer of the European Commission informed the European Economic and Social Committee and the European Committee of the Regions of the fact that the Administrative Agreement for the renting of the van Maerlant 2 could be extended until the 31 December 2021. Following that letter the Administrative agreement was extended as proposed and the property prospection was cancelled.

Through the letter 001071-01909 of 11th of December 2014, the European Economic and Social Committee and the Committee of the Regions have informed the European Parliament of their intention to lift the purchase option foreseen in the long-term leasehold contracts for five buildings occupied jointly, namely:

- The JDE building, on Rue Belliard 99-101, 1040 Brussels
- The BvS building, on Rue Montoyer 92-102, 1000 Brussels
- The B68 building, on Rue Belliard 68, 1000 Brussels
- The TRE building, on Rue de Trèves 74, 1000 Brussels
- The REM building, on Rue Belliard 93, 1000 Brussels

The budgetary and financial cost of acquiring the residual property rights is a symbolic sum of EUR 1 per building, this being the price under the contracts for the exercise of the purchase options (to which the indirect costs of legal services and notarial fees have to be added).

It is also important to note that exercising the purchase option will not change the financial conditions set out in the long-term leasehold contracts. The European Economic and Social Committee and the European Committee of the Regions will have to continue paying the annual leasehold fees in accordance with the contracts for the remainder of the contracts term.

The process of lifting the purchase option for JDE building is about to be concluded in the coming months. The process for lifting the purchase option for the other buildings will follow just after the signature of the JDE deed.

A building strategy has been approved by the Bureau of the European Economic and Social Committee on 17 October 2017 and by the Bureau of the Committee of the Regions on 29 November 2017.

This buildings strategy simultaneously provides a reliable and flexible framework for future decisions in this domain. It contains a set of guiding principles in the field of real estate.

These principles are, inter alia:

- geographical concentration;
- preference for ownership rather than lease and exercising options to buy;
- sustainable buildings management; and

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- multi-annual planning.

6.2.3 Part 3: Project implementation of new building projects previously submitted to the European Parliament and the Council

No projects were presented to the European Parliament and the Council during the year 2017.

6.2.4 Table: Expenditure and surface for each building (CoR and EESC together)

Item	Building	Area above ground (sqm)	Type of contract	Amount in draft budget 2018 (EUR)	
2001 (Annual lease payments)	<i>Office space</i>	JDE	22,026	Emphyteusis with option to buy not yet exercised	6,673,773
		BVS	18,280		5,576,892
		REM	2,324		142,970
		B-68	7,283		2,238,540
		TRE	5,390		1,425,973
	<i>Non-office space</i>	JDE	14,353		4,348,971
		BVS	2,285		697,218
		REM	0		0
		B-68	22		6,700
		TRE	701		185,479
Total item		72,665		21,296,517	
2000 (Rent)	<i>Office space</i>	VM-2	8,243	Rent	2,238,517
	<i>Non-office space</i>	VM-2	3,162		858,731
	Total item		11,406		3,097,248
GRAND TOTALS			84,071		24,393,765

Share of office space in total space (%)	76%
Share of non-office space in total space (%)	24%
Employees to be accommodated	1,558
Office space / employee (sqm)	41

7. INSTRUCTIONS GIVEN REGARDING DECISIONS WHICH ARE IRREGULAR OR CONTRARY TO THE PRINCIPLES OF SOUND FINANCIAL MANAGEMENT DURING 2017

Financial Regulation, Art. 73(3): Rules applicable to authorising officers

An authorising officer by delegation or sub delegation who considers that a decision, which is his or her responsibility to take, is irregular or contrary to the principle of sound financial management shall inform the delegating authority in writing.

If the delegating authority then gives a reasoned instruction in writing to the authorising officer by delegation or sub delegation to take that decision, that authorising officer shall not be held liable.

Rules of Application, Art. 77: Confirmation of instructions

Any instructions confirmed in the circumstances described in Article 73(3) of the Financial Regulation shall be recorded by the authorising officer by delegation responsible and mentioned in his annual activity report.

7.1 ARTICLE 73.3 INSTRUCTIONS RECEIVED IN 2017

The delegating authority has not issued any such instructions in 2017.

8. WAIVING OF RECOVERY OF AMOUNTS RECEIVABLE INVOLVING EUR 100 000 OR MORE IN 2017

Financial Regulation, Art. 80(2): Rules on recovery

Where the authorising officer by delegation plans to waive or partially waive recovery of an established amount receivable, he or she shall ensure that the waiver is in order and is in accordance with the principles of sound financial management and proportionality. The waiver decision shall be substantiated. The authorising officer may delegate the waiver decision.

The authorising officer by delegation may cancel an established amount receivable in full or in part. The partial cancellation of an established amount receivable does not imply a waiver of an established Union entitlement.

The Commission shall be empowered to adopt delegated acts in accordance with Article 210 concerning detailed rules on the manner of recovery, including recovery by offsetting, the recovery procedure failing voluntary payment, additional time for payment, recovery of fines and other penalties, waiver of recovery and cancellation of an established amount receivable."

Rules of Application, Art. 91(5): Waiving of recovery of an established amount receivable

Each institution shall send to the European Parliament and Council each year a report on the waivers referred to in paragraphs 1 to 4 of this Article involving EUR 100 000 or more. In the case of the Commission, that report shall be annexed to the summary of the annual activity reports referred to in Article 66(9) of the Financial Regulation.

8.1 WAIVING OF RECOVERY OF AMOUNTS RECEIVABLE INVOLVING EUR 100 000 OR MORE IN 2017

The European Economic and Social Committee made no waivers of recovery of amounts receivable involving EUR 100 000 or more in 2017.

9. REPORT ON ORDERS/CONTRACTS AND NEGOTIATED PROCEDURES 2017**Rules of Application, Art. 53: Report on negotiated procedures**

Authorising officers by delegation shall record, for each financial year, contracts concluded by the negotiated procedures referred to in points (a) to (f) of Article 134(1) and Article 266 of this Regulation. If the proportion of negotiated procedures in relation to the number of contracts awarded by the same authorising officer by delegation increases appreciably in relation to earlier years or if that proportion is distinctly higher than the average recorded for the institution, the authorising officer responsible shall report to the institution setting out any measures taken to reverse that trend. Each institution shall send a report on negotiated procedures to the European Parliament and Council. In the case of the Commission, that report shall be annexed to the summary of the annual activity reports referred to in Article 66(9) of the Financial Regulation.

Rules of Application, Art. 124: Advertising of procedures falling below the thresholds under Article 118(1) of the Financial Regulation or falling outside the scope of Directive 2014/24/EU

- 1. Procedures with an estimated contract value below the thresholds laid down in Article 118(1) of the Financial Regulation shall be advertised by appropriate means. Such advertising shall involve appropriate ex ante publicity on the internet or a contract notice or, for contracts awarded in accordance with the procedure set out in Article 136 of this Regulation, the publication of a notice for a call for expressions of interest in the Official Journal of the European Union. This obligation shall not apply to the procedure set out in Article 134 of this Regulation and the negotiated procedure for very low value contracts under Article 137(2) of this Regulation.*
- 2. For contracts awarded in accordance with points (g) and (i) of Article 134 of this Regulation, the contracting authority shall send a list of contracts no later than 30 June of the following financial year, to the European Parliament and Council. In the case of the Commission, it shall be annexed to the summary of the annual activity reports referred to in Article 66(9) of the Financial Regulation.*
- 3. Contract award information shall contain the name of the contractor, the amount awarded and the subject matter of the contract and, in the case of direct and specific contracts, it shall comply with Article 21(3).*

The contracting authority shall publish a list of contracts on its internet site no later than 30 June of the following financial year for:

- (a) contracts below the thresholds laid down in Article 118(1) of the Financial Regulation;*
- (b) contracts awarded in accordance with points (h) and (j) to (m) of Article 134 of this Regulation;*
- (c) modifications of contracts as set out in point (c) of Article 114a(3) of the Financial Regulation;*

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- (d) modifications of contracts as set out in points (a) and (b) of Article 114a(3) of the Financial Regulation where the value of the modification is below the thresholds laid down in Article 118(1) of the Financial Regulation;*
- (e) specific contracts under a framework contract.*

For the purposes of point (e) of the second subparagraph the published information may be aggregated per contractor for the same subject matter.

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9.1 REPORT ON NEGOTIATED PROCEDURES ACCORDING TO ART. 53 OF THE RULES OF APPLICATION FOR THE FINANCIAL REGULATION

Of the contracts presented in point 9.3, eight contracts with a value greater than EUR 60 000 out of 52 (15.38%) were handled as negotiated procedures in 2017 for a total amount of EUR 2 723 615 out of EUR 19 311 161 (14.10%). Four out of the eight negotiated procedures were awarded to both Committees and their estimated amount for the duration of the contract therefore corresponds to the expenditure of the two Committees.

9.2 REPORT ON ORDERS/CONTRACTS ACCORDING TO ARTICLE 124 OF THE RULES OF APPLICATION FOR THE FINANCIAL REGULATION

The list below gives details on contracts awarded with a value higher than EUR 15 000 in accordance with Article 124(1) and 137(1) and (2) RAP. An exception for applying the threshold is made for contracts with law firms (Article 134(1)(h) RAP).

Contractor *	Subject	Start date of contract	Last possible end date of contract	Estimated value in EUR	Type of legal procedure	Type of legal commitment
AIM & ASSOCIES	Setting up of training courses aimed at developing the general skills of staff employed by the EU institutions	16/02/2017	15/02/2021	146.250,00 ⁽²⁾	Open Procedure	Interinstitutional multiple framework contract
ALPHABET Belgium	Long-term leasing of new cars without purchase option	28/06/2017	27/06/2021	205.000,00	Open Procedure	Interinstitutional framework contract
AQUA VITAL ⁽¹⁾	Rental of stand-alone water dispensers and the supply of related accessories and consumables	22/05/2017	21/05/2021	79.300,00	Open Procedure	Interinstitutional framework contract
Bechtle MEQ IV	Mobile equipment (MEQ IV) - lot 1	25/10/2017	24/10/2023	803.550,00 ⁽²⁾	Open Procedure	Interinstitutional multiple framework contract
Bechtle MEQ IV	Mobile equipment (MEQ IV) - lot 2	13/12/2017	12/12/2023	76.890,00 ⁽²⁾	Open Procedure	Interinstitutional multiple framework contract

* In alphabetical order.

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Contractor *	Subject	Start date of contract	Last possible end date of contract	Estimated value in EUR	Type of legal procedure	Type of legal commitment
BIRIBIN LIMOUSINES	Transport of persons by means of limousines	04/10/2017	03/10/2021	218.700,00	Open Procedure	Interinstitutional framework contract
BoldBrick ⁽¹⁾	Translation management software system	21/06/2017	20/06/2027	296.827,00	Open Procedure	Interinstitutional framework contract
BOUYGUES ⁽¹⁾	Refurbishment of the JDE entrance hall	06/12/2017	31/10/2018	1.748.002,39	Open Procedure	Interinstitutional framework contract
Bpost SA ⁽¹⁾	Postal services - lot 1	10/03/2017	09/03/2021	112.566,70	Open Procedure	Interinstitutional framework contract
Bpost SA ⁽¹⁾	Postal services - lot 2	10/03/2017	09/03/2021	154.387,60	Open Procedure	Interinstitutional framework contract
CANCOM JV ⁽¹⁾	Acquisition of General and Special Purpose Compute Solutions - Sale and leasing of complex or other than complex hardware and the provision of Extended Guarantee and documentation (DCCS Lot 1)	16/08/2017	15/08/2021	918.096,34	Open Procedure	Interinstitutional framework contract
CANCOM JV	Mobile equipment (MEQ IV) - lot 1	25/10/2017	24/10/2023	803.550,00 ⁽²⁾	Open Procedure	Interinstitutional multiple framework contract
CANCOM JV	Mobile equipment (MEQ IV) - lot 2	13/12/2017	12/12/2023	76.890,00 ⁽²⁾	Open Procedure	Interinstitutional multiple framework contract
Cassidian cybersecurity - ATOS Belgium ⁽¹⁾	Network Defence capabilities	15/02/2017	14/02/2025	300.000,00	Negotiated Procedure	Interinstitutional framework contract
COFELY SERVICES ⁽¹⁾	Supply, installation and commissioning of energy and volumetric meters	07/12/2017	06/12/2021	680.000,00	Open Procedure	Interinstitutional framework contract
Consortium CANON ⁽¹⁾	Category 1 references devices and related services	11/05/2017	10/05/2027	1.743.938,09	Open Procedure	Interinstitutional framework contract
Corporate Learning solutions PLC	Setting up of training courses aimed at developing the general skills of staff employed by the EU institutions	16/02/2017	15/02/2021	146.250,00 ⁽²⁾	Open Procedure	Interinstitutional multiple framework contract

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Contractor *	Subject	Start date of contract	Last possible end date of contract	Estimated value in EUR	Type of legal procedure	Type of legal commitment
DAUPHIN HUMANDESIGN ⁽¹⁾	Purchase of furniture and accessories for offices	12/07/2017	11/07/2022	650.000,00	Open Procedure	Interinstitutional framework contract
Deloitte Consulting & Advisory CVBA - ABC IV ⁽¹⁾	Advice, benchmarking and consulting services in information and communication technology	16/11/2017	15/11/2021	57.557,00 ⁽²⁾	Open Procedure	Interinstitutional multiple framework contract
DEMUYNCK ⁽¹⁾	Supply of light catering equipment	14/12/2017	13/12/2021	130.758,00	Open Procedure	Interinstitutional framework contract
DEWEERT ET RUEILLE	Legal services by a notary for the deed of sale concluded following the lifting of the purchase option set out in the leasehold contracts for the BvS, JDE and REM buildings	12/07/2017	11/07/2021	74.415,17	Negotiated Procedure	Interinstitutional framework contract
DHL ⁽¹⁾	National and international express mail services.	19/06/2017	18/06/2021	286.000,00	Restricted procedure with publication	Interinstitutional framework contract
DT4EU consortium (Trasys International, Deloitte Consulting & Advisory CVBA) - ABC IV ⁽¹⁾	Advice, benchmarking and consulting services in information and communication technology	16/11/2017	15/11/2021	73.193,00 ⁽²⁾	Open Procedure	Interinstitutional multiple framework contract
ECONOCOM	Mobile equipment (MEQ IV) - lot 2	13/12/2017	12/12/2023	76.890,00 ⁽²⁾	Open Procedure	Interinstitutional multiple framework contract
ENNA & CNVOS	Study on the future evolution of civil society in the EU	15/05/2017	14/03/2018	23.000,00	Restricted procedure	Service Contract
EWORX	Audio-visual database - phase 2	21/04/2017	20/10/2017	22.940,00	Open Procedure	Specific contract
EWORX	Web services	26/01/2017	25/01/2018	15.250,00	Open Procedure	Specific contract
GARTNER BELGIUM - ABC IV ⁽¹⁾	Advice, benchmarking and consulting services in information and communication technology	07/12/2017	06/12/2021	106.354,00 ⁽²⁾	Open Procedure	Interinstitutional multiple framework contract

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Contractor *	Subject	Start date of contract	Last possible end date of contract	Estimated value in EUR	Type of legal procedure	Type of legal commitment
GARTNER BELGIUM - ABC IV ⁽¹⁾	Advice, benchmarking and consulting services in information and communication technology	17/12/2017	16/12/2021	57.557,00 ⁽²⁾	Open Procedure	Interinstitutional multiple framework contract
GBM ⁽¹⁾	Supply of professional kitchen equipment	27/10/2017	26/10/2021	106.709,00	Open Procedure	Interinstitutional framework contract
HECO4EU consortium MEQ IV	Mobile equipment (MEQ IV) - lot 1	25/10/2017	24/10/2023	803.550,00 ⁽²⁾	Open Procedure	Interinstitutional multiple framework contract
IDC (IDC Italia srl, IDC France SAS , IDC central Europe GmbH , IDC CEMA) ABC IV ⁽¹⁾	Advice, benchmarking and consulting services in information and communication technology	27/11/2017	26/11/2021	106.354,00 ⁽²⁾	Open Procedure	Interinstitutional multiple framework contract
IGEPA BELUX ⁽¹⁾	Supply of printing paper	05/12/2017	04/12/2021	960.000,00	Negotiated Procedure	Interinstitutional framework contract
Indurope Handy Tools ⁽¹⁾	Maintenance, breakdown servicing and repair of equipment used for cleaning the façades of the buildings of the EESC and CoR	27/09/2017	26/09/2022	363.417,00	Open Procedure	Interinstitutional framework contract
KEYJOB SA	ICT training for end-users	26/10/2017	25/10/2021	69.428,00	Open Procedure	Interinstitutional framework contract
KINNARPS ⁽¹⁾	Purchase of furniture and accessories for offices	12/07/2017	11/07/2022	260.000,00	Open Procedure	Interinstitutional framework contract
KONIG & NEURATH ⁽¹⁾	Purchase of furniture and accessories for offices	12/07/2017	11/07/2022	3.960.000,00	Open Procedure	Interinstitutional framework contract
KPMG + CGI ABC IV ⁽¹⁾	Advice, benchmarking and consulting services in information and communication technology	27/11/2017	26/11/2021	73.193,00 ⁽²⁾	Open Procedure	Interinstitutional multiple framework contract
MCS Kick & Rush	Promotional items	24/03/2017	23/03/2021	150.000,00	Negotiated Procedure	Framework Contract
MOZER ⁽¹⁾	Removal and related services	15/11/2017	14/11/2021	1.150.000,00	Open Procedure	Interinstitutional framework contract

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Contractor *	Subject	Start date of contract	Last possible end date of contract	Estimated value in EUR	Type of legal procedure	Type of legal commitment
ORACLE - ULM (Unlimited Licensing Model) ⁽¹⁾	Provision of Oracle licences and associated services	03/05/2017	02/05/2021	650.000,00	Negotiated Procedure	Interinstitutional framework contract
PROXIMUS ⁽¹⁾	Mobile telephony and communication services	01/03/2017	28/02/2021	583.304,25	Open Procedure	Interinstitutional framework contract
PROXIMUS	TV distribution infrastructure and systems	14/07/2017	13/07/2022	275.000,00	Negotiated Procedure	Interinstitutional framework contract
PROXIMUS	Mobile equipment (MEQ IV) - lot 2	13/12/2017	12/12/2023	76.890,00 ⁽²⁾	Open Procedure	Interinstitutional multiple framework contract
PwC - WAVESTONE CONSORTIUM ⁽¹⁾	Advice, benchmarking and consulting services in information and communication technology	14/12/2017	13/12/2021	73.193,00 ⁽²⁾	Open Procedure	Interinstitutional multiple framework contract
SECA ⁽¹⁾	Technical assistance from an engineering design office	04/01/2017	02/01/2021	219.500,00	Open Procedure	Interinstitutional framework contract
Taxis Ucclois 2000	Passenger transport services by taxi and limousine	04/10/2017	03/10/2021	30.870,00	Open Procedure	Interinstitutional framework contract
TELMACO	Supply of AV&C equipment and associated software	30/05/2017	29/05/2021	1.200.000,00	Open Procedure	Interinstitutional framework contract
TORFAL Lda	Supply of formal clothing for uniformed staff	09/03/2017	08/03/2021	74.564,04	Open procedure	Interinstitutional framework contract
TRADOS GMBH ⁽¹⁾	Provision of maintenance services and other optional supplies for the software product SDL Trados Studio	23/02/2017	22/02/2021	134.200,00	Negotiated Procedure	Interinstitutional framework contract
T-Systems International GmbH	Private Trans European Telecommunication Infrastructure (Testa Ng- II)	30/06/2017	30/06/2020	180.000,00	Negotiated Procedure	Interinstitutional framework contract
VINCOTTE S.A. ⁽¹⁾	Environmental verification	13/02/2017	12/02/2021	21.193,00	Restricted procedure with publication	Interinstitutional framework contract
				19.311.160,58		

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- (1) Under the cooperation agreement between the European Economic and Social Committee and the European Committee of the Regions, these contracts were awarded to both Committees; therefore the estimated amount for the duration of the contract corresponds to the expenditure of the two Committees.
- (2) For framework contracts in cascade each contractor is indicated with the full value of the contract. For calculating the total of the contracts presented in point 9.3, the value of a contract in cascade has only been considered once.

10. AVERAGE PAYMENT TIMES – PAYMENT DELAY SUSPENSION**Financial Regulation, Art. 92: Time limits***1. Payments shall be made within:*

(a) 90 calendar days for delegation agreements, contracts, grant agreements and decisions involving technical services or actions which are particularly complex to evaluate and for which payment depends on the approval of a report or a certificate;

(b) 60 calendar days for all other delegation agreements, contracts, grant agreements and decisions for which payment depends on the approval of a report or a certificate;

(c) 30 calendar days for all other delegation agreements, contracts, grant agreements and decisions.

2. The authorising officer responsible may suspend the time limit for payment where:

(a) the amount of the payment request is not due; or

(b) the appropriate supporting documents have not been produced.

If information comes to the notice of the authorising officer responsible which puts in doubt the eligibility of expenditure in a payment request, he or she may suspend the time limit for payment for the purpose of verifying, including by means of on the spot checks, that the expenditure is indeed eligible.

*3. The creditors concerned shall be informed in writing of the reasons for that suspension.**4. Where the suspension exceeds two months, the creditor may request a decision by the authorising officer responsible on whether the suspension is to be continued.**5. Except in the case of Member States, on expiry of the time limits laid down in paragraph 1, the creditor shall be entitled to interest.**6. The Commission shall be empowered to adopt delegated acts in accordance with Article 210 concerning detailed rules on time limits for payment and on the specification of the circumstances in which creditors in receipt of a late payment are entitled to receive default interest charged to the line from which the principal was paid.***Rules of Application, Art. 111: Payment time limits and default interest***1. The time allowed for making payments shall be understood as including validation, authorisation and payment of expenditure.*

It shall begin to run from the date on which a payment request is received.

A payment request shall be registered by the authorised department of the authorising officer responsible as soon as possible and is deemed to be received on the date it is registered.

The date of payment is deemed to be the date on which the institution's account is debited.

2. *A payment request shall include the following essential elements:*

- (a) creditor's identification;*
- (b) amount;*
- (c) currency;*
- (d) date;*

Where at least one essential element is missing, the payment request shall be rejected.

The creditor shall be informed in writing of the rejection and the reasons for it as soon as possible and in any case within 30 calendar days from the date on which the payment request was received.

3. *In the case of suspension as referred to in Article 92(2) of the Financial Regulation, the remaining time allowed for payment shall begin to run again from the date on which the requested information or revised documents are received or the necessary further verification, including on-the-spot checks, is carried out.*

4. *On expiry of the time-limits laid down in Article 92(1) of the Financial Regulation, the creditor shall be entitled to interest in accordance with the following conditions:*

- (a) the interest rates shall be those referred to in Article 83(2) of this Regulation;*
- (b) the interest shall be payable for the period elapsing from the calendar day following expiry of the time-limit for payment laid down in Article 92(1) of the Financial Regulation up to the day of payment.*

However, when the interest calculated in accordance with the first subparagraph is lower than or equal to EUR 200, it shall be paid to the creditor only upon a demand submitted within two months of receiving late payment.

5. *Each institution shall submit to the European Parliament and Council a report on the compliance with the time-limits and on the suspension of the time-limits laid down in Article 92 of the Financial Regulation. The report of the Commission shall be annexed to the summary of the annual activity reports referred to in Article 66(9) of the Financial Regulation.*

IV.**APPENDICES****10.1 FIGURES ON AVERAGE PAYMENT TIMES – PAYMENT DELAY
SUSPENSION IN 2017****Payment times**

Maximum payment time (days)	All payments 2017			Payments within time limit 2017			Late payments 2017		
	Number of payments	%	Average payment time (days)	Number of payments	%	Average payment time (days)	Number of payments	%	Average payment time (days)
30	12.948	100,00	18,43	11.241	86,82	14,21	1.707	13,18	46,18
60	25	100,00	17,88	24	96,00	18,63	1	4,00	73,00
90	2	100,00	22,00	2	100,00	22,00	0	0	-
30-60-90	12.975	100,00	18,43	11.267	86,84	14,22	1.708	13,16	46,20

Suspensions

Average payment suspension (days)	Number of suspended payments	% of total number	Total number of payments
46	119	0,92	12.975

11. FOLLOW-UP TO OBSERVATIONS IN THE PARLIAMENT'S 2016 DISCHARGE RESOLUTION

Financial Regulation, Art. 166: Follow-up measures

- 1. In accordance with Article 319 TFEU and Article 106a of the Euratom Treaty, the Commission and the other institutions shall take all appropriate steps to act on the observations accompanying the European Parliament's discharge decision and on the comments accompanying the recommendation for discharge adopted by the Council.*
- 2. At the request of the European Parliament or the Council, the institutions shall report on the measures taken in the light of those observations and comments, and, in particular, on the instructions they have given to any of their departments which are responsible for the implementation of the budget. The Member States shall cooperate with the Commission by informing it of the measures they have taken to act on those observations so that the Commission may take them into account when drawing up its own report. The reports from the institutions shall also be transmitted to the Court of Auditors.*

11.1 EUROPEAN PARLIAMENT RESOLUTION OF 18 APRIL 2018 WITH OBSERVATIONS FORMING AN INTEGRAL PART OF THE DECISION ON DISCHARGE IN RESPECT OF THE IMPLEMENTATION OF THE GENERAL BUDGET OF THE EUROPEAN UNION FOR THE FINANCIAL YEAR 2016, SECTION VI – EUROPEAN ECONOMIC AND SOCIAL COMMITTEE (2017/2141(DEC))

The European Parliament [...]

- 1. Welcomes the conclusion of the Court of Auditors (the ‘Court’) that, on the basis of its audit work, the payments as a whole for the year ended on 31 December 2016 for administrative and other expenditure of the institutions and bodies were free from material error;**

The EESC takes note of this observation.

- 2. Notes that in its 2016 annual report, the Court observed that no significant weaknesses had been identified in respect of the audited topics relating to human resources and procurement for the European Economic and Social Committee (the “Committee”);**

The EESC takes note of this observation.

- 3. Notes that, according to the current discharge procedure, the Committee submits annual activity reports to the Court in June, the Court then submits its report to Parliament in October, and the discharge is voted by Parliament in plenary by May; notes that, unless the discharge is postponed, at least 17 months pass between the**

closing of the annual accounts and the closing of the discharge procedure; points out that auditing in the private sector follows a much shorter timeline; stresses that the discharge procedure needs to be streamlined and sped up; requests that the Committee and the Court follow best practice in the private sector; proposes in this regard to set a deadline for the submission of the annual activity reports of 31 March of the year following the accounting year and a deadline for the submission of the Court's report of 1 July; proposes also to review the timetable for the discharge procedure as set down in Article 5 of Annex IV to Parliament's Rules of Procedure so that the vote on the discharge would take place in Parliament's plenary part-session in November, thereby closing the discharge procedure within the year following the accounting year in question;

The EESC is, of course, ready to comply with any new decision in this respect, but it stresses the importance for all institutions to adhere to the same timetable.

- 4. Welcomes the overall prudent and sound financial management of the Committee in the 2016 budget period; expresses support for the successful paradigm shift towards performance-based budgeting in the Commission's budget planning introduced by Vice-President Kristalina Georgieva in September 2015 as part of the "EU Budget Focused on Results" initiative; encourages the Committee to apply that method to its own budget-planning procedure;**

The EESC takes note of this observation and is committed to extending this methodology to relevant parts of its budget, whilst taking into account the specific political nature of its activities.

- 5. Notes that in 2016 the Committee's budget amounted to EUR 130 586 475 (EUR 129 100 000 in 2015), with a utilisation rate of 97,55 %; notes the increase of the utilisation rate in 2016 when compared to 2015;**

The EESC takes note of this observation. The reported figures reflect the effects of the EESC having a sound budgetary policy and the Committee's constant efforts to improve in this field.

- 6. Stresses that the Committee's budget is purely administrative, with a large amount being used on expenditure concerning persons working within the institution and the remaining amount relating to buildings, furniture, equipment and miscellaneous running costs; notes that the Committee confirmed the importance of applying performance-based budget principles in its daily operations and informed of the update of the key activity performance indicators (KAPIs) in 2017; asks the Committee to continue applying those principles and duly and regularly inform Parliament of the reformed KAPIs;**

In the context of the EESC's commitment to moving towards a performance-based budget, a partial review of the key activity performance indicators was undertaken in 2017, which is reflected in Appendix D of this Annual Activity Report. The EESC is continuing its analysis to ensure that the KAPIs always mirror developments in the Committee's internal processes in the best possible manner.

- 7. Notes the launching of reflections about the modernisation of the Committee; asks to be informed of the initiative and its developments; asks the Committee to provide the discharge authority with clarifications of expenditure in connection to this modernisation, in order to boost transparency and accountability, and to publish the cost-benefit assessment;**

As recognised by the discharge authority, the EESC has carried out a thorough analysis of how to meet future challenges. A report discussed in detail by the EESC Bureau in July 2017 set out proposals on the EESC's working methods and internal organisation, but also examined more general issues such as the EESC's role in a broader European context.

The ideas presented in the report will be progressively translated into concrete actions. A new term of office started in April 2018 and the EESC will continue this process over the next two and a half years. The aim of any modernisation is to ensure that the EESC and its procedures are designed in such a way as to give European citizens the best value for money in terms of participation in EU decision-making.

- 8. Notes that the final appropriations for travel and subsistence allowances for members were EUR 19 561 194; welcomes the detailed breakdown of members' expenditure concerning item 1004 which the Committee submitted to Parliament's Committee on Budgetary Control, and asks the Committee to include this breakdown for the year 2017 in its next annual activity report or in the report on budgetary and financial management; asks the Committee to provide the discharge authority with a cost-benefit assessment of the missions for the Union and visited countries, and the list of the visited countries in 2016; encourages the adoption of appropriate measures in order to make savings and reduce environmental pollution; calls on the Committee members to assess the potential of other instruments which may contribute to economic savings, inter alia on travel expenses;**

The detailed breakdown of members' expenditure, with a list of all visited countries, is included in this Annual Activity Report (Appendix 14).

Since the beginning of 2017, section meetings have been scheduled in such a way as to ensure that sections with the most members in common have meetings on consecutive days. Meetings are planned well in advance to allow members to book their tickets early and in the most sensible way, as part of an active awareness-raising policy on "smart booking". The EESC uses the same travel agency as the Parliament, under the same agreement, which adds to the volume and the resulting economies of scale.

The EESC is consistently striving to optimise the resources allocated to travel expenses.

A large number of Treaty provisions provide for mandatory consultation of the EESC. Therefore in order to fulfil its remit under the Treaties, within the deadline set by the European Parliament (normally three months), the EESC has scheduled nine plenary sessions per year. The fact that the EESC represents very diverse – and in some cases directly opposing – interests also creates some particular challenges. As opinions are adopted by simple majority, the complex process of forging compromise positions – through ongoing debates and negotiations in preparatory study groups where the EESC's three constituent groups are represented in equal number – lies at the very heart of its working procedures.

The variety and breadth of the Committee's activities is well reflected in Chapter I of this Annual Activity Report.

- 9. Observes that the Committee declares that there is scope for further developing the cooperation agreement between the Committee and Parliament; trusts that further development of synergies will bring positive results to both parties; takes note of the progress of the cooperation between the Committee and Parliament, namely the contacts between the Committee president and its Bureau and Parliament's Conference of Committee Chairs; calls for further strengthening the contacts between the Committee and the chairs and the rapporteurs of Parliament's committees in order to ensure better follow-up of the Committee's contribution to the Union legislative process;**

The EESC welcomes the fact that the EP sees further development of synergies as beneficial to both parties. To ensure that European civil society is duly heard, it is absolutely crucial that the European Parliament finds a more consistent way to include the EESC's contribution to the legislative process in the work of its committees.

- 10. Is of the opinion that a joint assessment of the budgetary savings resulting from the cooperation between the Committee and Parliament is of interest to both institutions and to Union citizens; proposes that this exercise be conducted jointly with Parliament as part of the strategy to strengthen contacts between the two institutions; is aware that the Committee is building up capacity in terms of policy assessment to strengthen its role in the legislative process as a consultative body; asks the Committee to submit to the discharge authority a detailed analysis of the functioning of those activities in its next annual activity report;**

The EESC is ready to cooperate fully with the EP in a joint assessment of the budgetary savings resulting from the cooperation agreement.

This Annual Activity Report includes an analysis of the EESC's work in the area of policy assessment (Appendix 15).

- 11. Welcomes the reopening of the direct access between the RMD and the REM buildings following the decision by Belgian authorities to reduce the threat level for the European institutions; believes that this will facilitate communication and cooperation between the Committee and Parliament; calls on both institutions to inform their members and staff about the reopening of the passage;**

The EESC fully shares the view expressed by the discharge authority and has duly informed its members and staff about the reopening of the passage between the Committees and the European Parliament. Such mutual accessibility greatly facilitates day-to-day cooperation.

The accessibility of this passage for members and staff with disabilities would need to be addressed.

- 12. Welcomes the administrative cooperation agreement between the Committee and the Committee of the Regions, which entered into force in 2016 and provides for shared translation and logistics directorates; considers this a good basis for potential economic savings in both committees; trusts that this agreement will also prompt cooperation in other areas; requests a detailed plan and description of the committees' activities in those areas; believes that this agreement will ensure also further efficiency in both committees' performance and economic savings;**

The mid-term report that was finalised in early 2018 confirmed that cooperation is working smoothly and bringing considerable benefits to both Committees. An extension of the cooperation arrangements will be further explored and pursued next year in the context of the renewal of the current cooperation agreement that runs until the end of 2019.

- 13. Welcomes the Committee's compliance with the targets set by the interinstitutional agreement to reduce staff by 5 % over the period of five years; notes that, as a result of the transfer of staff to the EPRS service in Parliament, the Committee has reduced the number of posts in its establishment plan by 8 %, which corresponds to a decrease of 43 posts in 2016; calls on the budgetary authorities to be mindful of the long-term impact of staff cuts, in particular regarding the Committee's ability to improve gender and geographical balance, as well as the need for building on capacity of experienced officials to take over management posts when planning the future allocation of financial resources for personnel;**

The EESC has complied with the 5% reduction, within the set timeframe, implementing its last cuts in 2017. From 2013 to 2018 the number of staff members in the Committee's establishment plan has dropped by 59, from 727 to 668. Major disturbances in the functioning of the EESC have only been avoided thanks to careful ongoing screening of staff needs. For example, in the Directorate for Translation, translation targets have been

reached through the use of modern translation tools and external translation. However, as pointed out by the discharge authority, such quick cuts have an inevitable impact on flexibility, making it harder to deal with peaks in the workload. As the inflow of new officials is more limited this is also raising the average age of staff, creating bottlenecks in the career structure. On average, EESC officials were 1.2 years older in 2016 (46.8) than in 2013 (45.6).

- 14. Notes a general increase of the absence rate due to sickness in the Committee; stresses the importance to put in place measures for improving wellbeing at work and asks for a closer monitoring of absences; welcomes the initiatives taken by the Committee such as the creation of the figure of “confidential counsellor” to fight against harassment and to foster respect for human dignity in the work place; calls on the Committee to report to the discharge authority on the progress achieved in staff well-being in 2017;**

The EESC attaches great importance to well-being at work as a means of addressing, inter alia, absence rates. In 2016, the Directorate for Human Resources and Internal services carried out a survey on psychosocial risks at work. The aim of this survey was to assess how EESC staff perceives their working environment and its psychosocial risks, with a view to introducing targeted measures to reduce such risks.

The survey highlighted, among other things, a need for more efficient absence management, as sickness absences put extra pressure on the staff present, especially in a context of further staff cuts and reduced budgets for contract agents. Following the survey, there has been more focus on the root causes behind absences and a number of concrete measures have been taken, in collaboration with the relevant departments, ranging from closer medical follow-up of staff and training for managers in tackling absences and improving dialogue with staff, to awareness-raising actions for all staff on how to manage stress. The Safety and Health at Work Week in October 2017 was organised around the theme "Our Wellbeing" and highlighted all initiatives in this area.

The absence rate could be explained by a small number of very long sick leaves that have a disproportionate impact on the overall absence rate, in particular in such a relatively small body as the EESC.

- 15. Notes with satisfaction that the proportion of women holding middle management positions in the Committee is above 40 %; encourages the Committee to achieve the same results insofar as senior management positions are concerned and to do the necessary to further reduce the geographic imbalance;**

Whilst merit remains the decisive factor when filling management positions, the EESC remains focused on implementing its action plan for equal opportunities and diversity to further improve the gender and geographical balance in management positions, through measures such as targeted career development, training and awareness-raising.

Further improvements have been made since 2016. In May 2018, 48%¹ of managers were women, with 52%² in middle management and 30% in senior management.

In terms of geographical balance, the percentage of managers coming from members states who joined the EU in or after 2004, has improved and is now at 18.5%.

16. Is concerned that for 9 out of 22 tenders in 2016 the contracts were awarded without competition to the only company that had applied for the tender; asks the Committee to take the necessary measures to ensure competition among bidders;

The EESC strictly follows the provisions of the Financial Regulation.

According to those provisions, public procurement contracts of above EUR 15 000 must be open to competition, and such calls for tender are always advertised on the EESC website or in the Official Journal, depending on the value.

The EESC makes a consistent effort to broaden competition in its tendering procedures. It is, however, sometimes a challenge to attract candidates, and the EESC very much looks forward to the implementation of the e-procurement tool which is currently under development by the European Commission for low-value markets. This tool is expected to further extend the reach of the current advertising.

17. Welcomes the increase of the Committee media coverage by around 30 % in 2016; observes the establishment of the Committee's presence on social media and looks forward to hearing its achievements;

The EESC takes note of this observation and confirms that the positive trend continues in 2017 and 2018. By way of example, the number of members active on Twitter rose by 18% in 2017, and more than a third of EESC's members are now active Twitter users. In 2017, the number of followers of the corporate Twitter account grew by 20%, whilst the EESC's corporate Facebook account saw a 24% growth rate.

18. Notes an increase in the unused rate of interpretation services requested from 3,5 % in 2015 to 4 % in 2016 and asks for a closer monitoring of the effective provision of those services;

2016 represented a slight setback in an otherwise positive trend towards fewer cancellations. This was mainly due to the cancellation of the last half day of interpretation at three plenary sessions in 2016. It is not always possible to reconcile expected needs with the fact that interpretation must be cancelled several weeks in advance if cancellation fees are to

¹ Including acting head of units.

² Idem footnote 1.

be avoided. However, the positive trend towards fewer cancellations resumed in 2017, thanks to further improved management of procedures.

- 19. Notes the continued increase of the outsourcing rate of translation (from 9,74 % in 2015 to 16,61 % in 2016) provided for in the cooperation agreement between the Committee and the Committee of the Regions, due to the higher translation output and to the reduction of staffing levels in the directorate (more than 9 % compared to 2015); notes the 2016 internal audit on translation outsourcing and its practical implementation and restrictions, and looks forward to being informed of the internal auditor's recommendations in the next Committee's annual activity report;**

The cooperation agreement with the European Parliament led to a significant reduction in translation staff, to be compensated for by increased outsourcing of translation. The resulting changes in the management of translation work and the related procedural and financial impact were indeed subject to an evaluation carried out by the internal auditor in 2016-2017. This rather extensive evaluation gave a good insight into the many changes in staffing levels, budget, working procedures, introduction of electronic workflows and quality assurance. Overall, the transition towards a higher percentage of outsourcing was considered to be successful: the target levels had been achieved while maintaining the same levels of quality and timeliness.

In 2017, outsourcing reached 17.10%. The target in 2018 remains 20%.

- 20. Notes the Committee's commitment to EMAS and its environmental results, which show a decrease in consumption of gas, water, electricity, paper and cleaning products and in production of waste; encourages the Committee to continue to improve its performance in this regard;**

The EESC is deeply committed to EMAS and keeps doing its utmost to improve its performance in this area.

- 21. Regrets the fact that the Committee is only now preparing draft guidelines on the prevention of conflicts of interest in the context of social dialogue; notes that the draft guidelines are currently being finalised through a dialogue with socio-professional organisations; asks the Committee to speed up the finalisation process, to adopt the guidelines in a timely manner, to include in them a requirement to provide details of membership to any other organisation, and to publish the guidelines on its website;**

The EESC is frontrunner in exploring the possibility of introducing relevant guidelines. Dialogue with socio-professional organisations is still ongoing. The guidelines on the prevention of conflicts of interest in the context of social dialogue would provide guidance to staff – and notably senior staff – on particular situations in which the exercise of the right of association guaranteed by Article 24b of the Staff Regulations (such as negotiations as

representatives of socio-professional organisations) might be in conflict with their duties and responsibilities as members of staff.

Potential conflicts of interest in relation to the external activities of staff are dealt with under the relevant provisions of the Staff Regulations.

- 22. Deplores the fact that neither the President, nor the Vice-Presidents nor the Secretariat of the Committee have published declarations of interest on its website; urges the Committee to publish them by the end of June 2018, listing their membership of any other organisations; deplores the fact that members' declarations of interest are published in various languages and different formats, which limits transparency; urges the Committee to publish them in a unique format and in one of the three most used official languages of the Union by the end of June 2018;**

Declarations of interest of the president and vice-presidents are published under those members' individual profiles on the EESC website. However, in order to further improve their accessibility these declarations have now also been added directly to the presidency sites.

Members' declarations all have the same format, but it is correct that they are generally only published in one official EU language, of the member's own choice, as is the case for members of the European Parliament. The EESC provides translations on request.

Staff members, i.e. those working in the secretariat of the EESC, must sign a declaration of interest before being recruited (see response to observation 23 below).

- 23. Is concerned that pursuant to Article 11 of the Staff Regulations, each new recruit is obliged to provide a statement of absence of conflicts of interest, instead of a declaration of conflicts of interest; underlines that it is not for any person to state her or his absence of conflicts of interest; reiterates that a neutral body should assess the existence of conflicts of interest; urges, therefore, the Committee to put forward a unique and complete form of declaration of conflicts of interest to replace the declaration of absence of conflicts of interest;**

The form that each new staff member is asked to provide before recruitment is in fact entitled "Declaration – conflict of interests". It concerns specifically any actual or potential conflicts of interest and not the absence of such conflicts. The questionnaire is intended to allow the Appointing Authority to identify conflicts of interest in relation to the position offered and to take appropriate measures if necessary. The form is based on a standard model used in other EU institutions and has been approved by the EESC legal service. It consists of three parts:

- 1) an assessment to be made by the candidate concerning any actual or potential conflict of interest;

- 2) an assessment to be made by the future line manager, based on the candidate's declaration under 1) and his/her updated CV. If the candidate has not indicated any personal interest (family or financial interest, representation of any other interests of third parties which may, in his/her view, lead to an actual or potential conflict of interest, etc.) and if the line manager confirms this assessment, the form is considered satisfactory and will not be assessed by the Appointing Authority.
- 3) an assessment to be made by the Appointing Authority if the candidate has identified any personal interest.

24. Welcomes the administrative arrangements agreed between the Committee and OLAF in order to facilitate exchange of information;

The EESC takes note of this observation.

25. Welcomes the complementary decisions taken by the Committee on internal whistleblowing rules and stresses the importance of improving this initiative;

The EESC takes note of this observation.

26. Expresses the need to establish an independent disclosure, advice and referral body with sufficient budgetary resources, in order to help whistle-blowers use the right channels to disclose their information on possible irregularities affecting the financial interests of the Union, while protecting their confidentiality and offering needed support and advice;

The EESC will follow with interest any institutional development in this field.

27. Points out the case linked to harassment in the Committee which cost it EUR 55 772; regrets the occurrence of that case but welcomes that it was duly followed up; notes that 20 other staff members contacted the Committee's network of confidential counsellors concerning alleged harassment-related issues; calls on the Committee to improve its policy in this regard in order to further prevent any form of psychological and sexual harassment; asks the Committee to report to the discharge authority on the measures it envisages to tackle those cases;

No formal complaint of harassment has been filed during 2015-2017. The case referred to in the observation dates back to 2009/2010.

The EESC's network of voluntary confidential counsellors provides support and information to staff members experiencing difficulties in their personal relations at the workplace. This network has been in place since 2015, and its work is widely appreciated by the staff and its representatives. The very task of confidential counsellors is to assist in resolving problems in general workplace relations at an early stage before they escalate.

- 28. Regrets the decision of the United Kingdom to withdraw from the European Union; observes that at this point no predictions can be made about the financial, administrative, human and other consequences related to the withdrawal, and asks the Committee and the Court to perform impact assessments and inform Parliament of the results by the end of 2018.**

The EESC feels that there are still too many unknowns in play in relation to Brexit to warrant a commitment to perform an impact assessment by the end of 2018. In its estimates of expenditure for 2019, the EESC incorporated the evident deductions as requested by the European Commission, such as expenditure linked to the participation of British members in section meetings and plenary sessions. A more thorough analysis will be undertaken in due course but more generally the EESC believes that the approach taken by the European Parliament should also constitute the model for any cutbacks at the EESC.

12. RESULTS AND CONSEQUENCES OF CLOSED EUROPEAN ANTI-FRAUD OFFICE (OLAF) CASES IN 2017

Financial Regulation, Art. 66(9): Powers and duties of the authorising officer

The authorising officer by delegation shall report to his or her institution on the performance of his or her duties in the form of an annual activity report containing financial and management information, including the results of controls.

Financial Regulation, Art. 166: Follow-up measures

- 1. In accordance with Article 319 TFEU and Article 106a of the Euratom Treaty, the Commission and the other institutions shall take all appropriate steps to act on the observations accompanying the European Parliament's discharge decision and on the comments accompanying the recommendation for discharge adopted by the Council.*
- 2. At the request of the European Parliament or the Council, the institutions shall report on the measures taken in the light of those observations and comments, and, in particular, on the instructions they have given to any of their departments which are responsible for the implementation of the budget. The Member States shall cooperate with the Commission by informing it of the measures they have taken to act on those observations so that the Commission may take them into account when drawing up its own report. The reports from the institutions shall also be transmitted to the Court of Auditors.*

12.1 THE RESULTS AND CONSEQUENCES OF CLOSED EUROPEAN ANTI-FRAUD OFFICE (OLAF) CASES, WHERE THE EESC OR ANY OF THE INDIVIDUALS WORKING FOR THE COMMITTEE WERE THE SUBJECT OF THE INVESTIGATION

In 2017 no OLAF cases concerning the EESC were closed.

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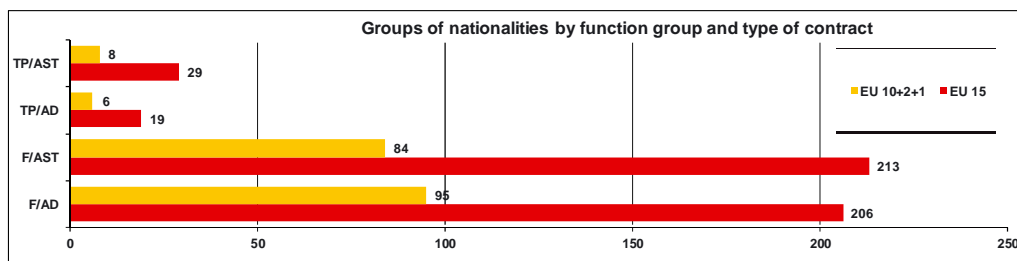
13. DISTRIBUTION OF STAFF BY NATIONALITY, FUNCTION GROUP AND GENDER (INCLUDING FOR MANAGEMENT)

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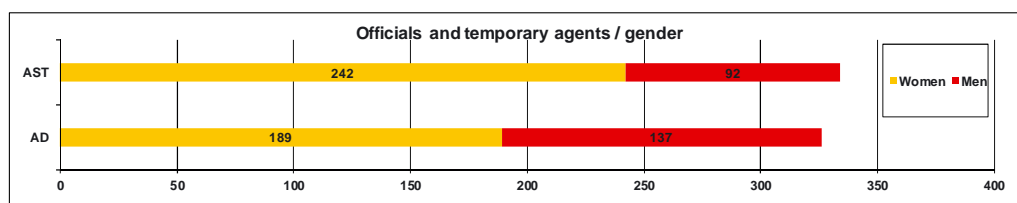
01/05/2018

Active staff recruited by the Economic and Social Committee including temporary staff. Staff on leave for personal grounds is excluded because non-active.

Nationality	Officials		Temporary agents		Contract agents		Seconded national experts and special advisors		Total
	Administrators	Assistants	Administrators	Assistants	Administrators	Assistants	SNE	SA	
Austria	9	1					1		11
Belgium	28	81	1	3		9			122
Bulgaria	7	8							15
Croatia	7	4			1				12
Cyprus						1			1
Czech Republic	7	6	2						15
Denmark	14	6							20
Estonia	8	4							12
Finland	9	7	2	2					20
France	14	24	2	5	2	1	1	1	50
Germany	24	9	1	2		2			38
Greece	15	9	2	5		4	2		37
Hungary	9	10	1		1				21
Ireland	6	4		1			1		12
Italy	29	22	6	4	1	8	1		71
Latvia	4	3		1					8
Lithuania	8	6		2					16
Luxembourg			1						1
Malta	6	4			1				11
Netherlands	9	3	1						13
Poland	12	12	2	1		1			28
Portugal	11	12	1	3		2			29
Romania	14	9	1	3		1			28
Slovakia	8	10							18
Slovenia	5	8		1					14
Spain	19	27	1	2	1	6			56
Sweden	8	3		2					13
United Kingdom	11	5	1						17
	301	297	25	37	7	35	6	1	709
	F/AD	F/AST	TP/AD	TP/AST	CT/IV	CTI-II-III	SNE	SA	
EU 15	206	213	19	29	4	32	6	1	510
EU 10+2+1	95	84	6	8	3	3			199



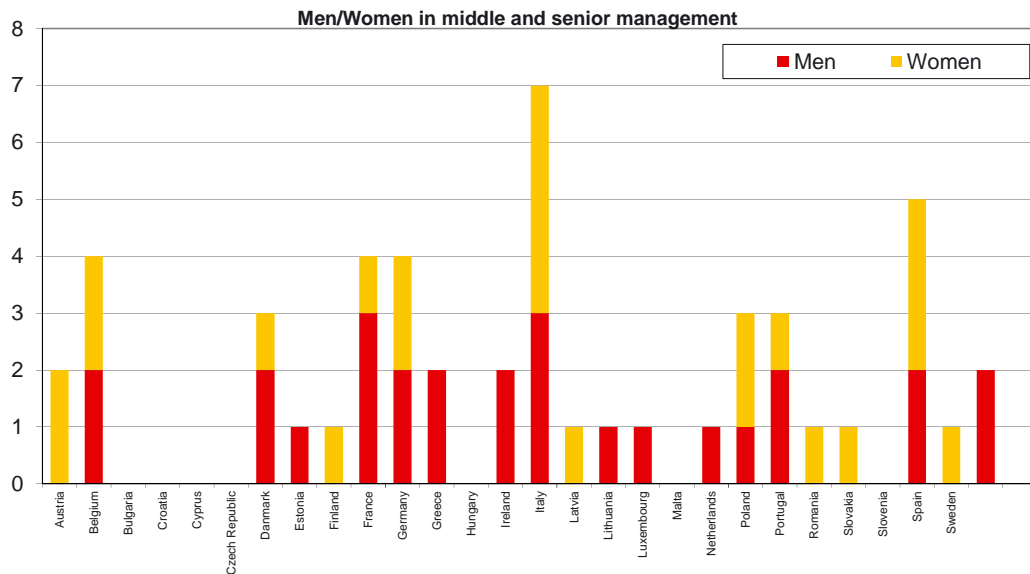
Gender	Officials		Temporary agents		Contract agents		Seconded national experts and special advisors		Total
	Administrators	Assistants	Administrators	Assistants	Administrators	Assistants	SNE	SA	
Women	171	211	18	31	5	20	4	1	461
Men	130	86	7	6	2	15	2		248
	301	297	25	37	7	35	6	1	709



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Middle and senior management functions		
Nationality	Men	Women
Austria		2
Belgium	2	2
Bulgaria		
Croatia		
Cyprus		
Czech Republic		
Danmark	2	1
Estonia	1	
Finland		1
France	3	1
Germany	2	2
Greece	2	
Hungary		
Ireland	2	
Italy	3	4
Latvia		1
Lithuania	1	
Luxembourg	1	
Malta		
Netherlands	1	
Poland	1	2
Portugal	2	1
Romania		1
Slovakia		1
Slovenia		
Spain	2	3
Sweden		1
United Kingdom	2	
TOTAL	27	23
Share	54%	46%



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14. DETAILED BREAKDOWN OF MEMBERS' EXPENDITURE CONCERNING ITEM 1004

14.1 COUNCIL DECISION No 2013/471 OF 23 SEPTEMBER 2013

Article 9 of the decision states:

The Committee shall, by 30 April of each year, submit to the European Parliament and to the Council a detailed report on the reimbursement of travelling expenses and allowances paid to beneficiaries in the preceding year. That report shall detail the number of beneficiaries, the number of journeys, the destinations, the travel class and the travel costs incurred and reimbursed, as well as the allowances paid.

The following report has been drawn up in accordance with Article 9 of Council Decision No 2013/471/EU of 23 September 2013 on the granting of daily allowances and the reimbursement of travel expenses to members of the European Economic and Social Committee (EESC) and to their alternates.

14.2 EVALUATION REPORT ON THE APPLICATION OF COUNCIL DECISION No 2013/471 IN 2017

Number of beneficiaries

In 2017, the EESC reimbursed 448 beneficiaries (members and their alternates).

Number of journeys

The number of journeys carried out by beneficiaries and reimbursed by the EESC in 2017 was:

Destination	Number of journeys
Brussels	9 131
European Union (not Brussels)	1 524
Outside EU	172

Destinations

Meetings of beneficiaries took place predominantly in the countries of the European Union. In addition, some meetings were held outside the EU (see attached table for details).

Travel class

The following classes were used in 2017 for air travel:

Flight classes	%
Business class	78

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Economy	18
Low cost	4

- Air travel

The majority of business-class tickets were issued in business class discounted (D-class fare code IATA, or lower Z-class and I-class). Business-class tickets exceeding D-class were reimbursed only if D-class tickets were unavailable.

- Travel by rail or boat

The first-class fare was reimbursed in this case.

Travel costs and allowances

The following travel costs, travel allowances and daily allowances were paid to EESC members and their alternates:

Destination	Travel costs and travel allowances (EUR)	No of journeys	Average cost per journey (EUR)
Brussels	10 102 520	9 131	1 106
Within European Union (not Brussels)	1 686 516	1 524	1 107
Outside EU	439 181	172	2 553

Destination	Daily allowances* (EUR)	No of meeting days
Brussels	5 239 046	16 485
Within European Union (not Brussels)	828 210	2 667
Outside EU	112 955	357

* Including daily allowances for days in between meetings and overnight stays in order to save travel costs, in accordance with Article 2(2) of the Council Decision.

IV.**APPENDICES****14.3 REIMBURSEMENTS OF TRAVEL EXPENSES AND ALLOWANCES TO EESC MEMBERS AND THEIR ALTERNATES FROM 1 JANUARY TO 31 DECEMBER 2017**

DESTINATION	TRAVEL EXPENSES		ALLOWANCES		TOTAL (EUR)
	Number of journeys	Cost (EUR)	Number of meeting days	Cost (EUR)	
Brussels	9 131	10 102 520	16 485	5 239 046	15 341 566
EU (not Brussels)	1 524	1 686 516	2 667	828 210	2 514 726
Austria	11	7 019	15	5 510	12 529
Belgium	11	886	18	1 740	2 626
Bulgaria	42	50 990	109	32 770	83 760
Croatia	8	5 821	22	6 380	12 201
Cyprus	18	28 567	23	8 700	37 267
Czech Republic	44	26 654	77	22 765	49 419
Denmark	14	12 238	20	4 930	17 168
Estonia	274	350 602	480	147 740	498 342
Finland	14	10 429	40	11 310	21 739
France	65	54 522	92	30 740	85 262
Germany	73	64 122	130	39 005	103 127
Greece	43	46 837	62	21 819	68 656
Hungary	46	46 392	96	29 290	75 682
Ireland	31	31 440	35	13 630	45 070
Italy	197	231 758	295	96 860	328 618
Latvia	4	2 773	17	5 945	8 718
Lithuania	13	10 584	22	6 525	17 109
Luxembourg	14	4 747	16	5 220	9 967
Malta	293	409 253	561	173 916	583 169
Netherlands	17	4 766	36	10 440	15 206
Poland	80	75 394	131	39 440	114 834
Portugal	23	19 981	46	13 485	33 466
Romania	5	3 316	13	3 190	6 506
Slovakia	11	9 845	23	5 800	15 645
Slovenia	19	23 970	21	6 815	30 785
Spain	95	93 159	167	53 360	146 519
Sweden	13	11 236	19	5 800	17 036
United Kingdom	46	49 216	81	25 085	74 301

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Outside EU	172	439 181	357	112 955	552 136
Albania	3	4 897	4	1 740	6 637
Argentina	7	42 187	25	7 250	49 437
Bosnia and Herzegovina	18	19 382	32	10 585	29 967
Brazil	2	11 222	8	2 465	13 687
Canada	8	3 663	12	3 480	7 143
China	14	56 529	43	12 615	69 144
Côte d'Ivoire	13	47 016	27	8 555	55 571
Egypt	3	6 498	6	1 740	8 238
Former Yugoslav Republic of Macedonia	4	5 852	10	4 350	10 202
Haiti	2	8 683	7	2 030	10 713
Iceland	1	2 266	1	290	2 556
Japan	10	24 632	15	4 785	29 417
Kenya	1	4 101	3	870	4 971
Moldova	6	7 969	6	2 030	9 999
Montenegro	5	7 398	9	3 045	10 443
Morocco	9	11 896	22	6 815	18 711
Panama	8	45 022	16	4 785	49 807
Peru	1	8 623	2	580	9 203
Serbia	9	11 381	15	4 350	15 731
South Africa	3	14 122	3	2 030	16 152
Switzerland	15	15 772	15	4 930	20 702
Thailand	1	657	2	580	1 237
Trinidad and Tobago	2	10 788	6	1 160	11 948
Tunisia	2	3 100	5	1 450	4 550
Turkey	1	1 563	1	290	1 853
Ukraine	14	16 598	28	8 555	25 153
United States	10	47 365	34	11 600	58 965

DESTINATION	TRAVEL EXPENSES		ALLOWANCES		TOTAL (EUR)
	Number of journeys	Cost (EUR)	Number of meeting days	Cost (EUR)	
Brussels	9 131	10 102 520	16 485	5 239 046	15 341 566
EU (not Brussels)	1 524	1 686 516	2 667	828 210	2 514 726
Outside EU	172	439 181	357	112 955	552 136
TOTAL	10 827	12 228 216	19 509	6 180 212	18 408 428

15. EESC'S POLICY ASSESSMENT CAPACITY

The EESC contributes actively to interinstitutional cooperation on assessing EU policies and legislation in the framework of the agreement on better law-making and the REFIT programme. Internally, the EESC's Policy Assessment Unit coordinates the EESC's contribution to these initiatives in close collaboration with the EESC's sections and observatories.

Information reports – assessment exercise

The framework for the EESC policy assessment activity was laid down in the EESC Bureau's decision of 19 January 2016. The objective of the EESC information reports is to contribute to the ex-post evaluation stage of the policy cycle. In practice, the information reports provide input into the Commission's evaluations from the perspective of organised civil society.

The 2016 Bureau decision established a specific evaluation methodology based on the European Commission's Better Regulation guidelines. The information reports are structured around the evaluation criteria used by the Commission (e.g. effectiveness, relevance and EU added value). The selection of files and the scope of these reports are discussed and defined by the EESC Bureau, which decides, based on its own priorities, on which Commission referrals (made in accordance with Art. 304 TFEU) it will carry out evaluations.

A dedicated study group, led by an EESC member acting as "rapporteur", prepares the information report. Data is collected through fact-finding missions in Member States, hearings and/or questionnaires targeted to experts in civil society organisations, and subsequently analysed in the technical annex to the information report. Finally, recommendations are put forward based on the conclusions drawn from the analysis.

Following the creation of the EESC evaluation capacity, the EESC received a letter from the Secretary General of the European Commission in June 2016 with referrals for 21 evaluations. From this list, based on the EESC's capacity and own priorities, the EESC Bureau decided to carry out information reports on eight files:

- In 2016, the EESC adopted two information reports:
 - Fitness Check on consumer and marketing law (November 2016)¹
 - Consumer Rights Directive (November 2016)²
- The following six evaluations were finalised in 2017:
 - Mid-term evaluation of the Connecting Europe Facility (formerly Smart Cities) (January 2017)³

¹ EESC Information Report INT/796.

² EESC Information Report INT/795.

³ EESC Information Report TEN/606.

- Mid-term evaluation of the Connecting Europe Facility (formerly Smart Islands) (January 2017)⁴
- Interim evaluation of Horizon 2020 (February 2017)⁵
- Erasmus+ Mid-term evaluation (May/June 2017)⁶
- State of implementation of the legislation on legal immigration (May/June 2017)⁷
- Rural Development ex-post evaluations of 2007-2013 (July 2017)⁸

Between 2016 and 2017, the EESC held nine meetings with the Commission to develop evaluation roadmaps and define focus areas. In addition, Commission officials participated in all study group meetings. Moreover, members of the study groups carried out a total of 16 study group meetings and 26 fact-finding missions to 17 Member States, gathering evidence from over 250 civil society organisations. Nine targeted questionnaires were circulated to experts in civil society organisations in 28 Member States, obtaining over 350 responses.

The take-up of the conclusions and recommendations of the information reports is very much visible in the European Commission's evaluation reports. In May 2017, the European Commission published the results of the Fitness Check of Consumer and Marketing Law and the Evaluation of the Consumer Rights Directive, and of the Interim Evaluation of Horizon 2020. The information report on consumer rights was frequently referenced in the subsequent Commission evaluation. These references highlighted the EESC's important role in adding civil society perspectives to the assessment and evaluation of EU policies and legislation. In most cases, the Commission's evaluations came to conclusions similar to those in the EESC's information reports.

Involvement in the REFIT platform

The Regulatory Fitness and Performance Programme (REFIT programme) was set up by the Commission in May 2015 and aims to make EU law simpler, to reduce costs that stem from regulation and to keep EU rules fit for the purpose that they were designed for. The EESC participates in the programme through the REFIT platform, which consists of a Government Group, with one seat per Member State and a Stakeholder Group that includes one member from the EESC and one from the European Committee of the Regions. The platform members review suggestions for reducing the regulatory burden submitted online by citizens or stakeholders, and draw up recommendations to the Commission. The opinions of the platform are taken into account by the Commission when it establishes its work programme.

A group of three EESC members is responsible for the EESC's contribution to the REFIT platform⁹. Each member takes his or her turn to represent the EESC at the REFIT platform on

⁴ EESC Information Report TEN/607.

⁵ EESC Information Report INT/807.

⁶ EESC Information Report SOC/552.

⁷ EESC Information Report SOC/553.

⁸ EESC Information Report NAT/699.

⁹ The three EESC members involved are Bernd Dittmann (Group I – Employers), Denis Meynent (Group II – Workers) and Ronny Lannoo (Group III – Various Interests).

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the basis of a rotation (18 months each). After each REFIT platform meeting, the EESC representative at the platform debriefs the two other members. The EESC members are supported by the EESC secretariat, which provides background information on the files to be discussed by the REFIT platform. The secretariat also ensures that EESC positions, as agreed by the three members, are based on adopted EESC opinions.

In 2016, the REFIT platform adopted 22 opinions. In 2017, the REFIT platform adopted 69 opinions and conducted one targeted survey (consultation).

