



*European Economic and Social Committee*

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# **ANNUAL ACTIVITY REPORT 2016**

**Section VI of the EU-budget**

June 2017

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**European Economic and Social Committee**

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

**Brussels, June 2017**

**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**



I.

# **PART I**

## **Presentation and main achievements 2016**





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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 civil 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 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 interests 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 formation 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.

#### 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 as follows:

##### *Members per country*

24 members:	Germany, France, Italy and the United Kingdom
21 members:	Spain and Poland
15 members:	Romania
12 members:	Belgium, Bulgaria, Czech Republic, Greece, Hungary, the Netherlands, Austria, Portugal and Sweden
9 members:	Croatia, Denmark, Ireland, Finland, Lithuania and Slovakia
7 members:	Latvia and Slovenia
6 members:	Estonia
5 members:	Cyprus, Luxembourg and Malta

#### 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 in plenary

session, the opinions are sent to the European institutions and published in the EU's Official Journal.

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 spheres 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:

- the European Commission, Parliament or Council makes a request or the EESC uses its own initiative
- authorisation of work by the Bureau
- appointment of rapporteur and study group members by groups
- drafting by rapporteur, often assisted by a study group
- discussion and adoption by sections
- adoption by plenary
- the opinion is sent to EU institutions and published in the EU's Official Journal.

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 Various Interests (Group III). The aim is to build dialogue and consensus between all three so that EESC 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 Luca Jahier from Italy is president of the Various Interests' Group.

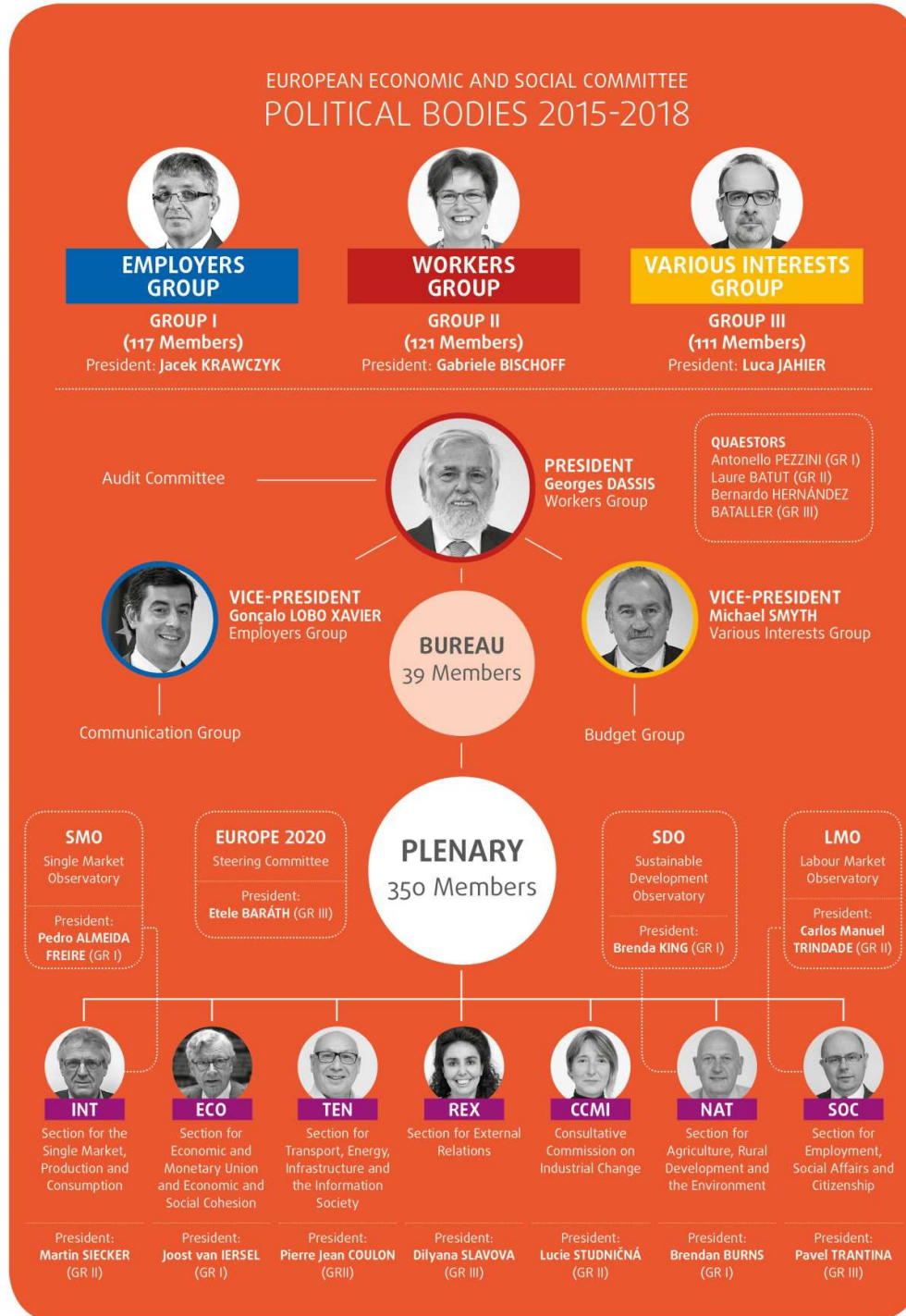
The EESC has six sections covering different aspects of the EU's work, ranging from the economy to social affairs. Members participate in one or more of these sections depending on their areas of expertise, and it is here that most of the preparatory work on opinions is carried out. The EESC also has 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 – plus a steering committee for the EU's 2020 strategy for growth and jobs. A Policy Assessment unit was established in 2015 to introduce the systematic practice of policy analysis and evaluation in the EESC's legislative works.

# I.

## Presentation and main achievements 2016

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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 Georges Dassis (Group II) from Greece. He 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 Gonçalo Lobo Xavier (Group I) from Portugal and Michael Smyth (Group III) from the UK – 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 2016

2016 was in many ways a key year for the European Union and the EESC: the terrorist attacks which plunged Europe and Brussels into mourning, the continuing migration crisis, the consequences of the Paris Agreement on climate change, renewed discussions on preserving the social model at a time of transition, the quest for a more sustainable development model, the Brexit referendum, and more. They all demonstrated the need for a new and strong European response, with more involvement for civil society, in order to counter scepticism and the rise in extremism.

On the migration crisis, the EESC produced a series of opinions, which were underpinned by fact-finding missions to eleven countries to meet civil society representatives, refugees and government bodies; this made it easier to identify the difficulties and put forward relevant recommendations. This new working method, combining opinions and missions in the field, has demonstrated its potential and consolidated the EESC's role as a relay between civil society and the European political authorities. Also in this domain, one of the highlights of the EESC's activities was the organisation of the migration forum, a fine example of interinstitutional cooperation with the Commission, involving civil society in all aspects. Another highlight was the "Support Schengen" campaign.

The EESC was also very active on climate issues before and after the Paris Agreement, proactively promoting new ways of working and of expressing views. Thus many meetings were organised in such a way as to encourage participation, involving numerous representatives from civil society. The EESC adopted several opinions, one of which advocated the creation of a multi-stakeholder coalition on climate change. The launch of this coalition, involving the OECD, the European Committee of the Regions and several civil society organisations, allowed the EESC to play a role as pathfinder, both as part of the COP22 and at the civil society summits held in preparation for the COP.

The Committee invested hugely in dialogue on the social rights pillar and more generally on the future of work. A number of initiatives were taken, including the organisation of dialogue in each of the Member States on the issue of the social rights pillar; 28 debates in which more than 1 000 organisations participated, with a wealth of important contributions: this was one of the EESC's flagship initiatives in 2016. Also on this subject, the Conference on the Future of Work organised jointly with the ILO was yet another notable success in 2016.

Lastly, the Committee was the first institution to develop its ideas and work with regard to the new economic models, with opinions on the sharing economy, the functional economy, nudge thinking and the circular economy. These – in part pioneering – activities demonstrate the role



that the EESC can also play in forward thinking on these new topics which already have, and will continue to have, a growing impact on Europeans' lives.

High-level follow-up activities took place concerning, inter alia, completing and deepening the EMU and the energy union, with active EESC participation in the Commission's Citizens' Energy Forum. The EESC strengthened cooperation with the European External Action Service, with the EU's High Representative for Foreign Affairs and Security Policy addressing the EESC's March plenary.

The EESC hosted the EU-China civil society round table.

Taken together, all these developments illustrate the fact that in 2016 the EESC once again stepped up its activities in a number of areas which, for the most part, boil down to reflecting on and proposing a more sustainable model for development, that is to say one which is socially inclusive and which respects the limitations of our planet. The stance adopted by the EESC in favour of sustainable development, expressed on a number of occasions and in a range of forums, has helped make the Committee a pre-eminent and acknowledged partner in dialogue with the European institutions and with all civil society organisations.

## **2.1 ACTIVITIES**

### **2.1.1 Legislative and related work**

The EESC assists the European Parliament, the Council and the European Commission, promoting dialogue to secure consensus which serves the EU's general interest.

In 2016, the EESC adopted a total of 151 opinions and reports, including 13 exploratory opinions on referral from the EU presidencies and 3 at the request of the European Commission, 58 opinions on referral from the European Parliament and Council and 42 on referral from the European Commission.

The Committee organised an extraordinary Bureau meeting in Bratislava in June 2016.

#### ***Cooperation with the European Parliament***

On 27 September 2016, the president, Georges Dassis, met Jerzy Buzek, the then chair of the EP's Conference of Committee Chairs (CCC), within the context of general legislative cooperation, in order to present the EESC's contribution to the 2017 Commission work programme. This was the second time that Mr Dassis met the CCC chair, as they had already met in December 2015. The meeting also set the stage for the future participation of the EESC's

president in the Conference of Committee Chairs, set to take place in June 2017. A bilateral meeting with the new chair of the Conference of Committee Chairs, Cecilia Wikström, took place on 11 April 2017.

MEPs actively participated in 33 EESC legislative work meetings; EESC members actively participated in 81 EP committee, group, inter-group and individual meetings, with 43 meetings taking place between EESC and EP rapporteurs, and section/CCMI presidents and EP committee chairs. In total, 157 meetings were held with representatives of the European Parliament.

Following constructive meetings between the EESC's legislative departments and the European Parliamentary Research Service (EPRS), EPRS colleagues are now always informed about ongoing EESC opinions and participate in study group meetings. EESC opinions are regularly referred to in EPRS briefings and other documents, and "EPRS at a glance" documents feature in the EESC's legislative information packs (which the secretariat prepares for all EESC rapporteurs when work starts on a new file).

The INT section's Permanent Study Group on Social Economy Enterprises engaged in excellent regular cooperation with the European Parliament's "Social Economy" Intergroup.

The TEN section's Permanent Study Group on Services of General Interest also enjoyed constructive cooperation with the European Parliament's Intergroup on "Common Goods and Public Services".

In January, the EP's ECON Committee chair, Roberto Gualtieri, participated in an ECO thematic debate on "The Commission's deepening EMU package: What's next?", while the ECO president, Joost van Iersel, was invited to address an EP public conference on "Still time to reform the euro area?" organised by the Greens/EFA Group.

Representatives of the EESC were also invited to the two inter-parliamentary conferences organised in 2016. These are based on Protocol No 1 to the Treaties on the role of national parliaments in the EU, and on Article 13 of the Treaty on Stability, Coordination and Governance in the Economic and Monetary Union (TSCG). EESC vice-president Michael Smyth addressed the inter-parliamentary conference that took place on 16-18 October 2016 in Bratislava on the issue of "Strengthening the social dimension of the EMU".

Furthermore, at the invitation of the "High Level Group on Own Resources", the ECO section president and the EESC rapporteur participated in an interinstitutional conference with national parliaments on "The future financing of the EU", held at the European Parliament in Brussels on 7 and 8 September 2016.

The ECO section president also met Lambert van Nistelrooij, vice-president of the EP's Urban Intergroup.

The NAT section president and the SDO president met with Giovanni La Via MEP, chair of the EP's ENVI Committee, on 9 November 2016 to prepare the ground for effective cooperation at the COP22 Climate Summit in Marrakesh.

The president of the INT section and several members of the section presented their opinions in EP committee meetings and hearings on topics such as "Upgrading the single market" (Martin Siecker at IMCO), "Effects of EU regulations on small and medium size banks" (Milena Angelova at the SME Intergroup breakfast discussion), "Revision of the Firearms Directive" (Paolo Barros Vale at a public hearing), and "Empowering the national competition authorities to be more effective" (Mr Barros Vale and Oliver Röpke at the ECON Committee and European Commission public hearing).

At the invitation of the IMCO Committee chair, Vicky Ford, and the EP rapporteur Olga Sehnalová, the rapporteur Bernardo Hernández Bataller, presented the EESC opinion on Consumer Protection Cooperation to the IMCO Committee on 5 December 2016. Mr Hernández Bataller also participated in a public hearing on the same topic on 9 November 2016 at the European Parliament.

Members of the European Parliament participated in various hearings, conferences and study group meetings of the SOC section. The rapporteurs for the EP's own-initiative report on "A holistic EU approach to migration", Kashetu Kyenge and Roberta Metsola, participated in the SOC section meeting on 28 January 2016. SOC section members participated in various EP hearings and events, and the SOC section president discussed the priorities of the section with the members of the EMPL Committee in their meeting on 23 February 2016 and also met his counterpart, Thomas Händel, on a bilateral basis.

Some EESC members also actively followed up their work with the Parliament; one such case concerned the AFCO Committee, where two reports were discussed over the course of the year regarding the Lisbon Treaty and the future of the EU. The Committee rapporteur, who had worked on the EESC's opinion on the issue in 2015, Luca Jahier, met with many of the key MEPs involved in the file, including the AFCO Committee chair Danuta Huebner, in order to present to them the position of the Committee.

Notwithstanding the above, the EESC feels that there is scope for further developing the cooperation with the European Parliament and that the EP and its rapporteurs could make much better use of the EESC's readily available expertise.

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

The Netherlands held the presidency of the Council of the European Union in the first half of 2016, followed by Slovakia in the second half, both demonstrating an outstanding capacity for cooperation.

Jetta Klijnsma, State Secretary at the Dutch Ministry for Social Affairs and Employment, presented the priorities of the Dutch presidency of the Council of the EU at the EESC plenary session on 18 February 2016. Ivan Korčok, State Secretary representing the Slovak presidency of the Council of the EU, set out the priorities of his country's presidency at the EESC plenary session on 13 July.

The Dutch and Slovak EU presidencies formally requested 14 exploratory opinions (10 requests from the Dutch presidency, 4 requests from the Slovak presidency), which were all adopted.

A few examples:

- The future of the EU Urban Agenda
- The new electricity market design and the impact on vulnerable consumers
- Innovation as a driver of new business models
- A European sustainable development civil society forum
- Integration of refugees in the EU
- The external dimension of the EU's energy policy

Through an exploratory opinion on "More sustainable food systems", the EESC actively contributed to the debate on the need for a more integrated EU food and agriculture policy approach advocated by the Dutch EU presidency. In this context, Rob van Brouwershaven, director of the plant supply chain and food quality department at the Dutch Ministry of Economic Affairs, participated in a well-attended public hearing hosted by the NAT section in March 2016. The EESC's call for the development of a comprehensive EU food policy will be further developed in upcoming opinions as well as in the future work of the Permanent Study Group on Sustainable Food Systems.

The EESC's president, section presidents and various rapporteurs attended a total of 11 EU ministerial meetings covering, for instance:

- EU trade policy
- the Eastern Partnership
- the Union for the Mediterranean on employment and labour

- Employment and social policy
- Better Regulation
- International environment issues
- Urban policy

EESC members organised 63 meetings with permanent representatives and national ministries.

The EESC president, the ECO section president and the relevant rapporteurs held a series of bilateral meetings on deepening the EMU with: Jeroen Dijsselbloem, president of the Eurogroup and Dutch Finance Minister; Paolo Gentiloni, Italian Minister for Foreign Affairs; Sandro Gozi, Italian State Secretary for European Affairs; Odile Renaud-Basso, Director-General of the French Treasury; Alexia Bertrand, head of the private office of Didier Reynders, Deputy Prime Minister of Belgium; Geert Beekhuis, Head of the Financial Affairs Department at the Dutch Permanent Representation, and with Declan Hughes, Head of the Irish National Competitiveness Council at the Department of Jobs, Enterprise and Innovation.

In addition, Sandro Gozi, Italian State Secretary for European Affairs, attended the EESC plenary session on 13 July 2016 for a debate with EESC members on the future of the European Union and in particular the Economic and Monetary Union. This was, on the one hand, a follow-up to the various EESC opinions on EMU and, on the other hand, in anticipation of the political discussions on the occasion of the sixtieth anniversary of the Treaty of Rome in March 2017.

EESC section and group presidents and rapporteurs actively participated in a variety of EU presidency conferences covering topics such as:

- the feasibility and added value of a European unemployment benefits scheme
- Cohesion policy
- "Eurofi" Financial Forum 2016
- European Aviation Summit
- the 5th Danube Forum
- Social economy enterprises
- Space solutions
- Unwrapping the package – towards a circular economy in Europe
- Promoting decent work in Europe: the role of the social partners

Ministers, permanent secretaries, ambassadors and representatives of the EU presidencies, Council and Member States' governments attended a variety of EESC-organised events:

- Innovation in the digital era

- Civil Society Days
- the European Citizens' Initiative Day
- Strategic implementation plan of the European Innovation Partnership on raw materials
- European and Euro-Atlantic Integration
- the future of the EU and the Eurozone
- Mid-term review of the MFF beyond 2020 and the principle of European added value
- Implementing the UN 2030 Agenda for Sustainable Development
- How to make the Sustainable Development Goals Europe's business
- Building a more sustainable European food system
- the Euro-Mediterranean Partnership
- Transatlantic relations (TTIP, CETA)
- EU-Africa Network of Economic and Social Actors
- Services of general interest
- Social economy enterprises
- European Consumer Day
- Horizon 2020
- European Migration Forum

On 30 and 31 May 2016, the Committee, together with the Ministry of Foreign Affairs of the Netherlands, the UN Sustainable Development Solutions Network (SDSN) and the Dutch SDG Charter convened a high-level conference at the EESC to explore the question "How to make the global sustainable development goals Europe's business". The conference was opened by Commission first vice-president Frans Timmermans. Lilianne Ploumen, the Netherlands' Minister for Foreign Trade and Development, Paul Polman, CEO of Unilever and Jeffrey Sachs, Director of SDSN, participated in the high-level panels. Following up this conference, the Committee held an event on 7 July entitled "Next steps for a sustainable European future" which opened with a dialogue session with Mr Timmermans and provided broad stakeholder input into the Committee's exploratory opinion on that subject requested by the Commission.

#### ***Cooperation with the European Commission***

On 18 July 2016, a meeting between the president, Georges Dassis, and the European Commission's first vice-president, Frans Timmermans, was held to examine issues of common interest during the preparation of the Commission's work programme. At this meeting, Mr Dassis presented the Committee's contributions to the Commission work programme structured around the 10 priorities of the Juncker Commission.

On 22 September 2016, Jean-Claude Juncker, president of the European Commission, addressed the EESC plenary session on the State of the Union, followed by a debate with EESC members.

Subsequently, on 15 December 2016, Mr Timmermans presented the Commission's 2017 work programme at the EESC plenary.

The EESC adopted 3 exploratory opinions in 2016 that were specifically requested by the European Commission. These were on the following topics:

- REFIT
- Sustainable development: A mapping of the EU's internal and external policies
- Removing obstacles to sustainable aquaculture in Europe

The request for an exploratory opinion on sustainable aquaculture –following on from a meeting between NAT president Brendan Burns and the Director General of DG MARE Joao Aguiar Machado – is recognition of the visible role played by the EESC in the promotion of EU aquaculture in the wake of the public hearings held in Vigo (2010) and Murcia (2013). The rapporteur and his expert took part in a conference hosted by the European Commission on 24 May 2016, where they had the opportunity to present and promote the content of the opinion.

Some 60 EESC legislative work meetings took place with European Commissioners, directors-general and directors, and EESC delegations actively participated in 90 major Commission conferences and events.

A high-level event "Delivering the EU Aviation Strategy – getting stakeholders on board", was hosted by the EESC on 22 April 2016, at which Violeta Bulc, EU Commissioner for Transport, delivered a keynote speech highlighting the need to preserve European aviation leadership by making the sector more competitive, sustainable and conducive to extensive stakeholder support.

European Commission vice-president Maroš Šefčovič attended the April plenary session for a discussion on the State of the Energy Union 2015 report, in which he stressed the importance of extensively consulting civil society in the context of the Energy Union process and where he confirmed that the EESC would be formally consulted and invited to provide an opinion on each annual "State of the Energy Union" report.

The EESC was also actively involved in the European Nuclear Energy Forum's Steering Group and its plenary meeting in Bratislava. Moreover, the EESC's views on EU energy policy were presented – and thus brought to the attention of vice-president Maroš Šefčovič and Commissioner Miguel Arias Cañete – at the Commission's "Citizen's Energy Forum" (London) and "Energy Infrastructure Forum" (Copenhagen) as well as at the Mediterranean ministerial meeting on regional energy cooperation.

Migration Commissioner Dimitris Avramopoulos and DG HOME director-general Matthias Ruete participated in the European Migration Forum (EMF) on 6-7 April 2016. The EMF, organised jointly by the Commission and the EESC, and more specifically its SOC section, is a platform for dialogue between civil society and the European institutions on issues relating to migration, asylum and the integration of third-country nationals.

The Competition Commissioner Margrethe Vestager addressed the July plenary session of the EESC. She presented the Commission's position on European competition policy stressing the essential role played by the EESC in voicing the concerns of EU consumers, businesses and workers.

Employment Commissioner Marianne Thyssen participated at the conference on "The future of work we want", co-hosted by the ILO and the EESC on 15-16 November 2016 with a view to providing input into the ILO's centenary initiative on the future of work. Ms Thyssen also participated at the TTYPE conference (Track and Trace Your Pension in Europe) which took place in Brussels on 1 June 2016.

On 25 November 2016, the ECO president, Joost van Iersel, had a bilateral exchange of views with the Commission vice-president Valdis Dombrovskis on the new European semester exercise, euro area economic policy, and the forthcoming Commission White Paper on the future of EMU. This meeting also provided an opportunity to follow up on an ECO thematic debate organised in January 2016, in which Mr Dombrovskis presented the Commission's Deepening EMU package and forthcoming initiatives in this field.

European Commission vice-president Kristalina Georgieva participated in the ECO event on "A performance-based EU budget and its focus on real results: The key to sound financial management".

Throughout 2016, the INT section cooperated extensively with Research Commissioner Carlos Moedas and his private office as well as with several directors of DG Research. This cooperation resulted in the organisation of a high-level conference on "Responsible research and innovation in Europe and across the world" in January 2016, the request to produce an information report on the mid-term evaluation, and the participation of Mr Moedas at the October plenary session (in conjunction with the adoption of the EESC opinion on the Mid-term evaluation of Horizon 2020).

Several high-level Commission officials attended events organised by the INT section, for instance Robert Madelin from the European Political Strategy Centre (EPSC), who participated in the conference on "Responsible Research and Innovation", while Jean-Eric Paquet, Deputy Secretary-General, and Despina Spanou, Director for Consumer Affairs at DG Justice,



participated in the European Consumer Day. In addition, Slawomir Tokarski, Director at DG GROW, attended the European Day of Social Economy Enterprises.

At a United Nations summit in September 2015, world leaders adopted the Global Agenda "Transforming our world: the 2030 Agenda for Sustainable Development", establishing a set of Sustainable Development Goals (SDGs) to end poverty, protect the planet and ensure prosperity – all to be achieved over the next 15 years. Throughout 2016, the Committee contributed with a set of opinions to the European Commission on the implementation of the SDGs in and by the EU. Several conferences were held to reach out to civil society on the main EESC proposal on the establishment of a forum for dialogue with the Commission.

***Cooperation with the European External Action Service and Commission services dealing with the external policies of the EU***

The statement by High Representative of the Union for Foreign Affairs and Security Policy and vice-president of the Commission, Federica Mogherini, at the March plenary session marked the first visit of the EU's High Representative for Foreign Affairs and Security Policy to the EESC. Her visit gave a boost to relations with the EESC, resulting in better cooperation with the EEAS and relevant DGs, such as DG NEAR. It also enabled new areas of cooperation to be opened up, e.g. the EESC's participation in the Europe-Asia People's Forum, or the first EESC mission to Cuba following the signing of the recent EU-Cuba Agreement.

Cooperation with the EEAS as regards the external policies of the EU was maintained via a number of standard activities, such as joint work on the participation of economic and social actors in the EU-Africa Partnership; participation of EEAS senior officials in the Civil Society Platforms with Georgia, Moldova and Ukraine; hearings with Turkish civil society in Ankara and Izmir in the context of the refugee crisis; support for the renewal of relations with the Russian Civic Chamber on the part of the EEAS StratCom unit; and the full involvement of the EEAS in the organisation of the first meeting of the EU-Chile Joint Consultative Committee, a body that the EESC, the EP and the EEAS had been calling for many years.

With regard to the external policies of the EU that are managed by the European Commission, the EESC has maintained its excellent cooperation with the EC services that deal with neighbouring countries (DG NEAR), international trade (DG TRADE) and development policy (DG DEVCO). This cooperation involved the financing of a number of regular events: the EESC Summit of Euro-Mediterranean Economic and Social Councils (Athens, October 2016); the Domestic Advisory Groups with Georgia, Moldova and Ukraine; the Joint Consultative Committees with Turkey, Montenegro and Serbia; the trade-related civil society bodies with South Korea, the Cariforum countries, Central America and Colombia/Peru; and the EC's

support for the EESC's work with civil society organisations contributing to the negotiations on free trade agreements with Canada, the US and Japan.

### **2.1.2 Impact studies and evaluations**

Taking into account the new European institutional landscape and the Commission's new way of law-making with a decreasing number of initiatives, a more strategic approach to programming was further developed in 2016. In this context, the EESC provided various inputs, such as exploratory opinions, own-initiative opinions, information reports and impact studies.

The Committee cooperated closely with the European Parliament (EPRS) in providing information and material for briefings to the MEPs about policy implementation from a civil society point of view. In December 2016, the Committee decided for the first time to send the European Commission two information reports (evaluations). These reports – on the consumer rights directive (evaluation) and on consumer rights and marketing law (fitness check) – were drafted at the request of Commissioner Věra Jourová and were civil society's contribution to the assessment of the Community directives on consumer rights led by the European Commission's DG JUST. These evaluations are part of the "better law-making" programme, one of the European Commission's priorities, for which first vice-president Frans Timmermans has taken direct responsibility.

The Committee decided to play a full part in the process (Bureau decision of 19 January 2016), opting for close interinstitutional collaboration, to which it made a strong contribution thanks to its privileged access to civil society on the ground, in the Member States. A crucial input to these reports came from the fact-finding missions Committee members carried out in eight Member States, where they were able to gather valuable information from grassroots experts on this legislation.

### **2.1.3 Structured dialogue with European citizens**

In the context of the drafting of its opinion on the European Pillar of Social Rights, the EESC held debates with organised civil society in all 28 Member States with the participation of some 1 800 representatives of civil society organisations and 116 EESC members. Seven of the debates were held in cooperation with a national economic and social council.

The CCMI, in partnership with Euromines, Eurocoal, IndustriAll and the European Commission, conducted a series of roundtables on the strategic implementation of the EU Innovation Partnership on raw materials, consulting corresponding civil society organisations and local and national institutional partners in the Czech Republic, Finland, Ireland, Poland,

Portugal, Romania, Slovakia and Spain. A consolidated report and action plans will be published in 2017.

The EESC updated its brochure "Financial education for all", which now contains a larger sample of best practice examples of financial education practices throughout the EU and beyond. The Committee organised a presentation of the brochure in cooperation with the Representation of the European Commission in Madrid, with the presence of a 3-member delegation. The brochure and the topic in general have proved to be – and continue to be – a remarkable public relations success for the EESC with regard to civil society.

The EESC promotes 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. One excellent example of this approach was the organisation of the 1st European Day of Social Economy Enterprises on 1 July 2016.

#### ***Civil Society Days 2016 – Living together in our Europe***

The Civil Society Days (CSDs) are an annual event organised by the EESC and the EESC Liaison Group with European civil society networks. Its main purpose is to enhance political dialogue between the Committee and European civil society organisations, and to establish genuine structured civil dialogue with the European institutions. The theme of Civil Society Days 2016 was "Living together in our Europe", with a focus on migration and on how Europe can be made more open to what needs to be seen as a structural change.

The CSDs are intended to help Europe frame these phenomena and problems within a wider and deeper vision, based on an open debate that is rooted in common values.

#### ***European Citizens Initiative (ECI) Day 2016: Forging change***

The ECI DAY is an EESC annual conference co-organised with civil society partners with a focus on the European Citizens' Initiative (ECI) and the development of participatory rights. The 2016 "ECI DAY: Forging change" was held on 20 April 2016 and addressed different practical issues (e.g. instruments for participatory democracy, assistance available to ECI campaigners, how to organise an ECI in a way that reaches out to the public and ensures that the Commission takes action). In the light of the European Commission's decision not to revise the ECI Regulation in 2016, the ECI DAY stood out as a symbolic event and place where stakeholders met and decided to join forces in order to petition the Commission for action and more visibility as regards the ECIs.

Additionally, the EESC adopted an own-initiative opinion on the ECI in July 2016 which included recommendations for the simplification of the ECI Regulation to make the ECI more efficient and accessible to citizens, and a confirmation of the EESC's readiness to remain the institutional mentor and a facilitator to ECI organisers.

#### **2.1.4 Conferences and debates**

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

##### ***The Future of Work***

The world of work is transforming rapidly due to globalisation, digitisation, demographics, mobility, and the change in the organisation of work with a fragmentation of production and diversification of employment forms and work. These transformations have led both the Dutch and Slovak presidencies to request exploratory opinions on the new forms of employment relationships and their impact on social security systems. The EESC presented its opinion at the informal EPSCO meeting in Bratislava on 14-15 July 2016, where the main themes discussed were technological change and digitisation and their impact on the labour market and social security systems.

In cooperation with the ILO, the EESC also held a high-level conference on "The future of work we want" on 15-16 November 2016, which also dealt with the transformation of the world of work. The two-day conference, attended by the Director-General of the ILO, Guy Ryder, EU Commissioner Marianne Thyssen and the State Secretary at the Ministry of Labour, Social Affairs and Family of the Slovak Republic, Branislav Ondruš, explored how we can shape the future world of work. The results will feed into the ILO centenary initiative on the future of work. The EESC also contributed to the ILO repository on the future of work with numerous earlier opinions on related issues.

##### ***European Consumer Day 2016***

The 18th European Consumer Day was held in Brussels on 10 March 2016. The speakers debated a wide spectrum of ideas. This year's event focused on the theme "Better Regulation for Consumers?" debating issues such as: why it is a Commission priority to regulate better and what it means in practice for consumers; whether the benefits outweigh the burden; the role of public consultation; and what needs improving and what is best left alone.

*EESC initiatives related to the new economies*

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 bring with them. Starting with the 2013 opinion on collaborative or participatory consumption and the European Consumer Day theme in 2015, the EESC has been at the forefront of monitoring these new economic models.

In 2016, the EESC published four inter-related opinions about the circular economy, the functional economy, the collaborative economy and the sharing economy and self-regulation. Two hearings were held: one for the sharing economy and self-regulation opinion (April 2016) and one for the opinion on the functional economy (June 2016), bringing together various experts.

The four rapporteurs worked together to harmonise the Committee's message and delivered opinions proposing innovative solutions to complex issues thrown up by these so-called "disruptors". This work culminated in a debate with Commission vice-president Jyrki Katainen during the December 2016 plenary session, highlighting the main issues and the Commission's views.

Advancing towards the next level, on 16 February 2017, the EESC held a conference, together with the Global Hub for the Common Good. This was an excellent opportunity to enrich the European debate with experiences from new economy communities in the field.

The new economy opinions have proposed the setting up of a permanent structure within the Committee to analyse these emerging phenomena, interweaving its efforts with those of the European Commission, the European Committee of the Regions and the European Parliament.

*Circular economy*

Moving towards a more sustainable development model is an undisputed priority of our times. Drastically reducing the quantity of resources we extract from the environment and the amount of waste we produce – in short: making our economy more circular – is part of this transition. Two EESC opinions adopted in 2014 and 2016 respectively called for the creation of a European platform for the circular economy, with a strong focus on involving civil society in policy discussions at EU level and on the exchange of good practices. EU Member States and the European Parliament echoed the need for such a platform. After the Commission released its Circular Economy Action Plan in December 2015, mentioning the need for "engagement with stakeholders in the implementation of this action plan through existing fora in key sectors", it approached the EESC to explore the feasibility of a joint initiative. Both institutions are now

working together to build the platform based on the contributions received during the Circular Economy Stakeholder Conference which took place on 9-10 March 2017.

### ***International Climate Coalition***

The EESC opinion on "Building a coalition of civil society and subnational authorities to deliver commitments of the Paris Agreement", calls for a multi-level and stakeholder coalition to minimise obstacles standing in the way of civil society and subnational governments' action to mitigate climate change. A coalition was subsequently co-founded by the EESC, the European Committee of the Regions, the OECD and Comité21 during the Climate Chance summit in Nantes in September. The EESC held two side events at COP22, promoting the newly formed Coalition, which galvanised further interest and laid the groundwork for expanding the partnership to become international in scope in 2017. The partners envision working on a toolkit on multi-stakeholder and multi-level governance to support the delivery of more effective climate action.

### ***Promoting a comprehensive food policy in the EU***

Throughout 2016, the EESC has been at the forefront of promoting a more holistic approach to food policy – one that ensures not only security of food supply, but also a transition to sustainable, healthy and fair food systems. Civil society's increasing concerns about the environmental, economic and social impact of food production and consumption were discussed at two EESC hearings, held in March and June 2016, which provided input into related opinions on "More sustainable food systems" and "A fairer agro-food supply chain". The key message was: the multiple, complex and interrelated problems affecting food systems should be tackled with a comprehensive food policy at EU level, involving various food-related sectors (agriculture, environment, health, education, trade etc.) and all stakeholders across the food supply chain. The EESC is also putting into practice what it preaches in its policy recommendations. Through its Eco-Management and Audit Scheme (EMAS) the Committee is implementing various in-house initiatives to promote sustainable and healthy food and reduce food waste, including via food donation. In this context, over 4 500 sandwiches left over from buffets were donated to Brussels-based charities in 2016.

### ***COP21 impact on transport***

The COP21 agreement reached in December 2015 is the first ever such agreement to commit all the UN member states to accelerating the reduction in greenhouse gas emissions. As transport is one of the sectors producing the most greenhouse gases (with road transport responsible for 71% of emissions), the transport sector is set to experience a radical transformation, affecting all areas of life. With that in mind, EESC members proposed and drafted an own-initiative opinion on "The impact of the conclusions of COP21 on European transport policy" (TEN/582), which was adopted in the EESC plenary in May 2016.

In the course of the drafting of this opinion, a high-level public hearing was organised by the TEN section in cooperation with the TRAN Committee of the European Parliament in order to engage civil society and discuss ideas on how to steer those fundamental changes in the transport sector. The hearing took place on 4 April 2016 in the premises of the EESC and brought together representatives of several EU institutions, civil society organisations, experts and other stakeholders.

### *Energy Union*

Launched in early 2015, the Energy Union initiative is a priority work area of the current European Commission. The EESC regularly – in response to sectoral and strategic referrals – reviewed and commented on the energy policies and strategies of the European Commission to ensure that the Energy Union process reflects the viewpoints of civil society. As part of this process, the TEN Section organised two hearings and one conference:

- A hearing on the "State of the Energy Union 2015" report (Brussels) in which particular attention was paid to the governance of the Energy Union and the role of civil society therein.
- A conference on the "Energy Union and its impact on civil society in Bulgaria" (Sofia), pointing out the particular concerns of civil society on the ground.
- A hearing on "Energy Prosumers in Europe" (Brussels) with a particular focus on decentralised renewable energy generation by individual households and power cooperatives across Europe.

### *Migration*

The EESC carried out fact-finding missions to 11 EU Member States (Austria, Bulgaria, Croatia, Germany, Greece, Hungary, Italy, Malta, Poland, Slovenia and Sweden) and Turkey in order to identify the problems and needs on the ground and to gather and collate the best practices of the various players dealing with the refugee crisis that unfolded at the end of 2015 and in early 2016. A report on these missions and the meetings held with more than 180 stakeholders, mainly from civil society organisations actively working with the refugees and migrants, was presented during the EESC's March 2016 plenary session, in conjunction with debates on the EU's external policy and migration with EU High Representative Federica Mogherini and Migration, Home Affairs and Citizenship Commissioner Dimitris Avramopoulos.

The EESC hosted the 2nd meeting of the European Migration Forum, jointly organised by the European Commission and the EESC, on 6-7 April 2016, focusing on the long-term approach to

migration and integration with subjects proposed by the participating NGO representatives, practitioners from local and regional authorities, representatives of the Member States and members of the EESC's permanent study group on Immigration and Integration (the main subjects were: low- and medium-skilled migrant workers, undeclared work and the exploitation of migrants, domestic and care work and access to the labour market for refugees and asylum seekers). Also in April, the EESC Bureau adopted a strategic framework for the EESC's work on refugees and migration in order to give shape to various ongoing EESC initiatives in this field building on its past work. This included a series of communication events and activities with a focus on migration held throughout the year: "Your Europe, Your Say!" with young people; a Civil Society Media Seminar and the awarding of the EESC's Civil Society Prize.

In addition to various other civil society events, the EESC co-hosted a forward-looking seminar on "Social innovation for refugee inclusion", on 12-13 September 2016, with the European Council on Refugees and Exiles (ECRE), the Council of Europe and the Missions of the United States and Canada to the EU. The seminar opened a space for practitioners and new stakeholders to better understand social innovation and what it means in the context of refugee inclusion. It allowed participants to look beyond projects and explore the conditions and the partnerships needed to undertake successful social innovation for refugee inclusion.

### ***European Pillar of Social Rights***

The EESC dedicated much time and resources to work in connection with its opinion on the European Commission's initiative for a European Pillar of Social Rights, with which the Commission set in motion President Juncker's commitment to secure "a fair and truly pan-European labour market" as part of the ongoing work on achieving a deeper and fairer Economic and Monetary Union. The EESC held debates with organised civil society in all Member States on the initiative and on the future of a social Europe between September and November 2016, which provided a platform to exchange and gather views on the most urgent social and economic challenges at national and European levels and on how a European Pillar of Social Rights could contribute to addressing these. Participants came from a wide range of employers' organisations, trade unions and other civil society organisations, as well as, to a lesser extent, academia. Overall, nearly 1 800 representatives of civil society organisations participated in the 28 debates. The recommendations fed into the EESC opinion on the European Pillar of Social Rights, which was adopted at the January 2017 plenary session with the participation of Commissioner Marianne Thyssen and EP rapporteur Maria João Rodrigues. The opinion covers a range of issues looking at challenges and priorities, the future of work, and the need for social investment and governance. The EESC will continue its work on the basis of forthcoming Commission proposals, namely a communication on the European Pillar of Social Rights, accompanied by initiatives on access to social protection for all, the revision of the



Written Statement Directive, the implementation of the Working Time Directive and the challenges of work-life balance faced by working families.

### ***Disability rights***

A delegation of the EESC's permanent study group on Disability Rights visited Lesbos and Athens from 12-14 October 2016 to evaluate the situation of refugees and other migrants with disabilities in reception structures. As a tangible result of the visit, a project was submitted to the UNHCR by the Greek National Confederation of Disabled People with regard to training UNHCR and other NGO staff working with refugees in Greece to help and support refugees with disabilities.

The EESC also contributed to the implementation of the concluding observations of the UN CRPD<sup>1</sup> Committee on the European Union in a specific opinion on this theme. Some of its recommendations were taken on board by the European Commission, the UN, the European Disability Forum and/or the disability movement.

### ***Future proof regulation***

The opinion on "Future proof regulation", drawn up by Christian Moos (rapporteur) and Denis Meynent (co-rapporteur) was presented in Bratislava on 15 June 2016 on the occasion of the presidency's Directors and Experts of Better Regulation – DEBR<sup>2</sup> meeting. The rapporteur presented the opinion, which was adopted at the September plenary session, to the Council's Better Law-making working group on 13 October at the express request of the Slovak presidency. The Maltese presidency also invited Mr Moos to present his opinion at the DEBR meeting in Malta on 17 January 2017.

### ***Social economy enterprises***

At the end of 2015, the EESC set up a permanent study group on social economy enterprises to build on the "Social Enterprise: make it happen!" project. Throughout 2016, it worked very closely with the European Parliament's Social Economy Intergroup, with Commission GROW, EMPL and FISMA DGs and with the EESC's Social Economy Category. It also forged links with the European Committee of the Regions and maintained its contacts with various think tanks. The permanent study group also provided input into the work of the Dutch and Slovak presidencies, for instance by drafting the exploratory opinion on "Innovation as a driver of new

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<sup>1</sup> Convention on the Rights of Persons with Disabilities.

<sup>2</sup> DEBR is an informal network of Directors and Experts of Better Regulation who work on better regulation in their respective countries. It is a forum for identifying and sharing best practices in relation to drawing up regulations. The participants report and comment on developments in their own countries and at EU level. This group reports to the ministers responsible for public administration.

business models" and the active participation of its members at the Bratislava conference on 30 November and 1 December.

The stand-out event of 2016 was the first European Day of Social Economy Enterprises on 1 July. This was a participation event that brought together 134 people and provided an opportunity to hear the concerns of social enterprises on the ground and to catalogue with them of measures still to be taken to fully realise the potential of social economy enterprises. The day notched up two major successes: a very clear call to the EESC from social entrepreneurs to restage the European Day of Social Economy Enterprises in 2017 and an appeal to the Commission to draw up an action plan for the social economy. The Start-up and Scale-up Initiative that the Commission published on 22 November 2016 is an initial, tangible response to this call.

### ***Completing EMU***

On 26 January 2016, the EESC held a thematic debate on the Commission's Deepening EMU package that had been presented in October 2015. The package put forward some specific proposals for implementing stage 1 of deepening EMU as outlined in the Five Presidents' Report of June 2015. In order to gain a complete overview of the current state of EMU and the various proposals in the package, the ECO section invited a number of high-ranking representatives of the European Parliament, the European Commission, the European Central Bank and the International Monetary Fund, as well as civil society organisations for an exchange of views.

Based on the Commission's Deepening EMU package and the ECO section's thematic debate, at its plenary session in March 2016, the EESC drew up and adopted a package of opinions providing specific recommendations on each of the Commission's proposals and urging the European Commission and the Member States to go further in deepening EMU without delay. A more in-depth discussion on one of the proposals in the package – the National Competitiveness Boards – was held in May 2016 in order to support the Council presidency's work on clarifying the role and remit of the boards and reaching a balanced political agreement for the adoption of the proposal.

### ***A performance-based EU budget***

On 29 June 2016, the ECO section held a public hearing on "A performance-based EU budget and its focus on real results: the key to sound financial management", in the presence of Commission vice-president Kristalina Georgieva, the head of the private office of Commissioner Corina Crețu, and representatives from the EP's Budget Control Committee, the European Court of Auditors and the Dutch Council presidency. Participants concluded that in

times of limited fiscal space it is ever more important to effectively use the EU budget to contribute to achieving the policy goals of the European Union, in particular with regard to growth and job creation.

### ***Tax transparency and the fight against money laundering***

Combating tax avoidance and aggressive tax planning, both at EU and global levels, is an important political priority for the European Union. To contribute to the work of the Commission on tackling corporate tax avoidance in Europe, the EESC drew up an opinion on the Commission's proposal that requires multinational enterprises to disclose publicly in a specific report the tax they pay together with other relevant tax-related information. As part of the work, the EESC rapporteurs organised a thematic debate with the participation of representatives of the Commission, the OECD and stakeholders. The opinion has received considerable recognition from the press as it made an important contribution to the debate on the Commission's proposal and was most timely as it also resonated with the discussion on the Panama Papers and LuxLeaks scandals.

The EU is stepping up its fight against money laundering, terrorist financing and tax evasion. A proposed review of the Anti-Money Laundering Directive (AMLD) will help national authorities to obtain and share the information about who really owns companies or trusts, who is dealing in online currencies, and who is using pre-paid cards. Also tax authorities will be able to obtain access to anti-money laundering information as they must know the ultimate beneficiary behind every company to spot tax evaders, a problem highlighted in the recent Panama Papers. To feed into the political debate and decision-making process and to make sure the needs of civil society are duly taken into account, the EESC held a public hearing on "The fight against money laundering, terrorist financing and tax evasion" on 5 October 2016.

### ***The extension of the duration of the European Fund for Strategic Investments (EFSI 2.0)***

The European Fund for Strategic Investments (EFSI), the core of the Investment Plan for Europe, has mobilised throughout its first year of operation a considerable amount of investment in Europe and contributed to restoring growth and confidence in Europe's economies. In the light of the successful first year of the EFSI, the Commission presented a proposal to extend both the duration and the scope of the EFSI (EFSI 2.0) and the EESC drew up an opinion to contribute to the discussion. As part of the consultative work, the rapporteur organised a number of important bilateral debates with European institutions, political figures and stakeholders. On 10 November, the ECO section held a public hearing on "The extension of the duration of the European Fund for Strategic Investment (EFSI 2.0)", with the participation of representatives of the European Commission, the European Investment Bank, the rapporteur of the European Committee of the Regions and representatives of various stakeholder

organisations. The hearing gathered a number of suggestions in view of channelling these findings into the EESC opinion, as well as fostering the debate on a key European issue with the involvement of the social partners and other civil society representatives. The members of the ECO section also had the opportunity to discuss the opinion at an ECO section meeting with the rapporteurs from both the ECON and BUDG committees of the European Parliament.

#### ***Promoting innovative and high growth firms***

The EU and Member States must improve the framework conditions so as to support the creation of innovative and high growth firms. On 7 July 2016, the EESC, jointly with the University of Santiago de Compostela (Spain), held a public hearing looking into the particular role of research-intensive clusters. The hearing came up with recommendations for policy-makers on measures and actions needed to improve the situation, summarised in an own-initiative opinion.

#### ***Support for microfinance***

The EESC hosted the central event of the European Microfinance Day on 27 October 2016. The event highlighted the importance of the services that the microfinance sector offers to its clients and brought forward crucial recommendations for the development of microfinance in Europe.

#### ***Employment in the EU's outermost regions***

On 9 and 10 March 2016, the EESC, in cooperation with the Commission, held a seminar on "Employment in the Outermost Regions", which have particularly high levels of unemployment, bringing together over a hundred experts. The discussions covered topics such as the current situation and the challenges and opportunities for European action to promote employment in the outermost regions, youth integration, support for jobseekers and sectors with job prospects.

#### ***Participatory dialogue on the Trans-European Transport Network***

The EU is often criticised for not involving citizens and civil society when designing and implementing policies. Yet, public participation is crucial for policy efficacy and legitimacy. This is why the EESC, and in particular its Permanent Study Group on Transport, decided to join forces with the European Commission and start a participatory dialogue on the Trans-European Transport Network. The first meeting took place in Malmö (Sweden) in May 2015 and concerned the Scandinavian-Mediterranean Corridor.

As a follow-up to the Malmö event and another step in the process of shaping Europe's core network corridors, the EESC (TEN section) together with the Region of Lombardy and a group

of Italian stakeholders, in close cooperation with the European Commission (DG MOVE/ScanMed Corridor coordinator Pat Cox), held a conference on "Shaping the future of the European core network corridors – Improved dialogue for smart and sustainable transport" in October 2016 in Milan to engage with civil society to discuss and secure support for the implementation of the corridors. Whilst the aim was to demonstrate the potential of participatory dialogue as a problem-solver and as a means of gaining time and support for a project, it was also intended to broaden the use of the EESC dialogue concept to other core corridors. For this reason, the conference took place in Milan, one of the corridors' crossing points. On this occasion, the newly revamped "Talking transport" platform was relaunched in English and Italian, and organised around the topics discussed in the conference.

### ***Digital single market strategy (DSM)***

The Permanent Study Group on the Digital Agenda (PSG DA) continued to play a central role in shaping the EESC's position on most of the files relating to the DSM, and provided its extensive expertise in drawing up opinions on digital agenda topics.

The PSG DA's approach was cross-cutting, as digitisation is transforming all segments of society and the economy. Particular emphasis was put on the potential of digital technologies to increase wealth and boost the quality of work and employment in Europe, while mitigating risks through pro-active policy-making at EU and national levels.

With a view to harnessing the economic power of the EU's older citizens, who make up 25% of the population, the EESC drew up an own-initiative opinion on this topic and also organised, in cooperation with DG Connect, ETUC and Business Europe, a public hearing in March 2016 entitled "125 million senior citizens in the EU: an engine for digital growth?". Experts from civil society and institutions discussed measures to maximise senior citizens' digital work potential, as well as the contribution of seniors to digital growth, and their role in the development of the DSM.

On 21 April 2016, the EESC held a Digital Agenda conference entitled "Innovation in the digital era. Reinventing our economy", in cooperation with Confrontations Europe. This event brought together nearly 300 participants and high-level speakers in interactive debates with EESC members, the Dutch presidency, the French Digital Council, and Commissioner Günther Oettinger, about changes in the modes of production and patterns of consumption associated with the digital revolution. One of the Commissioner's main conclusions was on skills and qualifications, highlighting the need to encourage people to study IT, physics and electronics in order to meet the market demand for jobs in the digital field. As the digital revolution gains momentum, the ethical dimensions of Big Data are becoming an increasingly important concern for civil society. While the European Commission's approach to Big Data is focused on a drive

for economic growth and increased competitiveness, the EESC has a more nuanced view and has commissioned a study to explore the ethical dimensions of Big Data and how to maximise its benefits while preserving the fundamental rights of individuals, including the right to privacy. The conclusions of the study were published in March 2017.

### *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 118 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.

#### **2.1.5 Promoting organised civil society beyond our borders**

In 2016, EESC members were also influential players at numerous high-level national, EU and international meetings, helping to promote European values and share civil society concerns. The Committee actively expanded its contacts and consultation with civil society organisations in third countries through its well-established practice of involving civil society in the monitoring of different strands of the EU's external policies. New platforms were put in place for structured dialogue with Ukrainian civil society, as well as with Georgia and Chile.

On 25 May 2016, a debate on the future of ACP-EU relations, took place with Joseph Chilengi, president of the Economic, Social and Cultural Council of the African Union (ECOSOCC) and Neven Mimica, Commissioner for International Cooperation and Development.

On 20-21 January, the Tunisian Quartet – winners of the 2015 Nobel Peace Prize – attended the EESC plenary session and presented an analysis of their country's current situation and reaffirmed their commitment to close cooperation with the EESC.

Other external relations events included:

- Meeting with Cuban civil society in Havana
- Hearing with Latin American civil society in Montevideo (Uruguay)
- Meeting of the EU-Africa network of economic and social stakeholders
- Regional seminar of EU-ACP economic and social actors in Eastern Africa Community
- Civil society platforms and Domestic Advisory Groups with Eastern Neighbours (Georgia, Ukraine, Moldova)
- Euromed summit of economic and social councils and similar institutions in Athens
- Joint Consultative Committee meetings with candidate countries (Turkey, Montenegro, Serbia)

- EEA Civil Society Joint Consultative Committee
- Civil Society Forum South
- Meeting of the Civil Society Domestic Advisory Group under the EU-Korea Free Trade Agreement
- Meetings of the Civil Society Domestic Advisory Group under the EU-Central America Association Agreement
- Meetings of the Civil Society Domestic Advisory Group under the EU-Colombia/Peru Free Trade Agreement
- Hearing with Turkish civil society on refugees in Ankara and Izmir
- Meetings with Russian civil society organisations
- Meetings with Japanese Civil Society on the EU-Japan Free Trade Agreement
- EU-China Round Table
- First meeting of the EU-Chile Joint Consultative Committee

#### **2.1.6 Cooperation with national economic and social councils (ESCs)**

In 2016, the EESC managed to maintain a high level of activities involving economic and social councils despite significant budgetary restrictions at national and EU levels. The cooperation with the national ESCs was pursued beyond Europe 2020 with an important input into the European Semester. In addition, the Committee was involved in a high number of conferences and joint activities in cooperation with several ESCs, on a bilateral basis or within the network of national ESCs of the EU.

The Annual Meeting of the Presidents and Secretaries-General of the national ESCs of the EU and the EESC was dedicated to "The future of work and social rights in a changing Europe". It was hosted by the Economic and Social Council of Spain and was held in its premises in Madrid on 6 and 7 October 2016.

#### **2.1.7 Communication activities**

In 2016, the EESC focused in particular on implementing the action plan linked to the updated communication strategy, on upgrading the going local effort and on communication linked to the Committee's political priorities. Moreover, the EESC continued work on revamping and modernising its website. Its press activities were following a more targeted approach while social media use saw a substantial increase.

### *Media and journalists*

In 2016, EESC media coverage increased significantly compared to previous years, rising by 30% on 2015. A total of 4 307 articles were gathered during 2016 compared to the 3 289 articles for 2015.

During 2016, EESC plenaries welcomed high-level speakers such as the Commission president, Jean-Claude Juncker, and the Commission vice-presidents, Frans Timmermans and Jyrki Katainen, which had a positive impact on coverage. In addition, the participation of members of local civil society organisations active on the ground, such as the recipients of the EESC Civil Society Prize, helped to garner good coverage at national and local levels in the EU Member States.

78 press releases were published in 2016 (an equal number to 2015) and went out to over 1 300 accredited journalists in Brussels and an increasing number of targeted national journalists across Europe.

With regard to the EESC Info newsletter, 9 issues were published in 2016, including one special issue on migration (April) in connection with the publication of the synthesis report on the EESC's fact-finding missions. The number of EESC Info subscribers in 2016 was 6 837 (slightly up on the 2015 figure of 6 587).

Following a call for tenders for a prototype version of an electronic newsletter, the EESC began to develop a fully digital, web-first newsletter with print available on demand.

### *Going Local*

The EESC's "Going Local" initiative relates to activities carried out by one or more EESC members at local level to raise awareness of the work of the EESC and its role in the EU decision-making process.

There has been a substantial increase in local activities. Figures for 2016 include activities linked to consultative works, including the promotion of EESC opinions and "Your Europe, Your Say" (YEYS), for a total of around 232 activities involving around 140 members. The Communication Department provided logistical support and promotional material for 120 events (conferences and partnerships taking place in or outside the EESC, as well as back-to-school and going local events). Increased focus has been given to reporting so as to collect relevant experiences. Going local efforts were often supported by Commission Representations in the Member States as well as the Parliament Information offices.



### *Civil Society Prize*

The Committee organised the 8th annual Civil Society Prize, which aims to encourage tangible initiatives by civil society organisations and/or individuals at all levels – European, national, regional and local – that significantly contribute to promoting European identity and integration. The 2016 edition of the prize aimed to reward excellence in civil society initiatives and inspiring projects that represent the best of human solidarity in Europe and which have demonstrated a real impact on the ground by improving the lives of migrants and fostering their integration into European society. Following an intensive communication campaign on the EESC website and on social media to publicise this year's prize, the EESC received an unprecedented 284 applications from 27 countries and awarded 5 winning initiatives with a total of EUR 50 000. The prize was awarded during the EESC plenary session on 15 December 2016: the first prize went to the Hungarian NGO Artemisszió Foundation (EUR 14 000), while the German organisation SOS Mediterranee, the Greek baker Dionysis Arvanitakis, a branch of the Spanish NGO SOS Racismo and the Greek NGO Iliaktida (Sunbeam) received EUR 9 000 each. For the 2016 Civil Society Prize, there was significant media coverage with 102 publications covering the award in regional, national (six countries) and European media.

### *EESC participation at the Deutsche Welle Global Media Forum*

From 13 to 15 June 2016, the EESC organised a panel, for the first time, at the Deutsche Welle Global Media Forum (DW GMF) in Bonn. The GMF is an event that attracts around 2 000 participants each year, including some 600 journalists from all over the world.

The EESC hosted a panel entitled "Migration, a story of two worlds". Eleven members, including vice-president Gonçalo Lobo Xavier, took part in the event.

### *Civil society media seminar*

The 10th annual Civil society media seminar, an event aimed at journalists and communication/press officers from civil society organizations, took place on 24-25 November 2016 at the Diplomatic Academy in Vienna and focused on the theme of "Communicating Migration". Some 200 participants attended the event. Official partners for the event included the United Nations, UNHCR, the International Organization for Migration (IOM), the European Union Agency for Fundamental Rights, the Slovak EU presidency, the City of Vienna and the Austrian Federal Ministry for Europe, Integration and Foreign Affairs. EESC president Georges Dassis and Austrian State Secretary for Integration Muna Duzdar also took part.

### ***Your Europe, Your Say!***

The 7th annual "Your Europe, Your Say!" (YEYS) event was held at the Committee's headquarters on 17 and 18 March 2016 on the theme of "Migration: how to better integrate migrants and refugees in our societies". A total of 99 pupils and 33 teachers from schools in all 28 Member States and, for the first time, from the 5 EU candidate countries (Albania, the Former Yugoslav Republic of Macedonia, Montenegro, Serbia, and Turkey) took part in the event, whose aim was to increase young people's awareness of the EU, introduce them to the role and the work of the EESC and encourage them to share new ideas for a more democratic Europe.

Prior to the event, the selected schools had received a visit by a Committee member, which led to good local media coverage. YEYS gives young people a rare chance not only to speak out, but also to be heard. The pupils in the event presented their priorities during a Committee seminar. Participant evaluation showed a very high satisfaction rate (4.75 out of 5).

### ***Visiting schools***

34 EESC members and 6 members of EESC staff visited schools in their countries of origin for one day to engage in discussions with pupils on European integration and talk about their work for a European institution, either in the framework of YEYS or under the *Back to school initiative*.

### ***Hosting visitors in Brussels***

In 2016, the EESC received some 7 200 visitors (2015: 9 200) divided into 293 groups. They were mostly made up of members of civil society organisations and students specialising in European affairs. 121 presentations were made by members. The satisfaction index was very high, with 67% of visitors being very satisfied and 33% satisfied with their welcome. Some 49% were very satisfied and 46% satisfied with the presentation given to them.

In addition to this, the traditional Open Day took place on 28 May 2016, as part of the interinstitutional Open Day. It attracted 2 424 visitors (2 378 in 2015) and saw the active participation of 20 members and 75 staff members. In May 2016, EESC members also participated in the Schuman Day celebrations in the Czech Republic, Hungary, Luxembourg, and France.

### *Internet and social media*

In 2016, the number of visitors to the EESC's website increased by 12% to 762 797. This amounted to 186 336 page views per month. The website's additional mobile version again saw a substantial increase in visits with 17 200 monthly page views, i.e. an increase of 119%. The revamp of the website continued throughout 2016 and the alpha version was finalised in September 2016.

The use of social media was strengthened in 2016 with regular action relating to all important EESC events, the setting up of a consistent training policy and on-demand tailored coaching sessions for specific teams. Regular training sessions for members also continued throughout the year. A significant increase in EESC members' Twitter activity has been noted, from 93 members active on Twitter in the beginning of 2016 to 132 at the end of the year.

A new internal structure, the Social media network, was set up in 2016 for its early 2017 launch. The main aim is to ensure good coordination of EESC social media activities and accounts resulting in optimal quality, visibility and frequency of communication.

At the horizontal level (corporate accounts), social media was used to promote no fewer than 100 events throughout the year. Both the EESC president and the vice-president in charge of communication increased their social-media activity on Twitter. All Twitter accounts taken together, both corporate and specific, had a total of 43 933 followers at the end of 2016. The number of followers on Facebook increased from 10 836 to 16 352 in 2016. The Google+ account had 401 followers at the end of 2016.

### *Culture*

Some cultural events were linked to the Dutch EU presidency (exhibition of objects linked to sustainability) and to the Slovak EU presidency ("Reflections from Slovakia" – exhibition of photographs).

In addition to 4 presidency events, the EESC organised 15 cultural events in cooperation with various EESC departments and/or relevant stakeholders; the key events were:

Together with the United Nations, the International Organization for Migration and the Italian Cultural Institute in Brussels, a public screening of the award-winning film-documentary "Fire at Sea" ("Fuocoammare"), set on the island of Lampedusa. The EESC hosted the exhibition "This is Europe, This is now" by Giles Duley, a British internationally-recognised photojournalist and former war correspondent, which portrays the stories of the many men, women and children who crossed the Mediterranean sea and arrived on the Greek island of Lesbos.

As regards participation in the official opening of the exhibitions, this varied from around 50 to 300 people depending on the subject of the exhibition.

Based on the assessment carried out in 2014 and the recommendations for cultural activities adopted by the Bureau in February 2015, partnerships in the organisation of events were sought as well as links to the EU presidencies and the EESC political priorities (i.e. the theme of migration with the Giles Duley "This is Europe, This is now" event, and "Fire at Sea").

### *Other activities*

The EESC website revamp project continued with an analysis of the technology to be used and with a view, inter alia, to implementing responsive design (i.e. adapted design to be displayed on any device, mobile and desktop), improving social-media integration and ensuring compatibility with the EU Open Data Portal.

In 2016, the EESC produced 121 publications in all, the same number as the year before, including 55 new titles (9 more than in 2015). Those of a general nature, such as "Discover what the EESC can do for you, Shaping Europe – Recent EESC achievements" (which were republished) and "The EESC from the inside out" (the annual activity report in brochure form) continue to be very successful.

In 2016, the "Discover what the EESC can do for you" leaflet was published for the first time as an easy-to-read version in three languages intended for people with learning difficulties, poor literacy or other problems that might limit their access to information. Since 2016, the game *R EU READY*, an app for download to mobile devices (iOS and Android), has been available in 23 languages.

### *Audio-visual products*

In 2016, the EESC's Communication Department produced a total of 22 audio-visual products in different formats and versions. The principal videos centred on presenting the Committee's work, such as the corporate video ("How has the EESC made a difference"), as well as on highlighting the EESC's major initiatives (e.g. "Your Europe, Your Say", the Civil Society Prize on migration, the European Citizens' Initiative day (ECI), the Consumer Day, etc.). All videos were published on the EESC website and/or posted on Facebook and YouTube and disseminated via Twitter.

***Database***

Fully operational since March 2014, the Microsoft Dynamics Customer Relationship Management (CRM) system was introduced at the EESC in order to enable staff to manage contact and mailing lists and to send out mass mailings (via e-mail or post). In 2016, the ITT and Online Information (INF) units have been jointly assisting staff in transferring contacts to Dynamics, advising them on e-newsletter best practices and training/coaching staff in operational services. At the end of December 2016, there were 241 users from 41 different units (an 18% increase in the number of users compared to 2015). Some 684 649 e-mails for 9 128 mailings/e-newsletters had been sent through Dynamics and 11 842 forms and 116 surveys had been posted (44% increase compared to 2015).

***Replies to citizens' questions***

616 emails with citizens' questions were received in the general EESC mailbox and replied to in 2016, which corresponds to an increase of roughly 8% as compared to the previous year.

***Contacts with other EU institutions***

Besides taking part in meetings of the Council Working Party on Information, the EESC also took an active part in the meetings of the Club of Venice (senior national and EU officials responsible for communication). The EESC also participated in several interinstitutional meetings concerning the internet, social media and publications: management meetings of the Publications Office and the Interinstitutional Internet Editorial Committee ("Comité éditorial interinstitutionnel internet", CEiii), an interinstitutional cooperation body which meets 4-5 times per year and cooperates through working groups on social media, web preservation, search functionalities and web analytics.

**2.1.8 Reflections about the modernisation of the Committee**

In 2016, the political authorities launched a reflection process on the "Future of the Committee". An "Ad hoc Group on the Future of the Committee" was established on 18 October 2016 on the initiative of the Bureau. It is made up of six members appointed by the three Groups. In accordance with the intentions expressed by the Bureau, the task of the ad hoc group is to continue the in-depth reflection exercise on the future of the Committee launched by the presidency in June 2016, with the support of the sections and the CCMI.

The need for reflection in this field has been strengthened in the view of a large number of members by the changes in the approach to legislative activity announced by Commission president Jean-Claude Juncker at the beginning of his term of office. This trend has obvious

repercussions on the pace of the consultative process, and therefore on the institutional role of the EESC.

More generally, the Bureau initiative follows other exercises launched by the Committee, its members and its groups to identify the broad outline of a modernisation of the EESC's identity and to undertake a reform of its operating principles. Its mandate, drawn up by the Bureau, is to:

- 1) develop a vision for the Committee;
- 2) reflect on the future of the European Union and the role that the Committee will play in it; and
- 3) reflect on adapting the Committee – its structures, the way it functions, its working methods – to its current and future institutional environment.

## 2.2 ADMINISTRATION

The Committee is served by a secretariat-general, headed by a secretary-general who reports to the president, representing the Bureau. Some 700 staff members work at the EESC.

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. Great efforts have also been made to adapt budgets to the constraints of the current financial and economic situation.

Highlights of the year 2016 in the EESC are outlined below:

### 2.2.1. Interinstitutional perspective

- **Implementation of the cooperation agreement with the European Parliament:** The transfer of staff and posts to the newly created Directorate-General for Parliamentary Research Services (DG EPRS) was finalised in 2016. In return, EESC and European Committee of the Regions (CoR) members have access to the services of DG EPRS. This transfer, together with a 1% reduction of staff in the framework of an interinstitutional agreement, constitutes a considerable decrease of 43 posts in the 2016 establishment plan.

An interinstitutional seminar on the cooperation agreement was organised by the Interinstitutional Relations unit (REL) in October 2016, which saw legislative works staff in the EP discuss better implementation with colleagues in the EESC sections. The REL unit, together with the Training unit also organised training for EESC staff on how to work better with the European Parliament, in December 2016.

There is close cooperation between the EPRS and the EESC. The EESC organised a joint information session and a seminar with the EPRS on its work.

A monthly EPRS newsletter, presenting the EPRS publications most relevant to the EESC's needs, is regularly produced by the EPRS and sent by the EESC Information Centre to all members and staff.

- **Closer interinstitutional cooperation between the European Committee of the Regions and the EESC:** Building on the success of our existing cooperation, a new four year agreement between the European Committee of the Regions (CoR) and the European Economic and Social Committee (EESC) entered into force on 1 January 2016. The cooperation between the CoR and the EESC focuses on two main areas:

Firstly, both bodies continue the joint functioning of the two directorates which act as service providers for both committees, principally, in the areas of translation and logistics, including IT security, buildings management and sustainable environmental management procedures (EMAS). A pilot project on single management of paired translation units started in autumn 2016 for a trial period of 18 months.

Secondly, the two committees continue their cooperation in other areas, such as the library and information centre, cooperation between the two medical services and the management of meeting rooms.

- **Closer interinstitutional cooperation with other EU institutions:** contacts were further developed, mainly with regard to the implementation of the 2014 Staff Regulations, both at a formal (interinstitutional joint committees) and an informal level (bilateral contacts and ad hoc working groups). The EESC also continued its close cooperation with EPSO (participation in selection boards, production of videos for EPSO) and held the presidency of the interinstitutional Common Joint Committee (COPARCO). Furthermore, in order to produce efficiency gains and benefit from economies of scale, service level agreements (SLAs) were concluded with the European Commission for the provision of certain administrative services linked to individual rights of staff. Moreover the EESC has migrated to a new learning management system "EU Learn" developed by the Commission and replacing the "Syslog" tool.
- **Signature of the administrative arrangements between the EESC and the European Anti-Fraud Office (OLAF) on 13 January 2016:** The administrative arrangements agreed between the EESC and OLAF aim to facilitate the swift exchange of information.

- **Active participation in ESPAS project:** The European Strategy and Policy Analysis System, ESPAS, is an important inter-institutional project set up to enhance the forward planning ability of the EU. It brings together the European Parliament, the European Commission, the secretariat general 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 a theme of specific interest to the EESC ("Evolution and trends of civil society"), on 16 November 2016.

### 2.2.2 The EESC perspective

- **Fostering a culture of mobility within the EESC:** The EESC encourages internal mobility as a means of professional development, via the implementation of a decision introducing a framework for structural mobility. Some accompanying measures, such as specific training support, appropriate career guidance and job shadowing, were implemented in order to make the most of staff potential. In 2016, forty colleagues – representing more than 5% of all staff – participated in two job shadowing exercises, which enabled them to gain insight in a new working field and helped build bridges between organisational entities.
- **Measures on staff motivation and well-being:** The EESC continued to be an attractive, dynamic and innovative employer by improving working conditions, work/life balance and well-being at the workplace through implementing new decisions on flexitime and teleworking. Around 360 colleagues from both committees participated in the second edition of the Step Challenge, an initiative to combat sedentary lifestyles.
- **Performance management:** The appraisal and promotion procedures have undergone a substantial revision, taking into account the changes in the Staff Regulations, past experience as well as the results of an extensive consultation within the framework of the social dialogue.
- **Stronger HR planning and career guidance:** The Directorate for Human Resources has continued to develop a forward-looking approach to its activities, in particular in the area of workforce planning and its contribution to organisational design. The aim is to guide and ensure consistency between the different HR processes (management of the establishment plan, career path and mobility, training itineraries, etc.) with the ultimate goal of enabling the EESC to fulfil its role in an optimal way.
- **Improved internal communication, social dialogue and relations with in-house partners:** Communication was strengthened with the various stakeholders (active and



retired staff, the social partners, members, etc.) by consolidating internal communication tools (HR TV, the staff magazine EESCoop, HR InfoPoint). Two-way communication was encouraged by organising a staff survey and collecting feedback via exit interviews. Meetings between the administration (secretary-general and/or relevant managers) and staff representatives were organised on a regular basis.

- **Increased efficiency, flexibility and modernisation of administrative procedures:** 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 introduction of an online application system for making appointments with HR services (HRdV) on 1 February 2016. The modernisation of administrative procedures continued with managing a broader range of HR procedures electronically via Sysper (individual rights, time management, salary slips, etc.). One of the modernisations underway is the MiMa project – electronic workflow for staff mission management. Extensive testing was performed in 2016 and rollout is planned for 2017.
- **Reimbursement of members' travel and subsistence costs:** Under the new financial rules (Bureau decision of 26 May 2015), members' payment lead time shortened and stabilised to approximately 14 calendar days after some initial delays. A revision of the new rules was adopted by the Bureau in April 2016 simplifying several elements of the regulation. 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. The electronic reimbursement request tool for members was upgraded.
- **The EESC's internal financial rules:** The process of revision was started in 2016, with the revised rules expected to come into force by the end of 2017.
- **Modernisation, transparency, data protection:** A new sector was established in September 2016 responsible for rationalising, optimising and, where necessary, digitising processes and procedures. The sector organises and monitors the rationalisation and modernisation of the EESC's main administrative processes, ensures that the rules and instruments for administrative transparency are effectively put in place, provides advice about data protection and promotes the organisation's compliance with data protection rules.
- **Data protection:** In 2016, the Data Protection Officer focused primarily on monitoring compliance with data protection legislation, cooperating with the European Data Protection Supervisor, raising awareness on data protection and participating in inter-institutional cooperation. On 1 September 2016 a new DPO was appointed as well as a DPO assistant. In terms of monitoring compliance, in 2016, eight new notifications were submitted to the

DPO, the same number as in 2015 and an increase of 100% compared to 2014 (according to the rules, controllers shall give prior notice to the DPO of any data processing operation.). Also, the DPO received three complaints from data subjects and ten information requests. All these cases have been satisfactorily closed. The process of informing and raising awareness among data subjects and controllers will continue and be stepped up in preparation for the implementation of the new data protection regulation for the EU institutions and bodies (scheduled to enter into force in May 2018).

- **Public procurement assistance:** A new service providing assistance on public procurement to financial actors in all of the EESC's departments was created in 2015. In 2016, the service was consulted approximately 80 times regarding tender procedures for EESC own services. The total number of tender procedures analysed and amended was 26. During 2016, two training sessions were organised about public procurement for financial actors.
- **The Legal Service,** following the policy established by the secretary-general, issued 154 legal opinions, mainly on staff matters, public procurement and questions related to the Committee and its members. It also represented the Committee in 15 judicial proceedings (8 at national level and 7 at EU level).
- **Modernisation of information systems, IT Infrastructure and user support services** in line with best practices in IT management while optimising the use of human and financial resources: IT information systems support the Committee's activities in four priority domains: political work, document management, communication and HR-finance. Many new developments were ongoing in 2016: e.g. new payment and e-invoicing systems were tested, mobile versions of Members Pages were introduced, and a new version of e-claims (electronic reimbursement forms) was launched. Work continued on the new document management programme and the operation of the translation tools.
- Significant developments in the areas of data centres, office automation, telecommunications and IT security included: configuration of the new open source database servers, hardening of the web server infrastructure in line with CERT EU recommendations, and increasing the capacity for teleworkers. During 2016, the Committee rolled out the "one PC" scheme and significantly reduced the number of personal printers.
- **Expansion of videoconference and telepresence facilities:** the Committee has made effective use of current videoconferencing and Skype capacities. Since 2014, the EESC has kept improving its videoconferencing tools, with a number of technical projects already finalised and others in the pipeline. In parallel, a wider use of videoconferencing has been promoted internally, as an element of EMAS. The effect has been tangible: whilst these

facilities were used on 24 occasions in the course of 2015, they were used in 129 meetings during 2016.

- **Providing modern and effective management of the Committees' buildings and improving the service to their occupants:** Several renovation projects were executed, e.g. lift cabins, parquet floors, burglar-proof film, low-energy lighting, window frames, and studies related to the renovation of the entrance halls of the JDE and BvS buildings and to the Property prospection notice procedure for a new building in view of replacing the VMA building.
- **Efficient environmental management** in line with the Committee's commitment to EMAS. Like many private and public organisations, the EESC is working on reducing its carbon footprint and the energy cost of its activities by continuously improving its environmental performance. The European Union is combating climate change and this commitment extends to the European administrations, which are gradually reducing their environmental impact thanks to the EMAS scheme. The EESC, in cooperation with the CoR, has set up an environmental management system as part of a process of continuous improvement in this area. These efforts have borne remarkable results over the last few years and earned the Committee the Brussels Ecodynamic Enterprise label in 2009. In 2011, the EESC was awarded EMAS and ISO 14001 certification.

In 2016, the certification audit report by the environmental verifier AIB-Vinçotte was particularly positive. In particular, it highlighted that the Committees were the first European bodies to initiate projects aimed at fighting food waste and donating food. Other positive points included initiatives to reduce paper use, good environmental awareness by management and the project to calculate the Committees' carbon footprint in 2017. By choosing to operate as sustainably as possible, the Committees have already made significant savings in several fields.

Here are some examples of the Committee's environmental results in 2016:

Gas	-43% compared to 2008
Water	-45% compared to 2009
Electricity	-27% compared to 2008; 100% green electricity
Paper	-41% compared to 2009
Waste	-50% compared to 2010
Cleaning products	-57% compared to the quantity used in 2012; 63% of all products used are environmentally friendly
Plant care products (green areas)	100% environmentally friendly since 2010

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 the use of paper have opened the way for an in-depth reflection on making our administrative processes more modern and more efficient.

- **Increased security measures and follow-up:** Following the Brussels terrorist attacks on 22 March 2016 in the immediate vicinity of the Committee, increased security measures were introduced in the premises of the Committee. Throughout 2016, the Committee maintained the "yellow" alert (level two out of three) with measures adapted to the situation.

Within the framework of inter-institutional cooperation, the institutions have adopted common alert levels and related measures. Moreover, the institutions have harmonised the raising/lowering of levels in close cooperation. 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 and this 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 terrorism threats. Significant updates in the areas of crisis management and business continuity plans were conducted.

- **Members' Helpdesk:** The helpdesk continued to grow and develop. It remains open throughout the day and is greatly appreciated by members. Helpdesk staff were particularly effective in helping members requiring assistance following the terrorist attacks on 22 March.
- **Providing translation and other language services of the highest possible quality:** The resource-efficient multilingualism policy was further deepened and developed. In 2016, translation output was 17.5% higher than in 2015 due to an increase in the number of opinion pages as a result of a higher level of legislative activity. It should be noted that the staffing and outsourcing levels provided for in the EESC-CoR cooperation agreement were based on the assumption of a stable translation output. Further rationalisation measures to maintain a manageable level of translation output will therefore be needed.

# I.

## Presentation and main achievements 2016

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Improving working methods and optimising human and financial resources management: A call for tenders for a new Translation Management System was published in autumn 2016.

The pilot project for common management of translation units provided for by the Cooperation Agreement was launched in October 2016. Two groups of two languages are taking part in the pilot project (SV+FI; CS+SK). The project will run for 18 months and is subject to ongoing evaluation.

A revised version of the Code of Conduct for Translation was signed and entered into force in July 2016.

The Committees' Directorate for Translation continued to use the interinstitutional web portal developed in-house for the exchange of linguistic requests between EU translation services (translation, revision, editing, quality control), on the basis of the mandate of the interinstitutional working group on workload balancing (WLB). The portal centralises the submission of WLB requests and WLB statistics, so that all participating EU institutions can easily follow them up.

The outsourcing rate increased substantially compared to 2014. The rate in 2015 was 9.74% and rose to 16.61% in 2016. Staffing levels in the directorate were reduced more than 9% of posts compared to 2015. The reduction of staffing levels was compensated by the increase in outsourcing.

# I.

## Presentation and main achievements 2016

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### Useful links

EESC website: [www.eesc.europa.eu](http://www.eesc.europa.eu)

Facebook: [www.eesc.europa.eu/facebook](http://www.eesc.europa.eu/facebook)

Twitter: [www.eesc.europa.eu/twitter](http://www.eesc.europa.eu/twitter)

YouTube: [www.eesc.europa.eu/youtube](http://www.eesc.europa.eu/youtube)

LinkedIn: [www.linkedin.com/company/european-economic-and-social-committee](http://www.linkedin.com/company/european-economic-and-social-committee)

EESC president: [www.eesc.europa.eu/president](http://www.eesc.europa.eu/president)

EESC president on Twitter: @EESC\_President

Your Europe, Your Say!: [www.eesc.europa.eu/YourEuropeYourSay](http://www.eesc.europa.eu/YourEuropeYourSay)

# **PART II**

## **Annual General Accounts 2016 (Accrual Accounting Principle)**





**PART II - INDEX**

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**1. CERTIFICATION BY THE ACCOUNTING OFFICER**

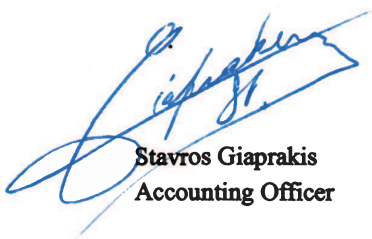
Brussels, June 2017

The annual accounts of the European Economic and Social Committee for the year 2016 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 19 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 principle<sup>1</sup>. The general accounts allow for the preparation of the financial statements as they show all charges and income for the financial

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<sup>1</sup> 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

#### 3.1 THE ECONOMIC OUTTURN ACCOUNT (BASED ON BUDGETARY RESULTS)

	Note	1/1-31/12 2016	1/1-31/12 2015
<b><u>Operating Revenue</u></b>			
Funds transferred from the Commission		114,020,000	107,000,000
Revenue from administrative operations		15,390,162	14,816,990
Other operating revenue		<u>7,451</u>	<u>2,758</u>
	<b>1</b>	<b><u>129,417,613</u></b>	<b><u>121,819,748</u></b>
<b><u>Operating Expenses</u></b>			
<u>Administrative expenses</u>			
Staff expenses		-68,777,488	-64,757,848
Members expenses		-20,885,203	-17,476,119
Fixed assets related expenses		-4,822,452	-4,798,813
Interpreter services		-6,463,775	-6,835,659
ICT		-4,687,621	-4,919,443
Security and surveillance of buildings		-3,700,327	-3,672,874
Rent		-3,409,048	-3,399,739
Cleaning and maintenance		-2,030,817	-2,189,380
Other administrative expenses		-8,429,614	-8,884,446
		<b><u>-123,206,345</u></b>	<b><u>-116,934,321</u></b>
<u>Operational expenses</u>			
Other operating expenses		<u>-1,986</u>	<u>-5,832</u>
		<b><u>-1,986</u></b>	<b><u>-5,832</u></b>
		<b><u>-123,208,331</u></b>	<b><u>-116,940,153</u></b>
<b>Surplus from operating activities</b>		<b>6,209,282</b>	<b>4,879,596</b>
Financial operations revenue		50	36
Financial operations expenses	<b>2</b>	-7,100,097	-7,250,311
<b>Deficit from non-operating activities</b>		<b>-7,100,047</b>	<b>-7,250,275</b>
<b>Economic result of the year</b>		<b>-890,765</b>	<b>-2,370,679</b>

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.

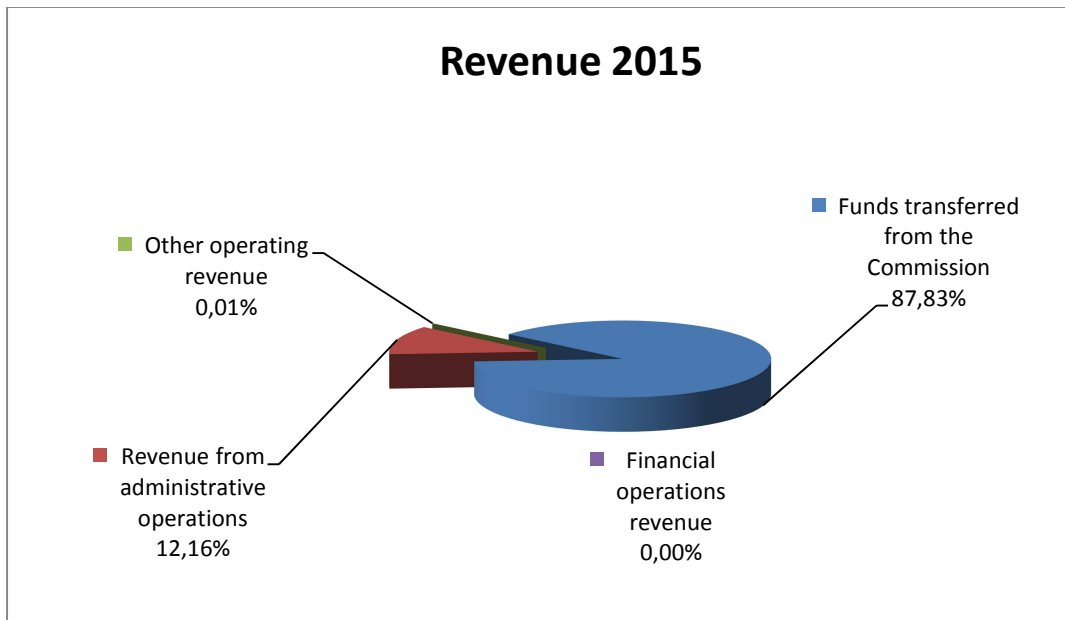
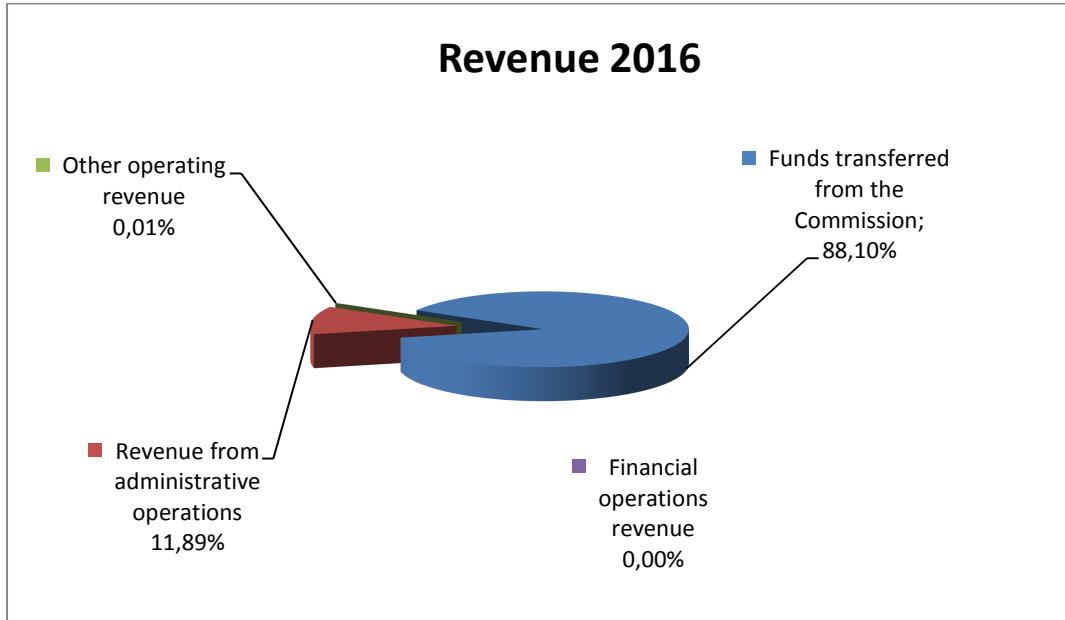
Up to now, the Economic Outturn Account has been presented based on the budgetary results in relation with the budget lines as well as non-budgetary figures.

In order to present a more accrual based Economic Outturn Account, a new presentation is introduced this year which provides a global overview based on the General Ledger Accounts of expenses and revenue.

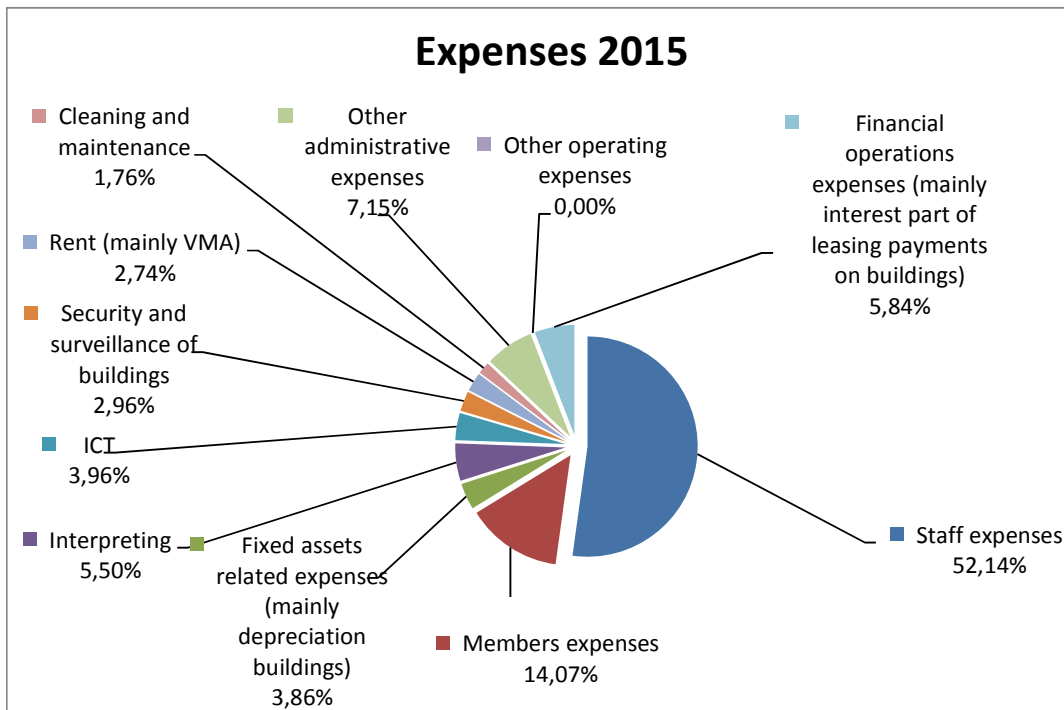
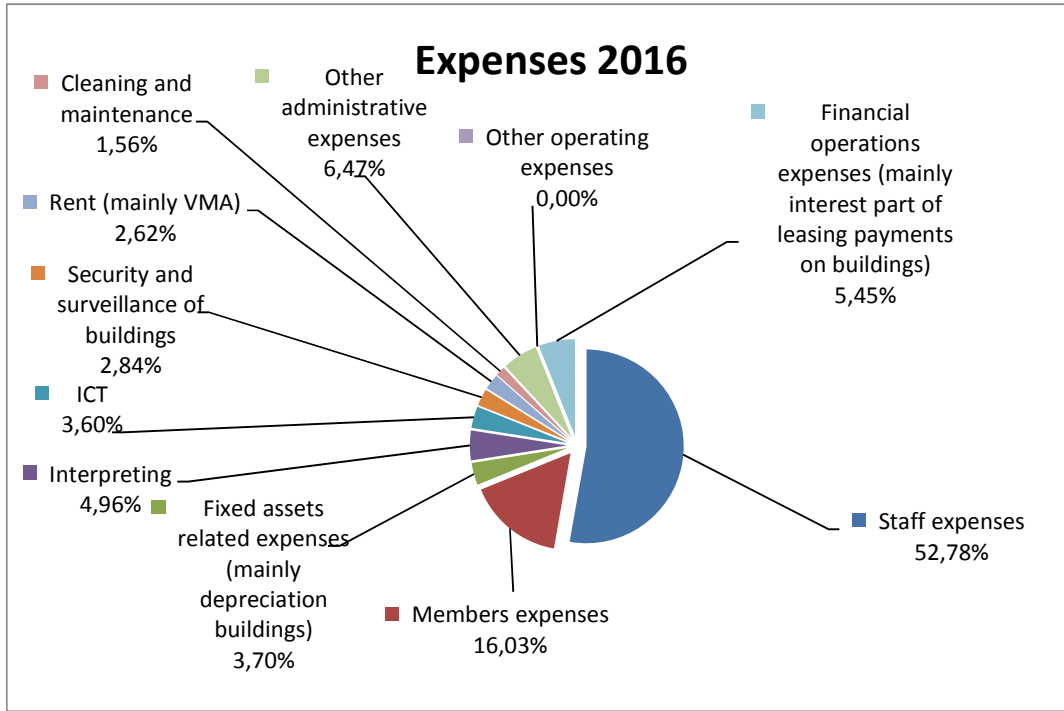
### 3.2 THE ECONOMIC OUTTURN ACCOUNT (BASED ON THE GENERAL LEDGER ACCOUNTS)

	Note	2016
<b>From ordinary activities</b>		<b>6,211,992</b>
<b><u>Revenue</u></b>		
Funds transferred from the Commission		114,020,000
Revenue from administrative operations		15,390,162
Other operating revenue		<u>7,451</u>
	<b>1</b>	<b><u>129,417,613</u></b>
<b><u>Expenses</u></b>		
Staff expenses and Members expenses		-90,209,162
Depreciation, amounts written off, provisions and accruals		-13,467,099
Land and building related expenses		-8,262,503
Other expenses		<u>-11,266,857</u>
		<b><u>-123,205,621</u></b>
<b>From financial activities</b>		<b>-7,102,757</b>
Financial operations revenue		50
Financial operations expenses	<b>2</b>	-7,102,807
<b>Economic result of the year</b>		<b>-890,765</b>

II.



II.



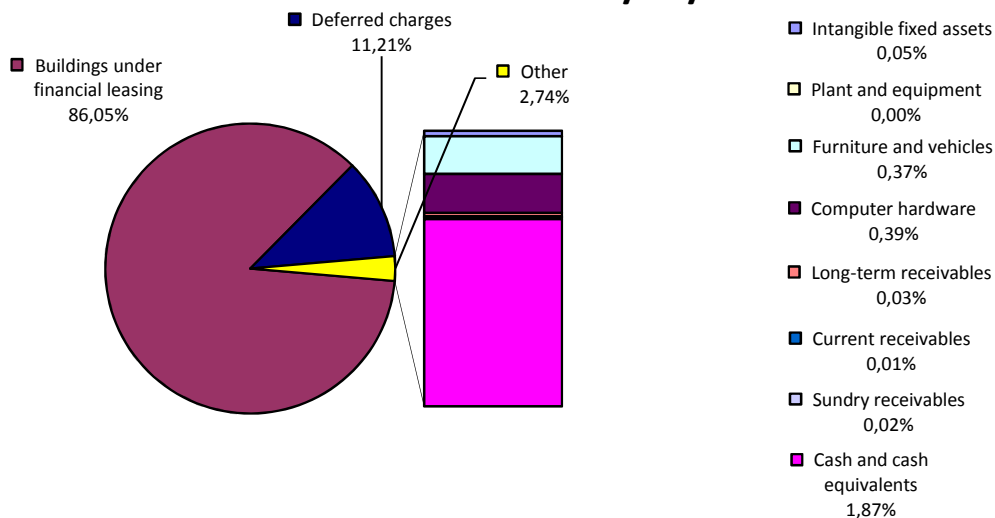
## II.

## 4. THE BALANCE SHEET

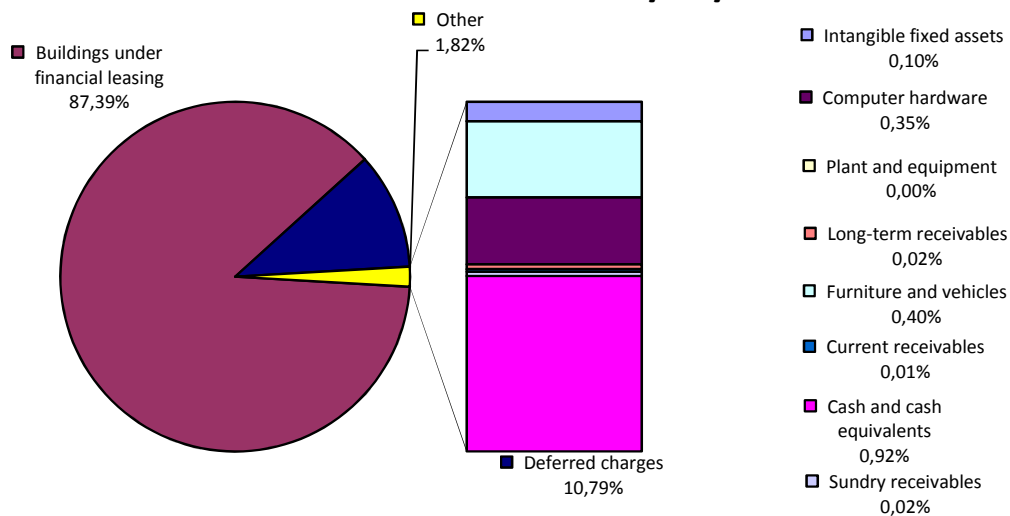
	Note	31/12/2016	31/12/2015
<b><u>I. Non-current assets</u></b>			
Intangible fixed assets	3	64,634	124,298
<b><u>Tangible fixed assets</u></b>			
Buildings under financial leasing	4	103,358,304	107,982,395
Plant and equipment	5	2,125	3,215
Other fixtures and fittings	5	495,001	528,339
Furniture and vehicles	6	447,981	489,359
Computer hardware	7	465,375	432,834
		<u>104,768,786</u>	<u>109,436,142</u>
Long-term receivables	8	38,502	30,650
		<b><u>104,871,922</u></b>	<b><u>109,591,090</u></b>
<b><u>II. Current assets</u></b>			
<b><u>Short-term receivables</u></b>			
Current receivables	9	12,528	17,697
Sundry receivables		21,936	25,771
Deferred charges		13,466,840	13,329,953
		<u>13,501,304</u>	<u>13,373,421</u>
Cash and cash equivalents		2,232,788	1,133,593
		<b><u>15,734,092</u></b>	<b><u>14,507,014</u></b>
<b>Total assets</b>		<b>120,606,013</b>	<b>124,098,104</b>
<b><u>III. Non-current liabilities</u></b>			
Other long-term liabilities	10	86,609,785	91,374,320
		<b><u>86,609,785</u></b>	<b><u>91,374,320</u></b>
<b><u>IV. Current liabilities</u></b>			
Provisions for risk and charges	11	32,200	47,700
		<b><u>32,200</u></b>	<b><u>47,700</u></b>
<b><u>Accounts payable</u></b>			
Current payables	12	3,143,070	3,177,507
Long-term liabilities falling due within the year	13	4,764,534	4,489,357
Sundry payables		25,134	45,164
Accrued charges		9,291,000	7,333,000
		<b><u>17,223,738</u></b>	<b><u>15,045,029</u></b>
<b>Total liabilities</b>		<b>103,865,723</b>	<b>106,467,049</b>
<b><u>V. Net assets</u></b>			
Contingent assets	14		
Contingent liabilities and Commitments for future funding	15		

II.

### Distribution of assets 31/12/2016



### Distribution of assets 31/12/2015



## 5. STATEMENT OF CHANGES IN NET ASSETS

	Accumulated surplus/(deficit)	Economic outturn of the year	Total net assets
<b><u>Balance as of 31 December 2015</u></b>	<b>20,001,734</b>	<b>-2,370,679</b>	<b>17,631,055</b>
Allocation of the economic outturn 2015	-2,370,679	2,370,679	0,00
Economic outturn of 2016	0,00	-890,765	-890,765
<b><u>Balance as of 31 December 2016</u></b>	<b><u>17,631,055</u></b>	<b><u>-890,765</u></b>	<b><u>16,740,290</u></b>

**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.

## II.

## 6. NOTES

## NOTE 1

## Operating revenue

	2016	2015
Funds transferred from the Commission	<b><u>114,020,000</u></b>	<b><u>107,000,000</u></b>
Revenue from staff	11,485,238	10,998,770
Other administrative revenue	3,904,924	3,818,220
Revenue from administrative operations	<b><u>15,390,162</u></b>	<b><u>14,816,990</u></b>
Other operating revenue	0,00	0
Exchange rate gains	7,451	2,758
Other operating revenue	<b><u>7,451</u></b>	<b><u>2,758</u></b>
	<b>129,417,613</b>	<b>121,819,748</b>
Non-exchange revenue	127,420,395	119,771,196
Exchange revenue	1,997,218	2,048,552
	<b>129,417,613</b>	<b>121,819,748</b>



**II.**

**NOTE 2**

**Financial operations expenses**

	<b>2016</b>	<b>2015</b>
Other interest expenses	-7,094,775	-7,245,194
Other financial expenses (bank charges)	-5,322	-5,117
	<b>-7,100,097</b>	<b>-7,250,311</b>

**NOTE 3****Intangible fixed assets**

	31/12/2016	31/12/2015
<b><u>Computer software</u></b>		
Gross carrying amount 1 January	1,212,188	1,140,421
Additions	11,021	71,767
Disposals	0	0
Transfer between headings	0	0
Other changes	0	0
Gross carrying amount 31 December	<b><u>1,223,209</u></b>	<b><u>1,212,188</u></b>
Accumulated amortization 1 January	-1,087,890	-999,937
Amortization	-70,685	-87,953
Disposals	0	0
Transfer between headings	0	0
Other changes	0	0
Accumulated amortization 31 December	<b><u>-1,158,575</u></b>	<b><u>-1,087,890</u></b>
<b>Net carrying amount 31 December</b>	<b>64,634</b>	<b>124,298</b>
Non-capitalised research costs	0	0
Non-capitalised development costs	309,920	1,009,764
	<b>309,920</b>	<b>1,009,764</b>

At 31 December 2016, the EESC and the European Committee of the Regions (CoR) had external research and development costs for a total amount of EUR 516 533. This amount was split according to an agreed repartition between the two Committees as follows :

60% EESC: EUR 309 920

40% CoR: EUR 206 613

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**

	31/12/2016	31/12/2015
Gross carrying amount, 1 January	163,684,283	163,684,283
Additions	0	0
Gross carrying amount, 31 December	<b>163,684,283</b>	<b>163,684,283</b>
Accumulated amortization, 1 January	-55,701,888	-51,077,797
Depreciation	-4,624,091	-4,624,091
Accumulated amortization, 31 December	<b>-60,325,979</b>	<b>-55,701,888</b>
<b>Net carrying amount, 31 December</b>	<b>103,358,304</b>	<b>107,982,395</b>

	Capital	Interest
<b><u>Distribution of charges</u></b>		
Cumulative charges paid	71,711,039	104,836,795
<u>Charges to be paid</u>		
< 1 year	4,764,535	4,776,074
1-5 years	22,150,809	16,127,672
> 5 years	64,458,976	14,239,817
	<b>91,374,320</b>	<b>35,143,563</b>
<b>Gross carrying amount 31 December</b>	<b>163,085,359</b>	<b>139,980,358</b>

At 31 December 2016, the EESC and the CoR together had five buildings<sup>2</sup> under long-term leases:

	Total net asset value	Total debt
Bertha von Suttner building (BvS), Rue Montoyer 92-102	37,483,270	37,346,457
Jacques Delors building (JDE), Rue Belliard 103-113	90,408,391	77,092,823
Remorqueur building (REM), Rue Belliard 93	7,677,654	0
Rue Belliard 68-72 building (B68-72)	18,117,499	17,459,395
Rue de Trèves 74 building (TR74)	16,266,858	19,290,610
<b>TOTAL</b>	<b>169,953,672</b>	<b>151,189,285</b>

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.

<sup>2</sup> 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.

The EESC part of the total net-asset-value is EUR 103 358 304. On the liability-side the EESC part of the total debt is EUR 91 374 320 (other long-term liabilities EUR 86 609 785 and long-term liabilities falling due within 1 year EUR 4 764 535).

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.

## II.

## NOTE 5

## Plant and equipment

	31/12/2016	31/12/2015
Gross carrying amount, 1 January	80,868	84,959
Additions	0	1,762
Disposals	-486	-5,853
Transfers between headings	0	0
Other changes	0	0
Gross carrying amount, 31 December	<b><u>80,382</u></b>	<b><u>80,868</u></b>
Accumulated amortization, 1 January	-77,653	-80,706
Depreciation	-1,090	-2,800
Disposals	486	5,853
Transfers between headings	0	0
Other changes	0	0
Accumulated amortization, 31 December	<b><u>-78,257</u></b>	<b><u>-77,653</u></b>
<b>Net carrying amount, 31 December</b>	<b>2,125</b>	<b>3,215</b>

## Other fixtures and fittings

	31/12/2016	31/12/2015
Gross carrying amount, 1 January	1,924,023	1,570,586
Additions	172,047	354,595
Disposals	-44,517	-1,158
Transfers between headings	0	0
Other changes	-706	0
Gross carrying amount, 31 December	<b><u>2,050,847</u></b>	<b><u>1,924,023</u></b>
Accumulated amortization, 1 January	-1,395,684	-1,172,048
Depreciation	-200,611	-224,742
Disposals	40,449	1,106
Transfers between headings	0	0
Other changes	0	0
Accumulated amortization, 31 December	<b><u>-1,555,846</u></b>	<b><u>-1,395,684</u></b>
<b>Net carrying amount, 31 December</b>	<b>495,001</b>	<b>528,339</b>

**NOTE 6****Furniture and vehicles**

	31/12/2016	31/12/2015
Gross carrying amount, 1 January	3,393,905	3,387,253
Additions	62,750	58,625
Disposals	-91,387	-51,973
Transfers between headings	0	0
Other changes	<u>0</u>	<u>0</u>
Gross carrying amount, 31 December	<b><u>3,365,268</u></b>	<b><u>3,393,905</u></b>
Accumulated amortization, 1 January	-2,904,546	-2,838,703
Depreciation	-102,947	-120,348
Disposals	90,206	54,505
Transfers between headings	0	0
Other changes	0	0
Accumulated amortization, 31 December	<b><u>-2,917,287</u></b>	<b><u>-2,904,546</u></b>
<b>Net carrying amount, 31 December</b>	<b>447,981</b>	<b>489,359</b>

**NOTE 7****Computer hardware**

	31/12/2016	31/12/2015
Gross carrying amount, 1 January	3,531,923	3,797,673
Additions	320,141	192,237
Disposals	-6,232	-457,987
Transfers between headings	0	0
Other changes	0	0
Gross carrying amount, 31 December	<b><u>3,845,832</u></b>	<b><u>3,531,923</u></b>
Accumulated amortization, 1 January	-3,099,089	-3,181,376
Depreciation	-287,600	-375,700
Disposals	6,232	457,987
Transfers between headings	0	0
Other changes	0	0
Accumulated amortization, 31 December	<b><u>-3,380,457</u></b>	<b><u>-3,099,089</u></b>
<b>Net carrying amount, 31 December</b>	<b>465,375</b>	<b>432,834</b>

**II.**

**NOTE 8**

**Long-term receivables**

	31/12/2016	31/12/2015
Other (advances to members)	38,502	30,650
	<b>38,502</b>	<b>30,650</b>



## II.

**NOTE 9****Current receivables**

	31/12/2016	31/12/2015
<b><u>Customers</u></b>		
Gross total	0,00	10,655
Amounts written down	0,00	0
Net value	<b><u>0,00</u></b>	<b><u>10,655</u></b>
<b><u>Member States</u></b>		
Gross total	12,528	6,782
Amounts written down	0	0
Net value, VAT to be recovered	<b><u>12,528</u></b>	<b><u>6,782</u></b>
<b><u>Other institutions</u></b>		
Gross total	0	260
Amounts written down	0	0
Net value	<b><u>0</u></b>	<b><u>260</u></b>
	<b>12,528</b>	<b>17,697</b>

**NOTE 10**

**Other long-term liabilities**

	31/12/2016	31/12/2015
Buildings under financial leasing*	86,609,785	91,374,320
	<b>86,609,785</b>	<b>91,374,320</b>

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

**II.**

**NOTE 11**

**Provisions for risks and charges**

	31/12/2016	31/12/2015
Possible results on pending court case	32,200	47,700
	<b>32,200</b>	<b>47,700</b>

## II.

## NOTE 12

## Current payables

	31/12/2016	31/12/2015
<b><u>Vendors</u></b>		
Gross total	<b><u>116,081</u></b>	<b><u>194,171</u></b>
<b><u>Other institutions</u></b>		
European Commission	2,974,189	2,966,271
European Parliament	52,800	12,760
European Committee of the Regions	0	4,305
Gross total	<b><u>3,026,989</u></b>	<b><u>2,983,336</u></b>
	<b>3,143,070</b>	<b>3,177,507</b>

**II.**

**NOTE 13**

**Long-term liabilities falling due within the year**

	31/12/2016	31/12/2015
Buildings under financial leasing*	4,764,534	4,489,357
	<b>4,764,534</b>	<b>4,489,357</b>

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

**NOTE 14****Contingent assets**

	31/12/2016	31/12/2015
Performance guarantees*	0	0
	<b>0</b>	<b>0</b>

\* The sum of performance guarantees in supplier contracts is EUR 941 927 at 31 December 2016. As the probability of inflow of economic benefits is low (estimated by management to be less than 5%) the value is insignificant.

**NOTE 15**

**Contingent liabilities and commitments for future funding**

	31/12/2016	31/12/2015
<b><u>Commitments for future funding</u></b>		
Commitments against appropriations not yet consumed (RAL)	642,645	4,019,433
Operating leases	5,567,899	7,636,229
Contractual commitments	12,049,619	12,647,727
Other	0	0
	<b>18,260,163</b>	<b>24,303,389</b>





# **PART III**

## **Annual Budgetary Accounts 2016 (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 2016**

The total 2016 budget was EUR 130.6 million, of which EUR 127.0 million were spent or carried forward to 2017 as commitments<sup>1</sup>. This equals a take-up rate of 97.2%, compared to 95.9% in 2015. On the other hand, the take-up of appropriations carried forward from 2015 to 2016 was lower than in 2015: 65.7% (EUR 6.8 million) as compared to 72.9% in 2015 (EUR 6.0 million)<sup>2</sup>.

### **1.2 ESTABLISHING THE BUDGET 2016**

In its guidelines on the establishment of estimates of administrative expenditure for the 2016 draft budget, the European Commission called on all institutions to follow its own approach, i.e. to aim for a nominal freeze at 2015 level of all non-salary related expenditure. In compliance with the Commission guidelines, the EESC 2016 budget estimates totalled EUR 130 171 475, an increase of 0.86% on the 2015 budget. As for salary-related expenditure, the estimates included a one-percent staff reduction (7 posts) in accordance with the Interinstitutional Agreement of 2 December 2013 on budgetary discipline, and no new posts were requested for 2016. It also took account of the budgetary effect of the transfer of 36 posts to the EP Research Service (EUR 2 590 000) in the context of the cooperation agreement concluded with the EP in 2014, however without this being reflected in the establishment plan. Other cost-saving measures resulting from the new Staff Regulations (such as the restriction on promotions beyond a certain grade) were also included, along with the impact of actual or expected salary adjustments, based on the parameters provided by the Commission.

In its reading, the Council introduced a increase of 0.5% in the 2016 abatement rate (to 5.0%) and a targeted cut on appropriations related to travel and subsistence allowances, which taken together reduced the EESC draft budget to EUR 129 867 150, or an increase of 0.63% on the 2015 budget.

The European Parliament subsequently restored the appropriations cut by the Council and incorporated the transfer of 36 posts to the EP Research Service in the establishment plan, bringing the number of posts in the establishment plan down to 670.

After the two arms of the Budgetary Authority reached an agreement in the negotiations in the Conciliation Committee on the 2016 draft budget on 17 November, the 2016 budget was finally adopted by the Council on 24 November 2015 and the European Parliament the following day.

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<sup>1</sup> See table "Use of final appropriations (C1) in 2016", page 16.

<sup>2</sup> See table "Use of appropriations automatically carried forward from 2015 to 2016 (C8)", page 26.

The EESC budget matched the amount requested in its statement of estimates, i.e. EUR 130 171 475. The establishment plan approved by the Budgetary Authority reduced staff from 713 posts in 2015 to 670 in 2016.

In the course of 2016, the EESC benefitted from Draft Amending Budget (DAB) No 3/2016. Following the terrorist attacks in Paris in November 2015 and in Brussels in March 2016, the Commission, on 30 June 2016, submitted a draft amending budget to the Council with a view to providing additional appropriations to cover increased security needs in the EU institutions. The amending budget was finally approved by the European Parliament on 25 October 2016. In this context, the EESC received an additional EUR 415 000 as its contribution to the joint services of the two Committees, which share their premises. The specific purpose of the additional security budget was to cover improved access control, security equipment, protection and security of buildings and costs of employing two additional contract agents for security.

The amending budget raised the EESC's total budget for 2016 to EUR 130 586 475, equalling an increase of 1.19% on 2015.

### **1.3 BUDGET GOVERNANCE 2016**

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 Budgetary Authority. The EESC consistently respects the budgetary guidelines issued by the Commission and the Budgetary Authority. From 2011 to 2017, the nominal increase in the EESC's budget was EUR 5.2 million or around 4% – a reduction in real terms of more than 4%.

## Annual Budgetary Accounts 2016 and Report on Budgetary and Financial Management

### 2. REVENUE

Title	Item	2015	2016	
4	400	Taxation on salaries and pensions	4,694,823	4,955,680
	403	Refunds of wages and allowances of Members of the institution	0	0
	404	Special levy	920,742	977,535
	410	Contribution to the pension scheme	5,119,103	5,272,313
	411	Transfer or purchase of pension rights	264,101	279,711
	412	Contributions of CCP staff to pensions	0	0
	<b>Revenue from staff Total</b>		<b>10,998,770</b>	<b>11,485,238</b>
<b>4 Total</b>		<b>10,998,770</b>	<b>11,485,238</b>	
5	500	Proceeds from the sale of movable property (supply of goods)	311	111
	502	Proceeds from the sale of publications, printed works and films	0	0
		Sale of publications, printed works and films	0	0
	510	Proceeds from the hiring-out of furniture and equipment	0	0
	511	Proceeds from letting and subletting immovable property and reimbursement of charges connected with lettings	1,481,779	1,505,391
	520	Investments or loans granted, bank and other interest on the institution's accounts	1,061	51
	550	Supply of services and works to other institutions	2,058,988	2,081,782
	551	Revenue from third parties in respect of services or work supplied at their request	0	0
	570	Repayment of amounts wrongly paid - Assigned revenue	100,168	10,942
	571	Revenue earmarked for a specific purpose	0	0
	573	Other contributions and refunds in connection with the administrative operation of the institution - Assigned revenue	274,466	313,024
	580	Revenue arising from indemnities connected with renting	0	0
	581	Revenue from insurance payments received - Assigned revenue	0	9,671
	590	Miscellaneous revenue	0	4,517
<b>Other administrative revenue Total</b>		<b>3,916,774</b>	<b>3,925,490</b>	
<b>5 Total</b>		<b>3,916,774</b>	<b>3,925,490</b>	
<b>Grand Total</b>		<b>14,915,543</b>	<b>15,410,728</b>	

### 3. FINAL APPROPRIATIONS

Title	Chapter	Item			
1	Human resources	10	Members and delegates	1000	Specific allowances and payments
				1004	Travel and subsistence allowances
				1008	Travel and subsistence allowances, CCMI
				105	Further training, language courses and other training
		<b>10 Total</b>			
		12	Officials and temporary staff	1200	Remuneration and allowances
				1202	Paid overtime
				1204	Entitlements on entering, transfer and leaving the service
				1220	Allowances for staff retired or placed on leave
		<b>12 Total</b>			
		14	Other staff and external services	1400	Other staff
				1404	Graduate traineeships, grants and exchanges of officials
				1408	Entitlements on entering, transfer and leaving the service
				1420	Supplementary services for the translation service
				1422	Expert advice connected with legislative work
				1424	Interinstitutional cooperation and external services
		<b>14 Total</b>			
		16	Other expenditure	1610	Recruitment
				1612	Further training
				1630	Social welfare
				1632	Social contacts between members of staff
				1634	Medical service
				1638	Early childhood centre and approved day nurseries
				162	Missions
		<b>16 Total</b>			
		<b>Human resources Total</b>			
		<b>1 Total</b>			



# III.

## Annual Budgetary Accounts 2016 and Report on Budgetary and Financial Management

Initial appropriations 2016	Transfers / amendments 2016	Final appropriations 2016	Final appropriations 2015
96,080	0	96,080	96,080
19,561,194	0	19,561,194	19,381,194
472,382	0	472,382	542,382
64281	0	64281	64281
<b>20,193,937</b>	<b>0</b>	<b>20,193,937</b>	<b>20,083,937</b>
64,337,034	-18,000	64,319,034	63,008,443
31,500	0	31,500	31,443
420,000	0	420,000	464,157
0	18,000	18,000	0
<b>64,788,534</b>	<b>0</b>	<b>64,788,534</b>	<b>63,504,043</b>
2,124,292	104,000	2,228,292	2,291,065
809,635	-80,000	729,635	674,916
67,251	0	67,251	66,784
1,624,810	-604,120	1,020,690	1,040,583
742,851	0	742,851	742,851
30,000	20,000	50,000	30,000
<b>5,398,839</b>	<b>-560,120</b>	<b>4,838,719</b>	<b>4,846,199</b>
55,000	0	55,000	55,000
586,000	0	586,000	506,000
32,000	90,000	122,000	39,500
169,000	0	169,000	181,500
115,000	-45,000	70,000	80,000
570,000	55,000	625,000	540,000
432,500	0	432,500	432,500
<b>1,959,500</b>	<b>100,000</b>	<b>2,059,500</b>	<b>1,834,500</b>
<b>92,340,810</b>	<b>-460,120</b>	<b>91,880,690</b>	<b>90,268,679</b>
<b>92,340,810</b>	<b>-460,120</b>	<b>91,880,690</b>	<b>90,268,679</b>

**Annual Budgetary Accounts 2016  
and Report on Budgetary and Financial Management**

Title	Chapter	Item	
<b>1 Total</b>			
2	20	2000 Rent	
		2001 Annual lease payments and similar expenditure	
		2007 Fitting-out of premises	
		2008 Other expenditure on buildings	
		2022 Cleaning and maintenance	
		2024 Energy consumption	
		2026 Security and surveillance	
		2028 Insurance	
	<b>20 Total</b>		
	21	Data processing	2100 Purchase, servicing and maintenance of equipment and software
			2102 Outside assistance
			2103 Telecommunications
			212 Furniture
			214 Technical equipment and installations
			216 Vehicles
	<b>21 Total</b>		
	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
	<b>23 Total</b>		
	25	Operational activities	2540 Miscellaneous expenditure on internal meetings
			2542 Organisation of and participation in hearings and other events
			2544 Costs of organising the work of the CCMI
			2546 Representation expenses
2548 Interpreting			
<b>25 Total</b>			
26	Communication	2600 Communication	
		2602 Publishing and promotion of publications	
		2604 Official Journal	
		2620 Studies, research and hearings	
		2622 Documentation and library expenditure	
		2624 Archiving and related work	
<b>26 Total</b>			
Other resources Total			
<b>2 Total</b>			

# III.

## Annual Budgetary Accounts 2016 and Report on Budgetary and Financial Management

Initial appropriations 2016	Transfers / amendments 2016	Final appropriations 2016	Final appropriations 2015
92,340,810	-460,120	91,880,690	90,268,679
2,157,194	0	2,157,194	2,130,628
11,877,440	474,120	12,351,560	11,974,628
197,114	830,000	1,027,114	845,085
56,852	0	56,852	91,281
2,535,931	290,000	2,825,931	2,532,507
792,631	-53,799	738,832	792,675
2,035,451	0	2,035,451	2,187,840
79,729	0	79,729	56,640
<b>19,732,342</b>	<b>1,540,321</b>	<b>21,272,663</b>	<b>20,611,284</b>
1,547,711	178,488	1,726,199	1,558,587
1,901,512	177,788	2,079,300	1,957,732
1,368,304	-169,570	1,198,734	1,342,422
173,628	-6,400	167,228	147,991
980,073	278,093	1,258,166	963,345
130,060	-25,000	105,060	90,000
<b>6,101,288</b>	<b>433,399</b>	<b>6,534,687</b>	<b>6,060,077</b>
184,859	0	184,859	193,307
6,000	0	6,000	6,000
95,000	150,000	245,000	85,000
102,000	0	102,000	95,000
129,418	31,400	160,818	161,265
<b>517,277</b>	<b>181,400</b>	<b>698,677</b>	<b>540,572</b>
227,430	55,000	282,430	282,430
587,745	230,000	817,745	728,445
75,000	0	75,000	74,000
129,000	-30,000	99,000	99,000
8,370,578	-1,401,000	6,969,578	7,803,649
<b>9,389,753</b>	<b>-1,146,000</b>	<b>8,243,753</b>	<b>8,987,524</b>
815,500	-40,000	775,500	835,500
468,000	40,000	508,000	580,000
395,000	-190,000	205,000	265,000
155,000	56,000	211,000	245,000
165,700	0	165,700	140,700
90,805	0	90,805	87,884
<b>2,090,005</b>	<b>-134,000</b>	<b>1,956,005</b>	<b>2,154,084</b>
37,830,665	875,120	38,705,785	38,353,541
<b>37,830,665</b>	<b>875,120</b>	<b>38,705,785</b>	<b>38,353,541</b>

III.

**Annual Budgetary Accounts 2016  
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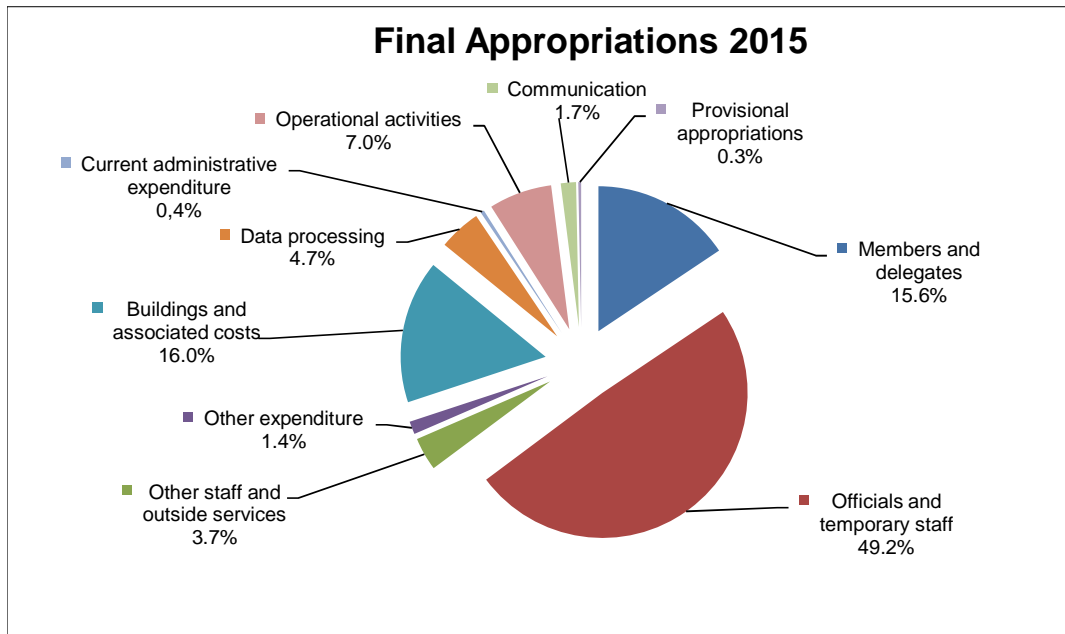
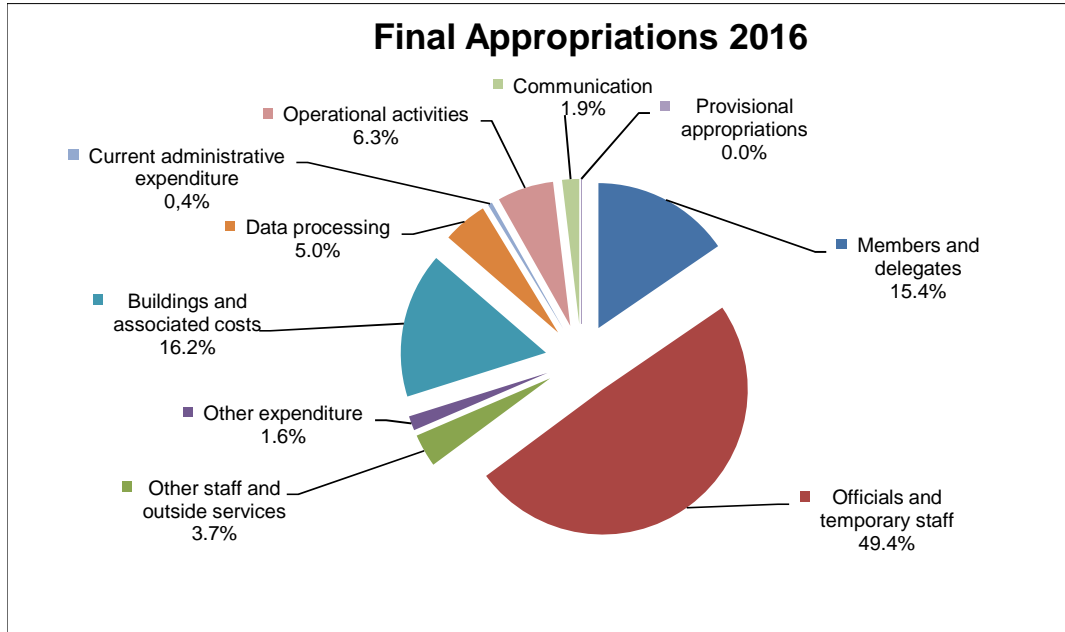
Title		Chapter		Item	
3	Other expenditure	30	Provisional appropriations	30	Provisional appropriations
		<b>30 Total</b>			
<b>Other expenditure Total</b>					
<b>3 Total</b>					
Grand Total					

III.

**Annual Budgetary Accounts 2016  
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Initial appropriations 2016	Transfers / amendments 2016	Final appropriations 2016	Final appropriations 2015
0	0	0	433,750
<b>0</b>	<b>0</b>	<b>0</b>	<b>433,750</b>
<b>0</b>	<b>0</b>	<b>0</b>	<b>433,750</b>
0	0	0	433,750
130,171,475	415,000	130,586,475	129,055,970



On the following pages: two-page tables

4. USE OF FINAL APPROPRIATIONS (C1) IN 2016

Title	Chapter	Item
1	Human resources	1000 Specific allowances and payments
		1004 Travel and subsistence allowances
		1008 Travel and subsistence allowances, CCMI
		105 Further training, language courses and other training
		<b>10 Total</b>
		1200 Remuneration and allowances
		1202 Paid overtime
		1204 Entitlements on entering, transfer and leaving the service
		1220 Allowances for staff retired or placed on leave
		<b>12 Total</b>
		1400 Other staff
		1404 Graduate traineeships, grants and exchanges of officials
	1408 Entitlements on entering, transfer and leaving the service	
	1420 Supplementary services for the translation service	
	1422 Expert advice connected with legislative work	
	1424 Interinstitutional cooperation and external services	
	<b>14 Total</b>	
	1610 Recruitment	
	1612 Further training	
	162 Missions	
	1630 Social welfare	
	1632 Social contacts between members of staff	
	1634 Medical service	
	1638 Early childhood centre and approved day nurseries	
	<b>16 Total</b>	
	<b>Human resources Total</b>	
	<b>1 Total</b>	



# III.

## Annual Budgetary Accounts 2016 and Report on Budgetary and Financial Management

Final appropriations	Committed	Percentage committed	Payments	Appropriations carried forward to 2017	Unused appropriations	Percentage unused
96,080	96,059	99.98%	93,583	2,476	21	0.02%
19,561,194	19,561,194	100.00%	18,975,764	585,430	0	0.00%
472,382	472,382	100.00%	455,354	17,028	0	0.00%
64,281	57,117	88.86%	35,044	22,074	7,164	11.14%
<b>20,193,937</b>	<b>20,186,752</b>	<b>99.96%</b>	<b>19,559,745</b>	<b>627,008</b>	<b>7,185</b>	<b>0.04%</b>
64,319,034	63,810,198	99.21%	63,790,489	19,710	508,836	0.79%
31,500	12,422	39.44%	12,422	0	19,078	60.56%
420,000	285,090	67.88%	254,533	30,557	134,910	32.12%
18,000	17,179	95.44%	17,179	0	821	4.56%
<b>64,788,534</b>	<b>64,124,890</b>	<b>98.98%</b>	<b>64,074,623</b>	<b>50,267</b>	<b>663,644</b>	<b>1.02%</b>
2,228,292	2,152,749	96.61%	2,102,468	50,281	75,543	3.39%
729,635	653,179	89.52%	603,255	49,924	76,456	10.48%
67,251	29,791	44.30%	29,791	0	37,460	55.70%
1,020,690	885,000	86.71%	743,947	141,053	135,690	13.29%
742,851	717,851	96.63%	485,463	232,388	25,000	3.37%
50,000	50,000	100.00%	33,165	16,835	0	0.00%
<b>4,838,719</b>	<b>4,488,570</b>	<b>92.76%</b>	<b>3,998,090</b>	<b>490,480</b>	<b>350,149</b>	<b>7.24%</b>
55,000	17,050	31.00%	13,555	3,495	37,950	69.00%
586,000	554,401	94.61%	360,478	193,923	31,599	5.39%
432,500	354,000	81.85%	291,666	62,334	78,500	18.15%
122,000	113,500	93.03%	83,039	30,461	8,500	6.97%
169,000	150,389	88.99%	124,021	26,369	18,611	11.01%
70,000	59,557	85.08%	30,878	28,678	10,443	14.92%
625,000	625,000	100.00%	496,300	128,700	0	0.00%
<b>2,059,500</b>	<b>1,873,897</b>	<b>90.99%</b>	<b>1,399,937</b>	<b>473,960</b>	<b>185,603</b>	<b>9.01%</b>
<b>91,880,690</b>	<b>90,674,110</b>	<b>98.69%</b>	<b>89,032,394</b>	<b>1,641,715</b>	<b>1,206,580</b>	<b>1.31%</b>
91,880,690	90,674,110	98.69%	89,032,394	1,641,715	1,206,580	1.31%

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Title	Chapter	Item			
2	Other resources	20	Buildings and associated costs	2000	Rent
				2001	Annual lease payments and similar expenditure
				2007	Fitting-out of premises
				2008	Other expenditure on buildings
				2022	Cleaning and maintenance
				2024	Energy consumption
				2026	Security and surveillance
				2028	Insurance
		<b>20 Total</b>			
		21	Data processing	2100	Purchase, servicing and maintenance of equipment and software
				2102	Outside assistance
				2103	Telecommunications
				212	Furniture
				214	Technical equipment and installations
				216	Vehicles
		<b>21 Total</b>			
		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
		<b>23 Total</b>			
		25	Operational activities	2540	Miscellaneous expenditure on internal meetings
				2542	Organisation of and participation in hearings and other events
				2544	Costs of organising the work of the CCMI
				2546	Representation expenses
2548	Interpreting				
<b>25 Total</b>					
26	Communication	2600	Communication		
		2602	Publishing and promotion of publications		
		2604	Official Journal		
		2620	Studies, research and hearings		
		2622	Documentation and library expenditure		
		2624	Archiving and related work		
<b>26 Total</b>					
<b>Other resources Total</b>					
<b>2 Total</b>					
<b>Grand Total</b>					

# III.

## Annual Budgetary Accounts 2016 and Report on Budgetary and Financial Management

Final appropriations	Committed	Percentage committed	Payments	Appropriations carried forward to 2017	Unused appropriations	Percentage unused
2,157,194	2,044,785	94.79%	1,597,105	447,680	112,409	5.21%
12,351,560	12,347,970	99.97%	12,347,970	0	3,590	0.03%
1,027,114	566,368	55.14%	49,349	517,019	460,746	44.86%
56,852	51,740	91.01%	29,769	21,971	5,112	8.99%
2,825,931	2,785,393	98.57%	1,216,168	1,569,225	40,538	1.43%
738,832	690,000	93.39%	690,000	0	48,832	6.61%
2,035,451	1,953,325	95.97%	1,862,208	91,117	82,126	4.03%
79,729	50,750	63.65%	49,472	1,278	28,979	36.35%
<b>21,272,663</b>	<b>20,490,332</b>	<b>96.32%</b>	<b>17,842,042</b>	<b>2,648,290</b>	<b>782,331</b>	<b>3.68%</b>
1,726,199	1,723,915	99.87%	1,113,408	610,506	2,284	0.13%
2,079,300	2,079,300	100.00%	1,517,274	562,026	0	0.00%
1,198,734	1,169,734	97.58%	1,096,173	73,562	29,000	2.42%
167,228	80,466	48.12%	59,080	21,386	86,762	51.88%
1,258,166	1,067,113	84.81%	417,064	650,048	191,053	15.19%
105,060	60,676	57.75%	54,432	6,244	44,384	42.25%
<b>6,534,687</b>	<b>6,181,204</b>	<b>94.59%</b>	<b>4,257,431</b>	<b>1,923,772</b>	<b>353,483</b>	<b>5.41%</b>
184,859	160,239	86.68%	99,519	60,720	24,620	13.32%
6,000	6,000	100.00%	2,712	3,288	0	0.00%
245,000	224,147	91.49%	148,347	75,800	20,853	8.51%
102,000	81,000	79.41%	47,004	33,996	21,000	20.59%
160,818	149,593	93.02%	109,688	39,905	11,225	6.98%
<b>698,677</b>	<b>620,979</b>	<b>88.88%</b>	<b>407,270</b>	<b>213,709</b>	<b>77,698</b>	<b>11.12%</b>
282,430	271,912	96.28%	201,860	70,053	10,518	3.72%
817,745	410,848	50.24%	359,290	51,558	406,897	49.76%
75,000	7,958	10.61%	3,561	4,397	67,042	89.39%
99,000	50,000	50.51%	37,715	12,285	49,000	49.49%
6,969,578	6,642,324	95.30%	6,024,020	618,304	327,254	4.70%
<b>8,243,753</b>	<b>7,383,043</b>	<b>89.56%</b>	<b>6,626,445</b>	<b>756,598</b>	<b>860,710</b>	<b>10.44%</b>
775,500	618,799	79.79%	463,013	155,786	156,701	20.21%
508,000	439,045	86.43%	106,415	332,630	68,955	13.57%
205,000	173,250	84.51%	173,250	0	31,750	15.49%
211,000	203,246	96.33%	31,456	171,790	7,754	3.67%
165,700	104,657	63.16%	80,855	23,802	61,043	36.84%
90,805	90,805	100.00%	40,244	50,561	0	0.00%
<b>1,956,005</b>	<b>1,629,802</b>	<b>83.32%</b>	<b>895,233</b>	<b>734,569</b>	<b>326,203</b>	<b>16.68%</b>
<b>38,705,785</b>	<b>36,305,360</b>	<b>93.80%</b>	<b>30,028,421</b>	<b>6,276,939</b>	<b>2,400,425</b>	<b>6.20%</b>
<b>38,705,785</b>	<b>36,305,360</b>	<b>93.80%</b>	<b>30,028,421</b>	<b>6,276,939</b>	<b>2,400,425</b>	<b>6.20%</b>
<b>130,586,475</b>	<b>126,979,469</b>	<b>97.24%</b>	<b>119,060,815</b>	<b>7,918,654</b>	<b>3,607,006</b>	<b>2.76%</b>

**4.1 REMARKS ON USE OF FINAL APPROPRIATIONS (C1) IN 2016**

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.

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

- ❖ Amount not committed: EUR 134 910 (32.12%)

These appropriations cover various statutory allowances and removal costs for officials and temporary agents on entry to or departure from the service. 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 76 456 (10.48%)

The budget request for 2016 was based on an estimate of eight seconded national experts (SNEs) over the full period in light of reasonably foreseeable new or extended secondments, a number that was only reached at the end of 2016. However, one "new recruit" was from Belgium and subsequently not entitled to daily allowances and reimbursement of travel expenses.

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

- ❖ Amount not committed: EUR 37 460 (55.70%)

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 135 690 (13.29%)

Appropriations on this budget line were substantially increased in 2015 in the context of a cooperation agreement signed with the EP and the resulting reduction in translation staff. The translation directorate is currently in a transition period with a progressive increase in

outsourcing. Outsourcing accounted for 9.74% of translations in 2015 and 16.61% in 2016 and is expected to reach at least 20% in 2017.

**1610: Expenditure on recruitment**

- ❖ Amount not committed: EUR 37 950 (69.00%)

The reimbursement of travel expenses is difficult to forecast as actual uptake depends on the number of vacancies and candidates, and their place of residence. In 2016, flights ticket prices were lower than expected and due to increased internal mobility and an extended use of video conferencing fewer candidates needed to travel to Brussels for interviews. Furthermore, two external assessments for management positions had to be postponed until the beginning of 2017.

**1612: Further training**

- ❖ Amount not committed: EUR 31 599 (5.39%)

Delays in the organisation of training courses occurred due to the implementation of new inter-institutional framework contracts and the involvement of new training providers. In addition, prices anticipated in the new framework contracts were considerably lower than for similar training courses under the previous contracts.

**162: Mission expenses**

- ❖ Amount not committed: EUR 78 500 (18.15%)

The average cost of missions cannot be predicted with a high level of accuracy, as it depends on the destination and the duration of the mission. Therefore, estimates for 2016 were based on the implementation in previous years, corrected for expected inflation, and included a safety margin in order to address the inherently variable nature of this expenditure. In addition, systematic efforts were made to reduce the cost of each mission to a strict minimum.

**2000: Rent**

- ❖ Amount not committed: EUR 112 409 (5.21%)

The satisfactory execution of this budget line strongly depends on where plenary sessions are held, which is not known when the budget is being prepared. In 2016, all plenaries were held in the Commission's premises free of charge.

**2007: Fitting-out of premises**

- ❖ Amount not committed: EUR 460 746 (44.86%)

Underspending on this budget line is due to an unsuccessful call for tender for energy counters and the lower-than-estimated cost of security film for the JDE glass front.

**2024: Energy consumption**

- ❖ Amount not committed: EUR 48 832 (6.61%)

Appropriations on this budget line are intended to cover water, gas and electricity costs in particular. The underutilisation of the appropriations is due to favourable weather conditions, but is also the result of improved energy consumption management.

**2028: Insurance**

- ❖ Amount not committed: EUR 28 979 (36.35%)

An amount is kept in reserve to cover the deductible franchise in case of damage. Since there were no claims, this reserve was not spent.

**212: Furniture**

- ❖ Amount not committed: EUR 86 762 (51.88%)

The underutilisation of the budget 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 191 053 (15.19%)

Regarding the EESC's own services, the renovation of the technical equipment of a videoconference room could not be started as the first offer received did not comply with the requirements. The planned upgrade linked to the relocation of the video studio had to be postponed as no appropriate room could be made available. The purchase of new cameras for the JDE conference rooms was postponed whilst an external audit of the video equipment in our conference rooms was being finalised, which happened only in December 2016. Also, expenses

for technical equipment in relation to external meetings were lower than expected due to cancellations or lower prices.

In the Joint Services (shared with the CoR), spending on security equipment was lower due to the awarding of calls for tender at prices lower than initially estimated. Furthermore, underspending on the infrastructure part of this budget line can be explained by a more limited demand than expected for repairs or supplies of equipment from the various services of the Committees and by the incorporation of expenditure related to the purchase of equipment in maintenance framework contracts.

#### **216: Vehicles**

❖ Amount not committed: EUR 44 384 (42.25%)

The 2016 budget was established on the basis of an increased need to rent vehicles, both at meetings away from the headquarter and in Brussels. In the meantime, there has also been a change in the approach to the use of service cars leading to lower consumption. The 2017 budget already takes into account the new level of consumption.

#### **2542: Expenditure on the organisation of and participation in events**

❖ Amount not committed: EUR 406 897 (49.76%)

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. Costs are therefore inherently difficult to predict. With regard to opinions referred by the EP and the Commission, tight deadlines did not always enable planned public hearings to take place. In addition, some other projects such as for instance the "European Social Pillar" were less costly than estimated. 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.

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

❖ Amount not committed: EUR 67 042 (89.39%)

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 reduced by the EESC Bureau.

**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 to reduce these expenses to a minimum. Appropriations were consequently adjusted downwards in the 2017 budget.

**2600: Communication**

- ❖ Amount not committed: EUR 156 701 (20.21%)

The main reason for the low level of consumption was the decision to significantly reduce video production. Consequently, the production of a video for the "Civil Society Prize" event was cancelled. Furthermore, major events such as the "Media Seminar" and the "Your Europe, Your Say!" youth event were less expensive than expected.

**2602: Publishing and promotion of publications**

- ❖ Amount not committed: EUR 68 955 (13.57%)

The main reasons for the low level of consumption were that E-books proved to be cheaper to produce than anticipated and the decision was taken to favour less glossy publications.

**2604: Official Journal**

- ❖ Amount not committed: EUR 31 750 (15.49%)

The number of EESC opinions published was lower than expected due to the Commission policy on referrals and the renewal of the EESC in 2015. Furthermore, a considerable backlog in the publication of opinions has been rectified at a lower cost than was originally estimated.

**2622: Documentation and library**

- ❖ Amount not committed: EUR 61 043 (36.84%)



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## Annual Budgetary Accounts 2016 and Report on Budgetary and Financial Management

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A contract for providing library management software could not be concluded in good time; a delay in another contract prevented subscriptions to periodicals in 2016. A new e-book database reduced the number of orders of paper books for the EESC.

5. USE OF APPROPRIATIONS AUTOMATICALLY CARRIED FORWARD  
FROM 2015 TO 2016 (C8)

Title	Chapter	Item			
1	Human resources	10	Members and delegates	1000	Specific allowances and payments
				1004	Travel and subsistence allowances
				1008	Travel and subsistence allowances, CCMI
				105	Further training, language courses and other training
		<b>10 Total</b>			
		12	Officials and temporary staff	1200	Remuneration and allowances
				1204	Entitlements on entering, transfer and leaving the service
		<b>12 Total</b>			
		14	Other staff and external services	1400	Other staff
				1404	Graduate traineeships, grants and exchanges of officials
	1420			Supplementary services for the translation service	
	1422			Expert advice connected with legislative work	
	1424			Interinstitutional cooperation and external services	
	<b>14 Total</b>				
	16	Other expenditure	1610	Recruitment	
			1612	Further training	
			162	Missions	
			1630	Social welfare	
			1632	Social contacts between members of staff	
			1634	Medical service	
			1638	Early childhood centre and approved day nurseries	
	<b>16 Total</b>				
	<b>Human resources Total</b>				
<b>1 Total</b>					

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## Annual Budgetary Accounts 2016 and Report on Budgetary and Financial Management

Appropriations carried forward	Paid in 2016	Percentage paid	Unused appropriations	Percentage unused
1,967	227	11.56%	1,739	88.44%
3,112,931	1,271,039	40.83%	1,841,892	59.17%
93,495	24,619	26.33%	68,876	73.67%
23,441	15,750	67.19%	7,690	32.81%
<b>3,231,834</b>	<b>1,311,636</b>	<b>40.58%</b>	<b>1,920,198</b>	<b>59.42%</b>
43,862	43,779	99.81%	83	0.19%
71,527	35,593	49.76%	35,934	50.24%
<b>115,389</b>	<b>79,372</b>	<b>68.79%</b>	<b>36,017</b>	<b>31.21%</b>
21,909	20,256	92.45%	1,653	7.55%
54,124	47,493	87.75%	6,631	12.25%
139,147	130,575	93.84%	8,573	6.16%
419,255	29,668	7.08%	389,587	92.92%
16,000	14,844	92.77%	1,156	7.23%
<b>650,436</b>	<b>242,836</b>	<b>37.33%</b>	<b>407,600</b>	<b>62.67%</b>
1,773	634	35.77%	1,139	64.23%
106,709	83,833	78.56%	22,876	21.44%
105,154	20,735	19.72%	84,420	80.28%
22,872	2,434	10.64%	20,438	89.36%
11,195	6,742	60.22%	4,453	39.78%
37,120	24,335	65.56%	12,785	34.44%
160,000	73,272	45.80%	86,728	54.21%
<b>444,824</b>	<b>211,984</b>	<b>47.66%</b>	<b>232,840</b>	<b>52.34%</b>
<b>4,442,483</b>	<b>1,845,827</b>	<b>41.55%</b>	<b>2,596,655</b>	<b>58.45%</b>
4,442,483	1,845,827	41.55%	2,596,655	58.45%

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Title		Chapter		Item			
2	Other resources	20	Buildings and associated costs	2000	Rent		
				2007	Fitting-out of premises		
				2008	Other expenditure on buildings		
				2022	Cleaning and maintenance		
				2026	Security and surveillance		
				2028	Insurance		
		<b>20 Total</b>					
		21	Data processing	2100	Purchase, servicing and maintenance of equipment and software		
				2102	Outside assistance		
				2103	Telecommunications		
				212	Furniture		
				214	Technical equipment and installations		
				216	Vehicles		
		<b>21 Total</b>					
		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		
		<b>23 Total</b>					
		25	Operational activities	2540	Miscellaneous expenditure on internal meetings		
				2542	Organisation of and participation in hearings and other events		
				2544	Costs of organising the work of the CCMI		
				2546	Representation expenses		
		<b>25 Total</b>					
		26	Communication	2600	Communication		
2602	Publishing and promotion of publications						
2620	Studies, research and hearings						
2622	Documentation and library expenditure						
<b>26 Total</b>							
<b>Other resources Total</b>							
<b>2 Total</b>							
<b>Grand Total</b>							

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## Annual Budgetary Accounts 2016 and Report on Budgetary and Financial Management

Appropriations carried forward	Paid in 2016	Percentage paid	Unused appropriations	Percentage unused
440,652	312,030	70.81%	128,621	29.19%
265,842	264,753	99.59%	1,089	0.41%
50,893	48,312	94.93%	2,581	5.07%
918,154	814,649	88.73%	103,505	11.27%
806,660	761,485	94.40%	45,174	5.60%
747	57	7.63%	690	92.37%
<b>2,482,947</b>	<b>2,201,287</b>	<b>88.66%</b>	<b>281,661</b>	<b>11.34%</b>
229,211	222,104	96.90%	7,106	3.10%
487,239	462,919	95.01%	24,320	4.99%
190,897	76,676	40.17%	114,220	59.83%
47,384	46,367	97.85%	1,017	2.15%
467,326	441,916	94.56%	25,410	5.44%
12,971	2,586	19.94%	10,385	80.06%
<b>1,435,027</b>	<b>1,252,568</b>	<b>87.29%</b>	<b>182,459</b>	<b>12.71%</b>
69,359	64,619	93.17%	4,740	6.83%
3,610	2,610	72.31%	1,000	27.69%
12,100	6,000	49.59%	6,100	50.41%
32,826	8,234	25.08%	24,592	74.92%
39,617	36,634	92.47%	2,983	7.53%
<b>157,513</b>	<b>118,098</b>	<b>74.98%</b>	<b>39,415</b>	<b>25.02%</b>
55,399	41,643	75.17%	13,757	24.83%
84,182	40,611	48.24%	43,571	51.76%
454	454	100.00%	0	0.00%
11,247	2,641	23.48%	8,605	76.52%
723,350	437,079	60.42%	286,271	39.58%
<b>874,632</b>	<b>522,428</b>	<b>59.73%</b>	<b>352,205</b>	<b>40.27%</b>
309,006	245,455	79.43%	63,552	20.57%
415,677	396,588	95.41%	19,089	4.59%
121,375	121,367	99.99%	8	0.01%
34,774	29,929	86.07%	4,845	13.93%
45,999	42,581	92.57%	3,418	7.43%
<b>926,831</b>	<b>835,920</b>	<b>90.19%</b>	<b>90,912</b>	<b>9.81%</b>
<b>5,876,950</b>	<b>4,930,300</b>	<b>83.89%</b>	<b>946,651</b>	<b>16.11%</b>
5,876,950	4,930,300	83.89%	946,651	16.11%
<b>10,319,433</b>	<b>6,776,127</b>	<b>65.66%</b>	<b>3,543,306</b>	<b>34.34%</b>

**5.1 REMARKS ON USE OF APPROPRIATIONS AUTOMATICALLY CARRIED FORWARD FROM 2015 TO 2016 (C8)**

For all budget lines with appropriations carried forward from 2015 to 2016 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 allowance, attendance at meetings and associated expenditure**

❖ Unused amount: EUR 1 841 892 (59.17%)

A cost-based system for reimbursement of members' travel expenses was fully implemented in October 2015. Up until then, members could choose a flat-rate reimbursement. As a result of the introduction of the new system, travel costs changed significantly, making forecasting for the last three months of 2015 inherently difficult.

**1008: Travel and subsistence allowance, attendance at meetings and associated expenditure of Delegates of the CCMI**

❖ Unused amount: EUR 68 876 (73.67%)

This budget line concerns reimbursement claimed by CCMI delegates. Explanations for unused appropriations are the same as for budget line 1004 (see above).

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

❖ Unused amount: EUR 35 934 (50.24%)

These appropriations cover various statutory allowances and removal costs for officials and temporary agents on entry to or departure from the service. A sufficient amount had to be carried forward in order to cover possible 2015 expenditure with 2015 appropriations. The number of staff members concerned is inherently difficult to predict and removals can take place up to almost two years after entering and three years after leaving the service. Likewise, the various allowances are highly dependent on the situation of the official concerned (family composition, place of origin, time of removal).

**1422: Expert advice connected with consultative work**

❖ Unused amount: EUR 389 587 (92.92%)

This budget line covers travel expenses and allowances for external experts providing advice in consultative work. Reimbursement claims for meetings in 2015 could still be submitted in 2016 and an amount had to be carried forward to cover all possible remaining expenditure for 2015 with 2015 appropriations. As it is not possible to precisely determine the amounts still to be claimed by EESC members, cancellation of some of the appropriations carried forward was inevitable.

**162: Mission expenses**

❖ Unused amount: EUR 84 420 (80.28%)

The amount carried forward from 2015 to 2016 was overestimated. For 2016, corrective actions have been taken to reduce the amount to be carried forward.

**1638: Early Childhood Centre and approved day nurseries**

❖ Unused amount: EUR 86 728 (54.21%)

The appropriations were based on the estimated annual cost provided by the Commission. In 2015, the Commission had announced an increase in costs with no further details concerning the calculation. In order to enable the Committee to cover the regularisation of 2015 due in 2016, EUR 160 000 was committed at the end of 2015. The final debit note from the Commission only arrived in November 2016 and the amount to be paid was much lower than anticipated.

**2000: Rent**

❖ Unused amount: EUR 128 621 (29.19%)

The final amount to be paid for service costs related to the rented VMA building was only confirmed with the receipt of invoices in 2016. Indexation and energy consumption was lower than expected.

**2022: Cleaning and maintenance**

❖ Unused amount: EUR 103 505 (11.27%)

The underutilisation is due to a divergence between the anticipated costs of building maintenance, technical assistance and possible interventions on the one hand and the final cost on the other. This stems mainly from a certain 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 2016.

**2026: Security and surveillance**

- ❖ Unused amount: EUR 45 174 (5.60%)

Initial commitments had to be made in 2015 on the basis of estimates. The final amount to be paid, which was invoiced only in 2016, proved to be much lower this year than anticipated.

**2103: Telecommunications**

- ❖ Unused amount: EUR 114 220 (59.83%)

EESC members are entitled to receive a contribution to their IT, telecommunications and electronic office equipment expenses during their term of office, provided that they attend at least 50% of the plenary sessions and section meetings (a similar rule applies to CCMI delegates who attend at least 50% of the CCMI meetings). Remaining appropriations are carried forward in order to ensure that legitimate requests from members and delegates can be met. However, as a result some of the appropriations carried forward are bound to remain unused.

For telecommunications expenses managed by the joint services, the precise amount to be paid for the year 2015 was only known at the beginning of 2016. This proved to be significantly lower than the amount kept in reserve.

**214: Technical equipment and installations**

- ❖ Unused amount: EUR 25 410 (5.44%)

Regarding its own services, the EESC had expected higher costs for renting technical equipment for outside meetings as well as costs for technical maintenance in its own conference rooms.

In the printing service managed by the two Committees' joint services, a certain amount was kept at the end of the year in case machines needed to be repaired.

**2542: Expenditure on the organisation of and participation in events**

- ❖ Unused amount: EUR 43 571 (51.76%)



Appropriations were carried forward to cover the expenditure that could not be settled in 2015, with a certain safety margin. It takes some time before the secretariat receives all reimbursement claims, and forecasted costs often differ considerably from real costs. Some anticipated expenses also did not materialise as some speakers in the end did not want to be reimbursed.

**2548: Interpreting**

- ❖ Unused amount: EUR 286 271 (39.58%)

Appropriations carried forward cover the expenditure that could not be settled or paid in 2015. The forecasting is based on a scenario where all languages requested are obtained. The invoices are then adjusted to actual consumption (changes in agendas, participants, length of the meeting and varying availability of languages), which cannot be forecast with accuracy. Furthermore, cancellation costs have been significantly reduced.

**2600: Communication**

- ❖ Unused amount: EUR 63 552 (20.57%)

In November 2015, an event was cancelled due to the security situation leading to only a partial payment of the appropriations carried forward. Furthermore, in several cases a safety margin carried over for smaller events remained unspent.

6. USE OF ASSIGNED REVENUE IN 2016 (C4)

Title	Chapter	Item			
1	Human resources	10	Members and delegates	1000	Specific allowances and payments
					1004
		<b>10 Total</b>			
		14	Other staff and external services	1404	Graduate traineeships, grants and exchanges of officials
				1420	Supplementary services for the translation service
		<b>14 Total</b>			
	16	Other expenditure	162	Missions	
			1632	Social contacts between members of staff	
			1634	Medical service	
	<b>16 Total</b>				
	<b>Human resources Total</b>				
	<b>1 Total</b>				
2	Other resources	20	Buildings and associated costs	2000	Rent
				2022	Cleaning and maintenance
				2026	Security and surveillance
		<b>20 Total</b>			
		21	Data processing	214	Technical equipment and installations
				2100	Purchase, servicing and maintenance of equipment and software
	2103			Telecommunications	
	<b>21 Total</b>				
	23	Current administrative expenditure	230	Stationery, office supplies and miscellaneous consumables	
			232	Legal costs and damages	
	<b>23 Total</b>				
	25	Operational activities	2542	Organisation of and participation in hearings and other events	
			2548	Interpreting	
	<b>25 Total</b>				
	<b>Other resources Total</b>				
<b>2 Total</b>					
<b>Grand Total</b>					

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Final appropriations	Committed	Percentage committed	Payments	Payment percentage	Outstanding commitments	Available credits	Available percentage
9,671	0	0.00%	0	0.00%	0	9,671	100.00%
7,589	233	3.07%	233	100.00%	0	7,356	96.93%
<b>17,261</b>	<b>233</b>	<b>1.35%</b>	<b>233</b>	<b>100.00%</b>	<b>0</b>	<b>17,028</b>	<b>98.65%</b>
0	0	0.00%	0	0.00%	0	0	0.00%
1,900	1,900	100.00%	1,900	100.00%	0	0	0.00%
<b>1,900</b>	<b>1,900</b>	<b>100.00%</b>	<b>1,900</b>	<b>100.00%</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
0	0	0.00%	0	0.00%	0	0	0.00%
260	0	0.00%	0	0.00%	0	260	100.00%
70	0	0.00%	0	0.00%	0	70	100.00%
<b>330</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>330</b>	<b>100.00%</b>
<b>19,490</b>	<b>2,133</b>	<b>10.94%</b>	<b>2,133</b>	<b>100.00%</b>	<b>0</b>	<b>17,358</b>	<b>89.06%</b>
19,490	2,133	10.94%	2,133	100.00%	0	17,358	89.06%
1,499,913	1,499,913	100.00%	1,499,913	100.00%	0	0	0.00%
5,478	0	0.00%	0	0.00%	0	5,478	100.00%
1,425,197	1,419,032	99.57%	1,076,633	75.87%	342,399	6,165	0.43%
<b>2,930,589</b>	<b>2,918,945</b>	<b>99.60%</b>	<b>2,576,546</b>	<b>88.27%</b>	<b>342,399</b>	<b>11,644</b>	<b>0.40%</b>
425,399	425,399	100.00%	7,585	1.78%	417,814	0	0.00%
986	986	100.00%	111	11.24%	876	0	0.00%
218,909	205,686	93.96%	169,271	82.30%	36,415	13,224	6.04%
<b>645,295</b>	<b>632,071</b>	<b>97.95%</b>	<b>176,966</b>	<b>28.00%</b>	<b>455,105</b>	<b>13,224</b>	<b>2.05%</b>
25,500	25,500	100.00%	25,500	100.00%	0	0	0.00%
2,617	0	0.00%	0	0.00%	0	2,617	100.00%
<b>28,117</b>	<b>25,500</b>	<b>90.69%</b>	<b>25,500</b>	<b>100.00%</b>	<b>0</b>	<b>2,617</b>	<b>9.31%</b>
272	0	0.00%	0	0.00%	0	272	100.00%
2,676	2,676	100.00%	2,676	100.00%	0	0	0.00%
<b>2,948</b>	<b>2,676</b>	<b>90.77%</b>	<b>2,676</b>	<b>100.00%</b>	<b>0</b>	<b>272</b>	<b>9.23%</b>
<b>3,606,949</b>	<b>3,579,192</b>	<b>99.23%</b>	<b>2,781,689</b>	<b>77.72%</b>	<b>797,503</b>	<b>27,756</b>	<b>0.77%</b>
3,606,949	3,579,192	99.23%	2,781,689	77.72%	797,503	27,756	0.77%
<b>3,626,439</b>	<b>3,581,325</b>	<b>98.76%</b>	<b>2,783,821</b>	<b>77.73%</b>	<b>797,503</b>	<b>45,114</b>	<b>1.24%</b>

7. RE-USED ASSIGNED REVENUE FROM 2015 (C5)

Title	Title text	Chapter	Item		
1	Human resources	10	Members and delegates	1004	Travel and subsistence allowances
		<b>10 Total</b>			
		16	Other expenditure	1638	Early childhood centre and approved day nurseries
		<b>16 Total</b>			
<b>Human resources Total</b>					
<b>1 Total</b>					
2	Other resources	21	Data processing	2103	Telecommunications
		<b>21 Total</b>			
		25	Operational activities	2542	Organisation of and participation in hearings and other events
		<b>25 Total</b>			
<b>Other resources Total</b>					
<b>2 Total</b>					
<b>Grand Total</b>					

# III.

## Annual Budgetary Accounts 2016 and Report on Budgetary and Financial Management

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Final appropriations	Committed	Percentage committed	Payments	Payment percentage	Outstanding commitments	Available credits	Available percentage
24,317	24,317	100.00%	24,317	100.00%	0	0	0.00%
<b>24,317</b>	<b>24,317</b>	<b>100.00%</b>	<b>24,317</b>	<b>100.00%</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
26,488	26,488	100.00%	0	0.00%	26,488	0	0.00%
<b>26,488</b>	<b>26,488</b>	<b>100.00%</b>	<b>0</b>	<b>0.00%</b>	<b>26,488</b>	<b>0</b>	<b>0.00%</b>
<b>50,804</b>	<b>50,804</b>	<b>100.00%</b>	<b>24,317</b>	<b>47.86%</b>	<b>26,488</b>	<b>0</b>	<b>0.00%</b>
50,804	50,804	100.00%	24,317	47.86%	26,488	0	0.00%
32,764	32,764	100.00%	32,764	100.00%	0	0	0.00%
<b>32,764</b>	<b>32,764</b>	<b>100.00%</b>	<b>32,764</b>	<b>100.00%</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
232	0	0.00%	0	0.00%	0	232	100.00%
<b>232</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>232</b>	<b>100.00%</b>
<b>32,996</b>	<b>32,764</b>	<b>99.30%</b>	<b>32,764</b>	<b>100.00%</b>	<b>0</b>	<b>232</b>	<b>0.70%</b>
32,996	32,764	99.30%	32,764	100.00%	0	232	0.70%
<b>83,801</b>	<b>83,569</b>	<b>99.72%</b>	<b>57,081</b>	<b>68.30%</b>	<b>26,488</b>	<b>232</b>	<b>0.28%</b>

# III.

## Annual Budgetary Accounts 2016 and Report on Budgetary and Financial Management

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### 8. APPROPRIATIONS FROM EXTERNAL ASSIGNED REVENUE (R0)

Title		Chapter		Item	
2	Other resources	25	Operational activities	2542	Organisation of and participation in hearings and other events
		<b>25 Total</b>			
<b>Other resources Total</b>					
<b>2 Total</b>					
<b>Grand Total</b>					

III.

**Annual Budgetary Accounts 2016  
and Report on Budgetary and Financial Management**

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Final appropriations	Committed	Percentage committed	Payments	Payment percentage	Outstanding commitments	Available credits	Available percentage
502,970	308,977	61.43%	271,641	87.92%	37,336	193,993	38.57%
<b>502,970</b>	<b>308,977</b>	<b>61.43%</b>	<b>271,641</b>	<b>87.92%</b>	<b>37,336</b>	<b>193,993</b>	<b>38.57%</b>
<b>502,970</b>	<b>308,977</b>	<b>61.43%</b>	<b>271,641</b>	<b>87.92%</b>	<b>37,336</b>	<b>193,993</b>	<b>38.57%</b>
502,970	308,977	61.43%	271,641	87.92%	37,336	193,993	38.57%
<b>502,970</b>	<b>308,977</b>	<b>61.43%</b>	<b>271,641</b>	<b>87.92%</b>	<b>37,336</b>	<b>193,993</b>	<b>38.57%</b>

# III.

## Annual Budgetary Accounts 2016 and Report on Budgetary and Financial Management

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### 9. EESC BUDGET RESULT

2016	EUR
Revenue for the financial year	15,410,728
Payments against current year's budget appropriations	-119,060,815
Payments against assigned revenue appropriations	-3,112,544
Payment appropriations carried over to year N+1	-7,918,654
Cancellation of unused payment appropriations carried over from year N-1	3,543,306
Evolution of assigned revenue	-1,016,865
Exchange differences for the year (symbolic)	0
<b>Budget result</b>	<b>-112,154,844</b>



# **PART IV**

## **Appendices**



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## **1. Appendix A: INTERNAL CONTROL ENVIRONMENT: STATE OF PLAY**

The EESC's Internal Financial Rules set out a robust control framework for all budgetary transactions, with strictly defined roles for authorising officers by sub-delegation, managing officers and verifiers. The role of the different financial actors, the framework outlining their assistance and details of the budgetary procedures are specified in the EESC's Internal Financial Rules.

The objective of this information is to report, as part of the regular reporting process, on assessments undertaken and improvements made in the implementation of control standards and, where appropriate, to show their repercussions for the whole control framework. Several internal control standards were given particular attention in 2016. The reasons for selecting these standards as well as the action taken to ensure their effectiveness are outlined below.

### **1.1 MISSION (ICS 1)**

In 2016, the EESC continued to focus its work on three main pillars of activity: legislative work, inter-institutional cooperation and relations with European organised civil society.

The EESC privileged the use of interinstitutional contracts with the European Parliament, the European Commission and the European Council. The EESC also joined forces more closely with the European Committee of Regions by implementing the new Cooperation Agreement, which entered into force in January 2016 for a period of four years.

The aim of this agreement is to improve the efficiency of both Committees by joining up and making better use of their resources.

### **1.2 ETHICAL AND ORGANISATIONAL VALUES (ICS 2)**

As provided for under Article 22(c) of the Staff Regulations, the EESC adopted a new decision laying down rules on whistleblowing on 2 March 2016. It did so with the objective of clarifying the procedure to be followed by all actors involved as well as aiming to protect their legitimate interests, with a view to encouraging whistleblowing at the Committee.

This decision complements the statutory rules on whistleblowing (Articles 22(a) and (b) of the Staff Regulations) as well as EESC Decision N° 363/99 A of 11 October 1999 concerning the terms and conditions for internal investigations in relation to the prevention of fraud, corruption and any illegal activity detrimental to the Communities' interests.

The new decision complements the legal framework as it:

1. further defines the obligation of whistleblowing at the EESC, thereby avoiding the risk of abuse or unjustified accusations;

2. clarifies the procedure to follow to report facts either internally (to management) or directly to the European Anti-Fraud Office (OLAF) for all actors involved (whistleblower and management). Ethics counsellors act as contact persons for those wanting to launch a whistleblowing procedure;
3. ensures that the whistleblower will receive maximum protection, both in terms of confidentiality and against all acts of retaliation, provided he has acted in good faith;
4. ensures the appropriate protection is provided to persons reported by the whistleblower (i.e. the right to be heard, confidentiality and protection against abusive and defamatory accusations).

### **1.3 STAFF ALLOCATION AND MOBILITY (ICS 3)**

#### **1.3.1 Establishment plan**

The number of posts in the establishment plan was reduced in 2016 as a consequence of the transfer of posts to the EP, following the cooperation agreement, and the abolition of posts as part of the 5% reduction in staff 2013-2017.

The new cooperation agreement with the European Committee of the Regions entered into force in January 2016 and envisages the internal transfer of a number of staff members from the Translation Directorate to the own services.

#### **1.3.2 Mobility**

A new decision on structural mobility entered into force in 2015. The first list of staff members subject to internal mobility was established by the Joint Mobility Committee and published at the beginning of 2016.

To this end, the Human Resources Directorate offered several accompanying measures such as job shadowing or career guidance counselling to facilitate these moves.

In January 2016 a pilot project called "Building bridges – 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. The second exercise was launched in September 2016.

#### **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 2016 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 every 6 months.
- 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**

New decisions on appraisals and promotions entered into force in 2016. The appraisal and promotion procedures have undergone a substantial revision.

The aim was to create a motivational working environment where performance is valued.

##### **1.4.2 Training and professional development**

At the end of 2016, the EESC migrated towards a new interinstitutional learning management system, called "EU Learn", which will replace Syslog.

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

The Strategic Framework for Learning and Development aims to promote a learning culture which recognises continuous learning and development as a key factor in improving motivation at work and as an integral part of a human resources policy.

The EESC is currently working on its new Learning and Development strategy, which will be based on the European Commission's strategy. The new learning focus will be on social learning from colleagues and peers, with managers becoming learning facilitators and staff developers.

#### **1.5 CONTINUITY OPERATIONS (ICS 10)**

The new version of the EESC's Business Continuity Plan (BCP) entered into force in 2016.

It focuses on:

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.

A revision is planned for 2017.

## **1.6 DOCUMENT MANAGEMENT (ICS 11)**

A launch meeting and a workshop were organised during the last quarter of 2015 with the aim of setting out the steps for the gradual implementation of the forthcoming IT tool for managing mail, Adonis 2 (setting up working groups, managing a calendar of regular coordination meetings, and presenting the results of the test phases).

Adonis 2 was launched in autumn 2016.

## **1.7 INFORMATION AND COMMUNICATION (ICS 12)**

### **1.7.1 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.

In 2016, the EESC focused in particular on implementing the action plan linked to the updated communication strategy, on upgrading "going local" efforts and on communications linked to the Committee's political priorities.

### **1.7.2 Internal Communication**

Internal communication is an important tool for strengthening staff members' sense of belonging, by providing information on the organisation's goals and the initiatives it is taking to achieve them.

The "HR TV" channel for video messages was further developed as an information and communication tool. Through a series of short clips and interviews broadcast on the intranet, "HR TV" covers various areas of interest to staff.

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

## **1.8 EVALUATION OF ACTIVITIES (ICS 14)**

At the beginning of each year, Directorate F coordinates the preparation of the Annual Activity Report for the previous year, based on input from all EESC secretariat services.

The purpose of the Annual Activity Report (AAR) is to:

- give an account of the achievement of key objectives and activities by the EESC taking the resources used into consideration;

- serve as a management report by the EESC Secretary-General, covering all aspects of management, including the implementation of Internal Control Standards (ICS);
- include 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.

### **1.9 INTERNAL AUDIT CAPABILITY (ICS 16)**

The risk assessment carried out by the administration is accompanied by 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 whole 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 EESC own services and the joint services established together with the European Committee of the Regions. Audits concerning the latter are based on procedures defined in the cooperation agreement.



**2. Appendix B:  
MAIN RECOMMENDATIONS OF THE INTERNAL AUDITOR CONTAINED IN  
AUDIT REPORTS PRODUCED IN 2016 AND ACTION TAKEN TILL DATE**

**2.1 AUDITS AND AUDIT FOLLOW-UP**

***Work plan 2015***

Some of the audit work initiated in 2015 was only finished in 2016. This includes two audits – one on traineeships and grants, and one on staff missions. Agreed action plans relating to these audits were established. These action plans, agreed between the internal audit service (IAS) and the audited services, set out measures for implementing audit recommendations. They form an integral part of an audit exercise and, where possible, are established at the same time as the audit reports themselves.

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 the operational aspects of financial management. No significant risks were detected in the investigated areas. The main findings and recommendations concern improvements in formal processes, documentation and the use of IT applications.

Where observations were made with regard to general managerial or workflow issues, these cases were also included in the reports.

***Work Plan 2016***

Some audit investigations were launched but not concluded in 2016. These reports are being drafted but will not be finalised until 2017:

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 are the focus of an audit on translation outsourcing and its practical execution and restrictions.

Following the 2015 transfer of salary-related staff and responsibilities to the Directorate for Human Resources, an audit on salary payment procedures was launched in 2016 and is still ongoing.

In the context of Financial Regulation compliance audits, an investigation into the financial management of both non-budgeted income and transfers of appropriations will be concluded in early 2017.

### *Follow-up on recommendations*

Continuous follow-up on agreed action plans is crucial 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 2016, the review exercise was concluded satisfactorily. There are currently eight action plans which have agreed actions that have not yet been implemented. There are no critical issues pending.

For 2017, a more streamlined approach is planned, in order to increase the efficiency of this process.

## **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, or 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. Following changes in personnel, the attribution of responsibilities in these areas is presently under review.

### *Internal Regulations*

In accordance with the charter, the internal auditor 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 Finances launched a process to review the Internal Rules for the Execution of the EESC Budget. The IAS undertook an in-depth analysis of the proposed changes and fields of application and presented the directorate with its critical remarks and proposals. The revision process is still ongoing.

### *Statement of Assurance and Discharge*

The Budget Unit in the Directorate for Finances is the EESC's agreed 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 framework of budget planning and the discharge procedure. As provided for in the charter of the internal auditor, this unit must ensure that the internal auditor is kept fully informed of these issues.

### *IAS interaction*

The internal audit service is in close contact with the verification service and other staff carrying out internal controls. There is a well-established process for 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 CoR). Finally, the IAS is in regular contact with the internal audit services of other European institutions.

## **2.3 FRAMEWORK FOR THE INTERNAL AUDIT SERVICE**

### *Self-assessment*

Another task scheduled for 2016 was to conduct a self-assessment of the internal audit service. This was designed as an audit on audit procedures and methodology. It resulted in a list of measures to be implemented starting in 2017. An external expert monitored the process and critically reviewed the results. The results were also presented and discussed in the Audit Committee.

### *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 invited to Audit Committee meetings where they can directly respond to relevant queries. In 2016 the Audit Committee held five meetings. The internal audit service is in close contact with the Members of the Audit Committee.

### *Audit coverage*

One topic being discussed with the Audit Committee and the Secretariat is audit coverage, especially in connection with risk analysis and the assurance provided. This is an ongoing process that is expected to lead to changes in the focus of internal audits, and to have an impact on the IAS's work plan and resources.

### *IAS staff*

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

***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. Appendix C:  
DISPOSING OF FIXED ASSETS 2016**

**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 2016**

No immovable property or major installations were made available free of charge by the European Economic and Social Committee during 2016.



#### 4. **Appendix D: 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 a level of performance (e.g. payment lead times), whilst others measure a certain level of activity (e.g. a production volume). This is why the indicators 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. KAPIS are also a means to raise awareness about performance amongst all officials in the secretariat. 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. Care should be taken when interpreting them. It is not so much their absolute values as their evolution over time that can reveal and confirm trends which may need attention and action.

KAPIS are presented by the directorate and 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 the KAPI's annual data have been included.

KAPIS evolve along with the secretariat's activities and organisation. They are reviewed regularly. In some cases, definitions will need rewording, in other cases a KAPI will lose its relevance or a new one may become useful.

##### *Abbreviations*

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

AD = administrator

AST = assistant

CT = contract agents (CT-S = structural contract agents)

EN = seconded national experts

F = female

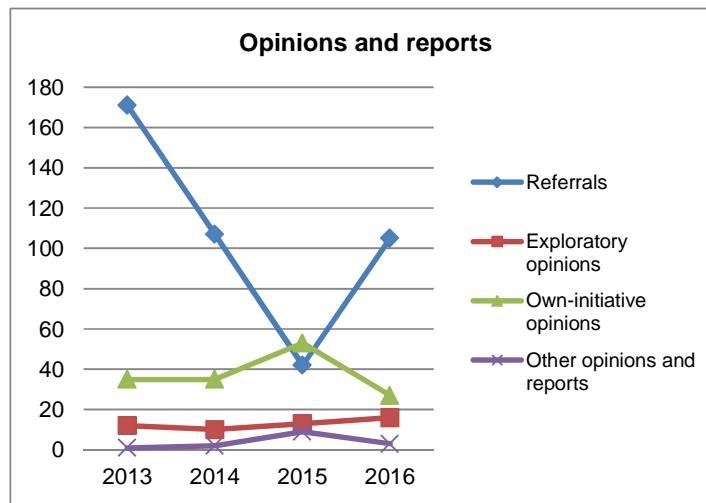
FS = officials on probation  
FT = established officials  
FTE = full-time equivalents  
M = male  
SC = secretaries/clerks  
TP = temporary agents

**4.2 DEVELOPMENT DIRECTORATES FOR LEGISLATIVE WORK**

**Opinions and reports**

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

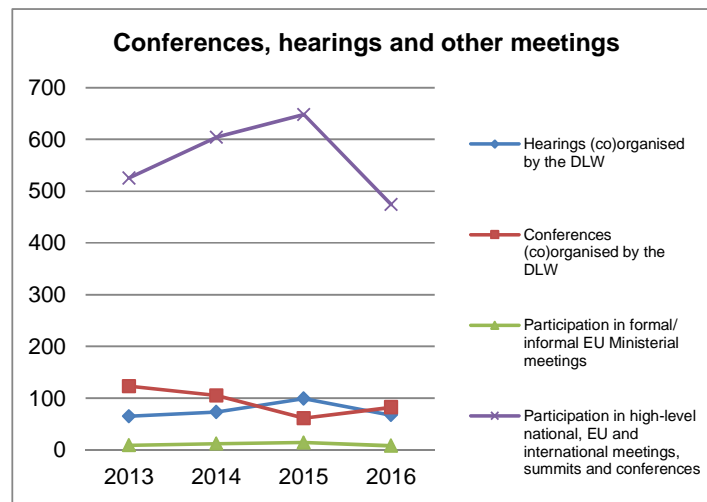
	Opinions and reports				Total
	Referrals	Exploratory opinions	Own-initiative opinions	Other opinions and reports	
2016	105	16	27	3	151
2015	42	13	53	9	117
2014	107	10	35	2	154
2013	171	12	35	1	219



### 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
2016	100	79	11	343
2015	67	82	8	474
2014	99	61	14	648
2013	73	105	12	604

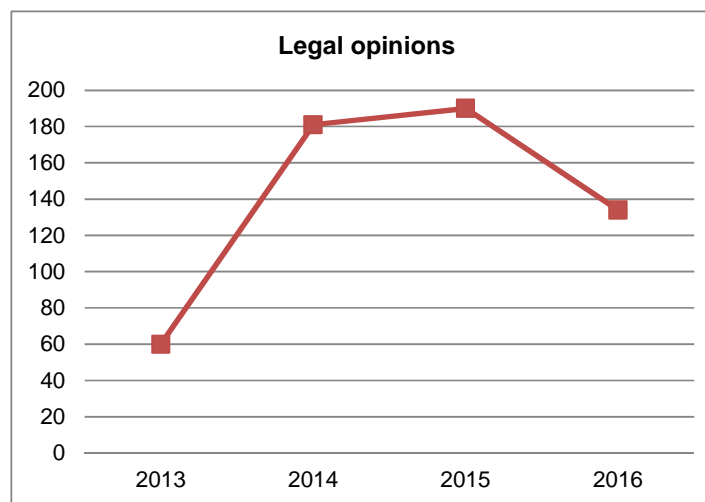


### 4.3 DIRECTORATE FOR LEGISLATIVE PLANNING, RELATIONS WITH INSTITUTIONS AND CIVIL SOCIETY

#### Legal opinions

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

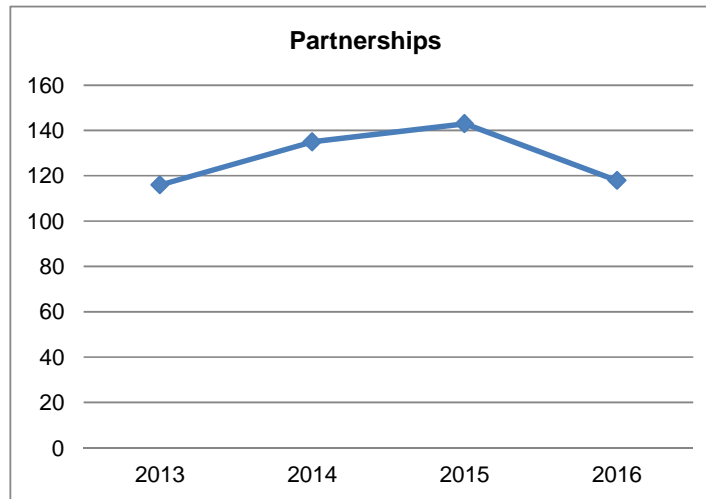
	Legal opinions
2016	134
2015	190
2014	181
2013	60



**Partnerships**

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

Partnerships	
2016	118
2015	143
2014	135
2013	116



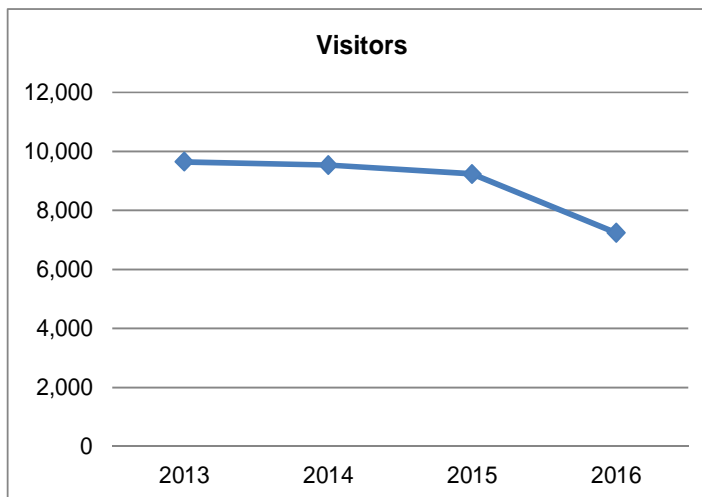
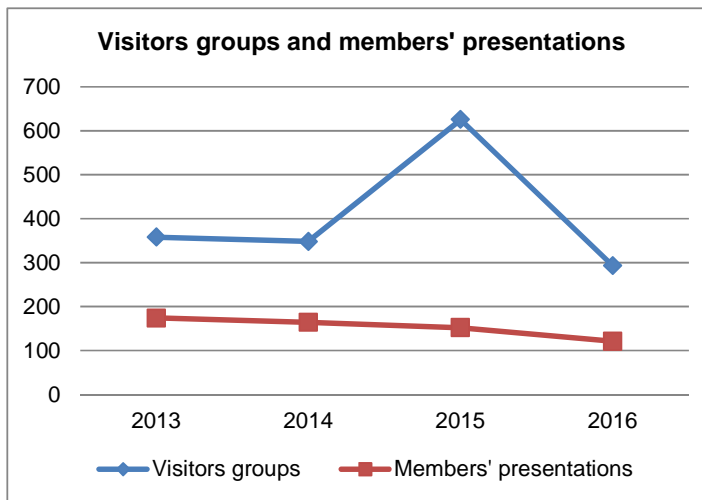


4.4 COMMUNICATION

Visitors groups

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

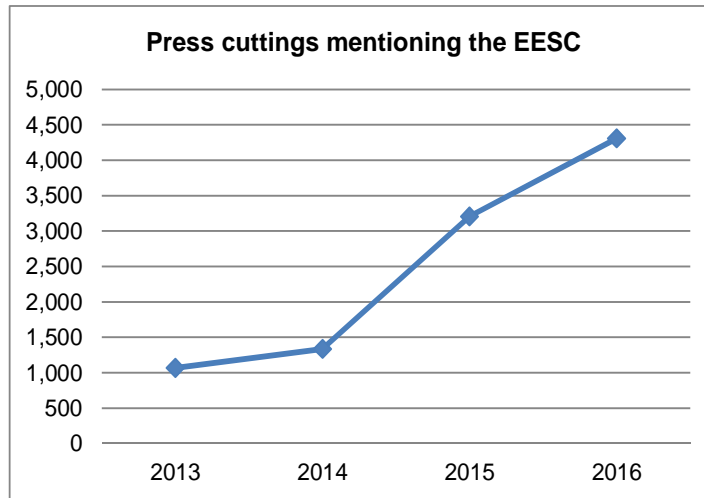
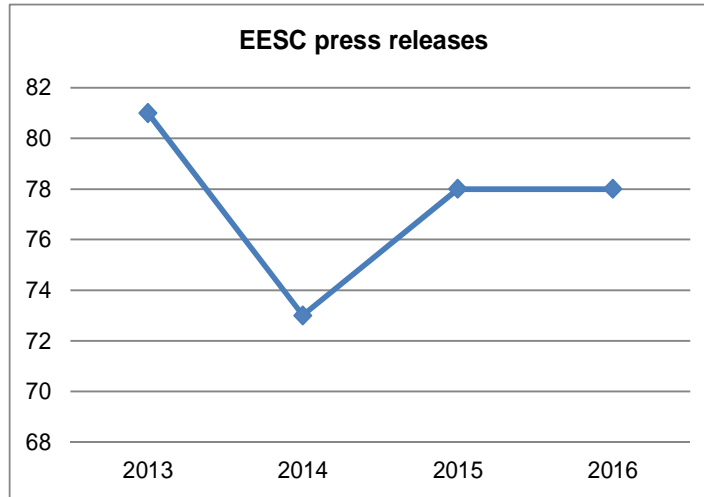
	Visitors groups	Members' presentations	Visitors
2016	293	121	7,237
2015	625	152	9,230
2014	348	164	9,534
2013	358	174	9,645



**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.

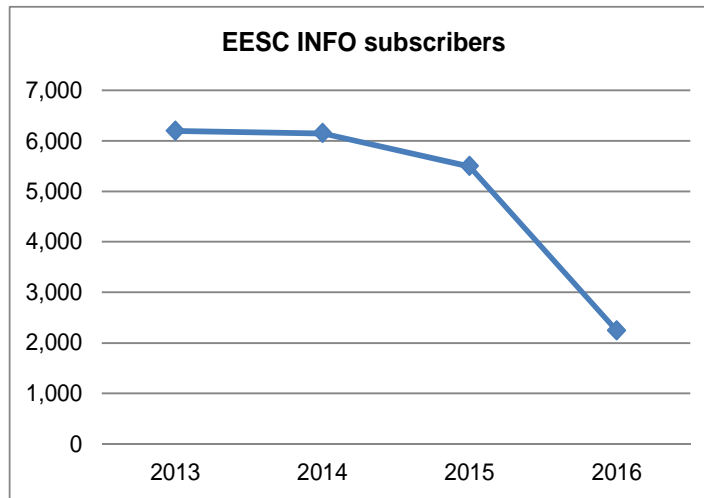
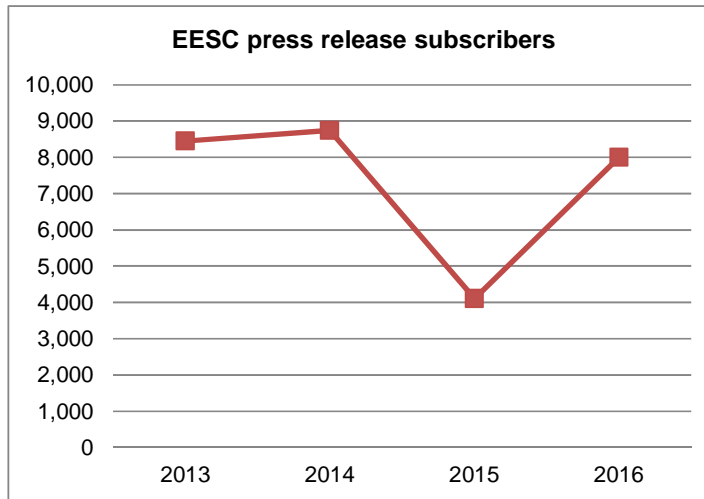
	<b>EESC press releases</b>	<b>Press cuttings mentioning the EESC</b>
<b>2016</b>	<b>78</b>	<b>4,307</b>
2015	78	3,205
2014	73	1,334
2013	81	1,067



**Information subscribers**

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

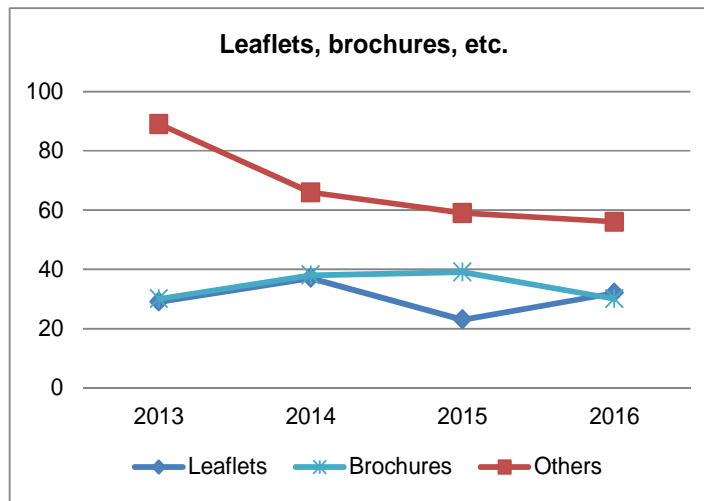
	<b>EESC press release subscribers</b>	<b>EESC INFO subscribers</b>
<b>2016</b>	<b>8,004</b>	<b>2,244</b>
2015	4,107	5,491
2014	8,745	6,147
2013	8,451	6,196



**Publications**

This indicator measures the number of leaflets, brochures and booklets published by the EESC.

	Leaflets	Brochures	Booklets	Total
2016	32	30	56	118
2015	23	39	59	121
2014	37	38	66	141
2013	29	30	89	148

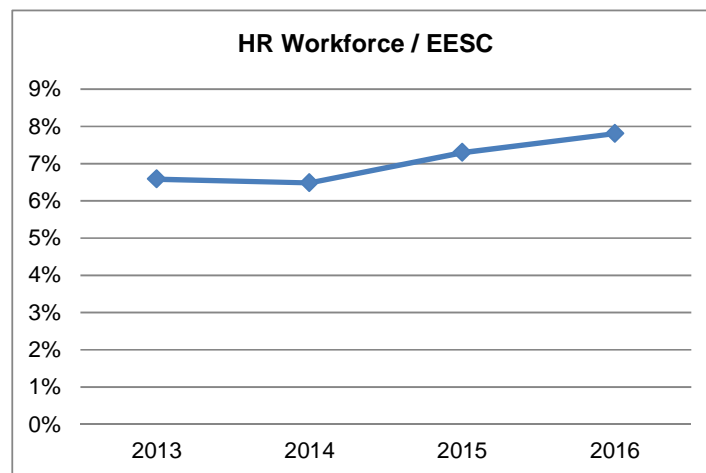
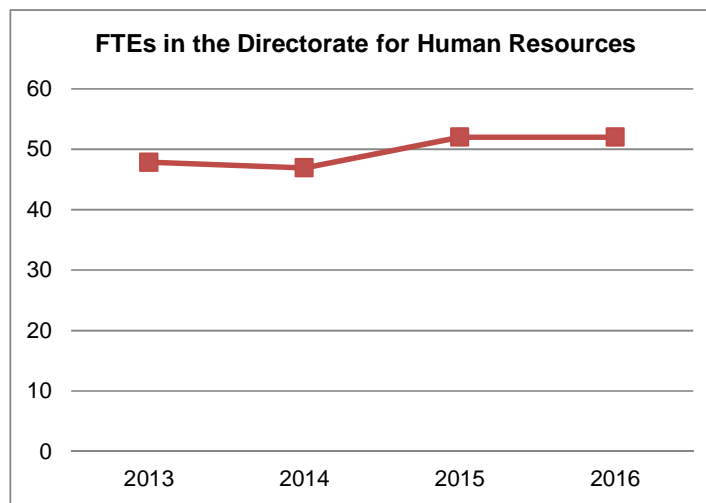


**4.5 DIRECTORATE FOR HUMAN RESOURCES AND INTERNAL SERVICES**

**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.

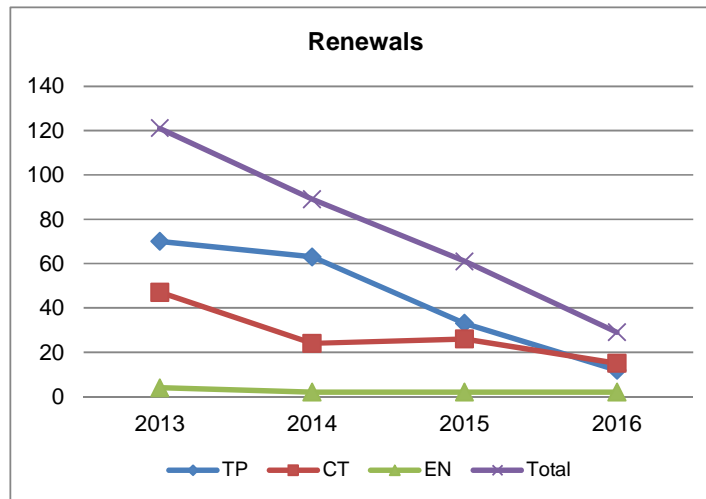
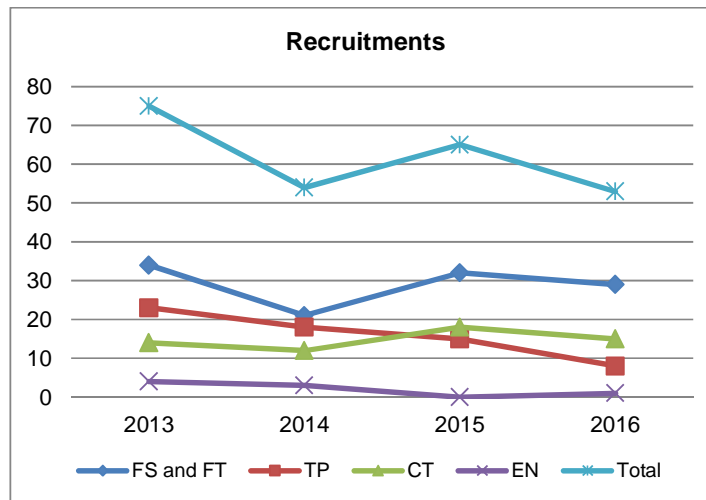
	HR Workforce	Official posts	HR Workforce / Official posts
2016	52	670	7.8%
2015	52	713	7.3%
2014	47	720	6.5%
2013	48	727	6.6%



**Number of recruitments/renewals**

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

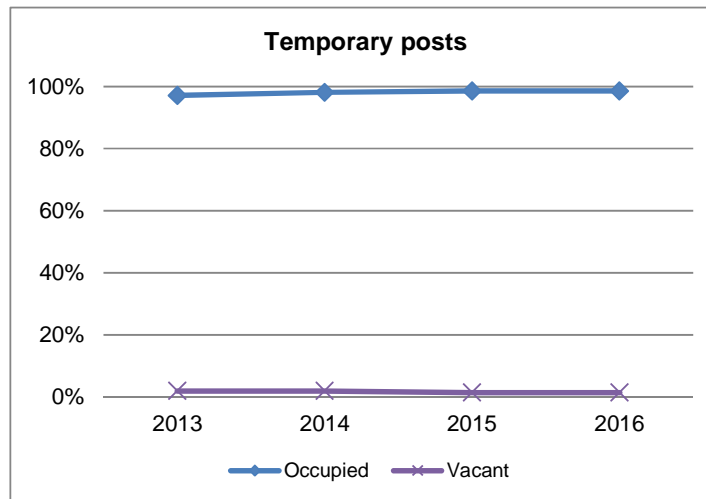
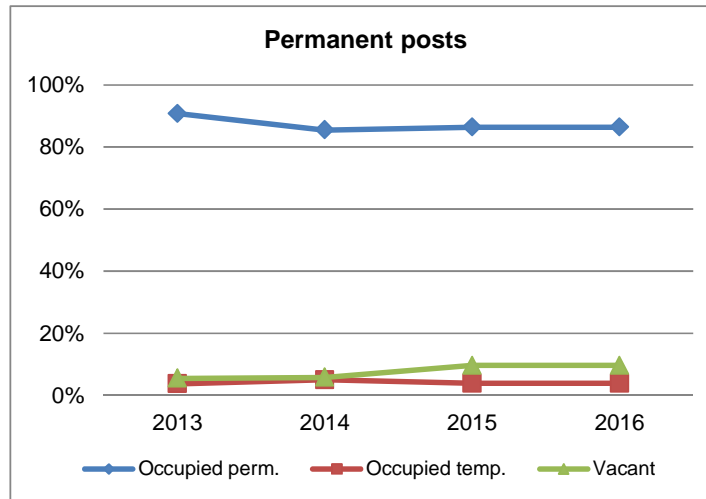
	Recruitments					Renewals			
	FS and FT	TP	CT	EN	Total	TP	CT	EN	Total
2016	29	8	15	1	53	12	15	2	29
2015	32	15	18	0	65	33	26	2	61
2014	21	18	12	3	54	63	24	2	89
2013	34	23	14	4	75	70	47	4	121



**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).

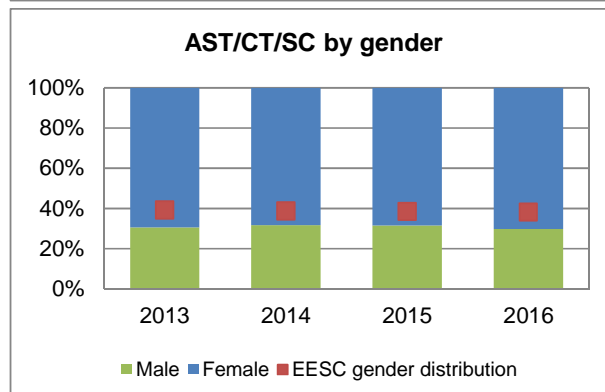
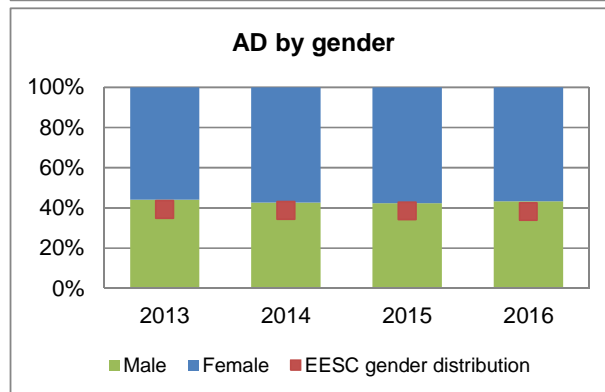
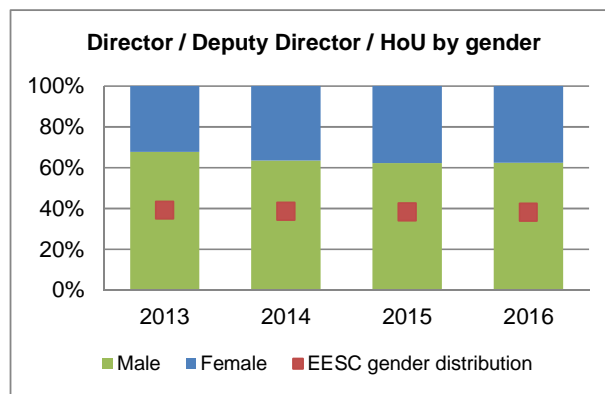
	Total	Permanent posts							Temporary posts		
		All	AD	AST	SC	Occupied perm.	Occupied temp.	Vacant	All	Occupied	Vacant
2016	670	635	315	300	20	588	25	22	35	34	1
2015	713	678	342	331	5	587	24	62	35	34	1
2014	720	685	344	341	-	597	32	40	35	35	0
2013	727	692	347	345	-	628	26	38	35	34	1



**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 M of this report shows data from February 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
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
2013	46	63.0	37.0	6.2	344	44.2	55.8	46.5	350	30.6	69.4	47.3

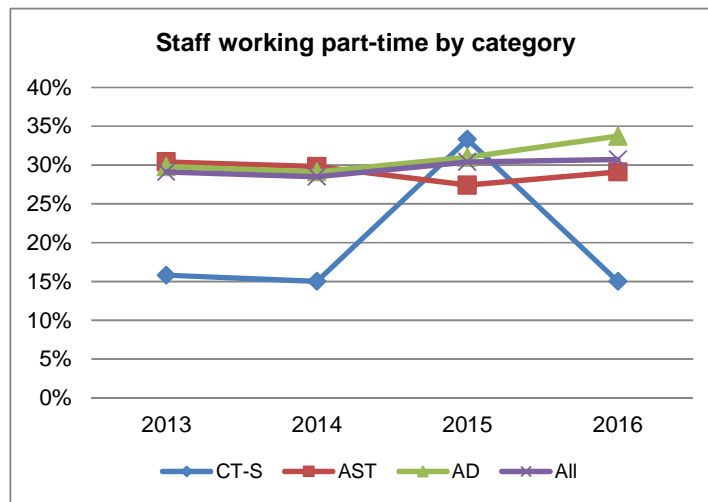
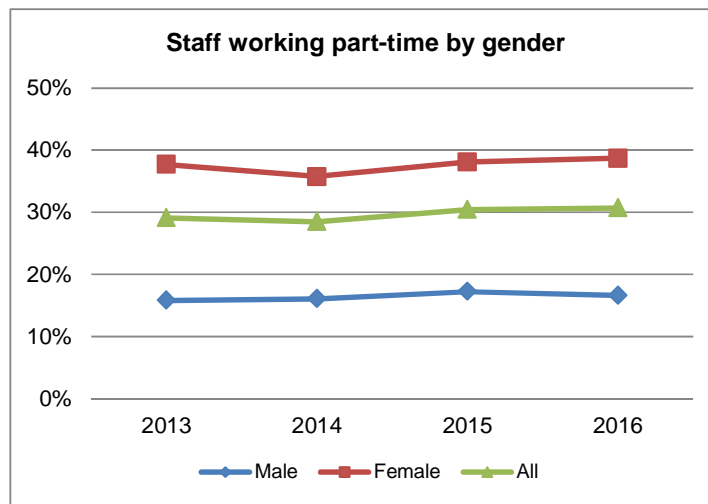




**Flexibility in terms of working time arrangements**

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

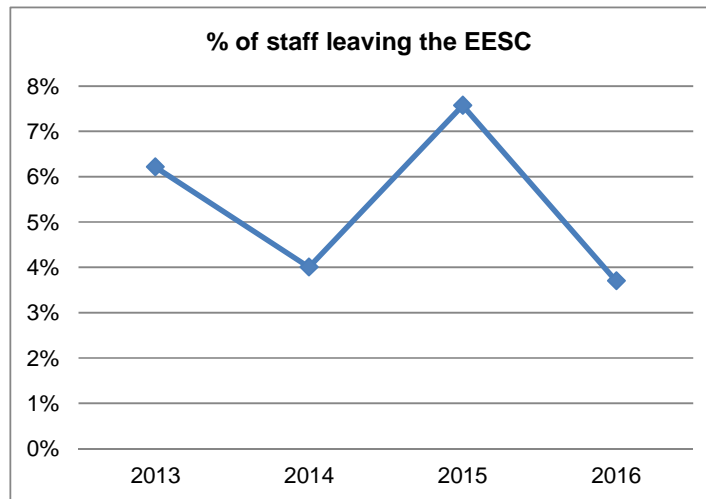
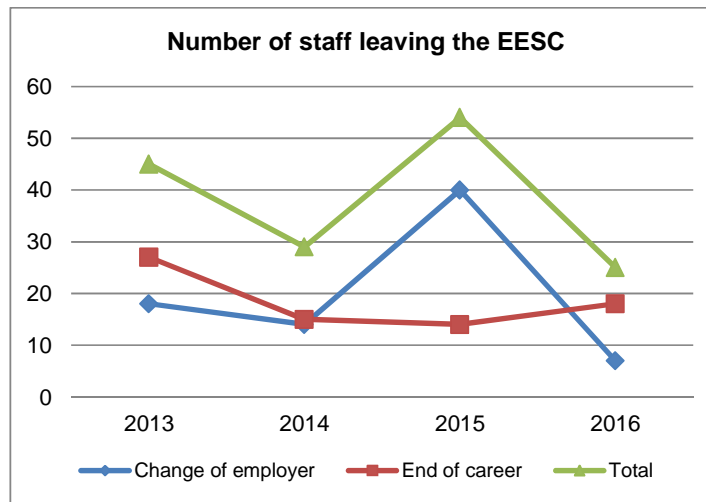
	By gender				By category						All	
	M		F		AD		AST		CT-SC		Number	%
	Number	%	Number	%	Number	%	Number	%	Number	%		
2016	43	16.6	174	38.7	109	33.7	104	30.4	3	15.0	217	30.7
2015	45	17.2	169	38.1	104	31.0	108	29.8	2	33.3	214	30.4
2014	44	16.1	167	35.8	104	29.1	104	27.4	20	15.0	211	28.5
2013	43	15.8	158	37.7	101	29.8	97	29.1	3	15.8	201	29.1



**Staff turnover**

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

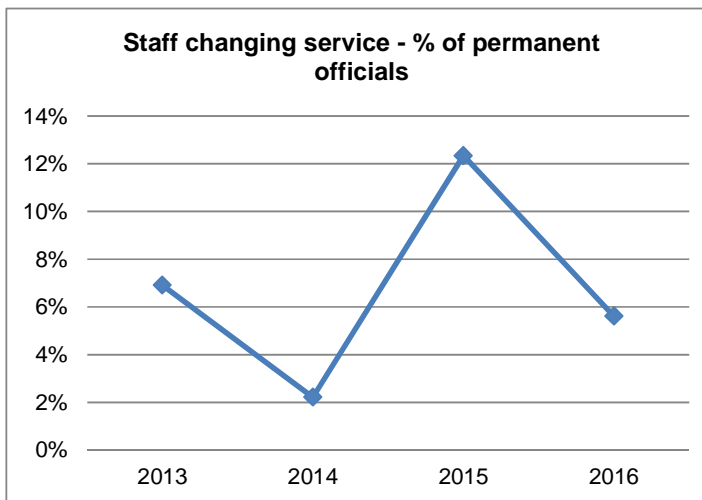
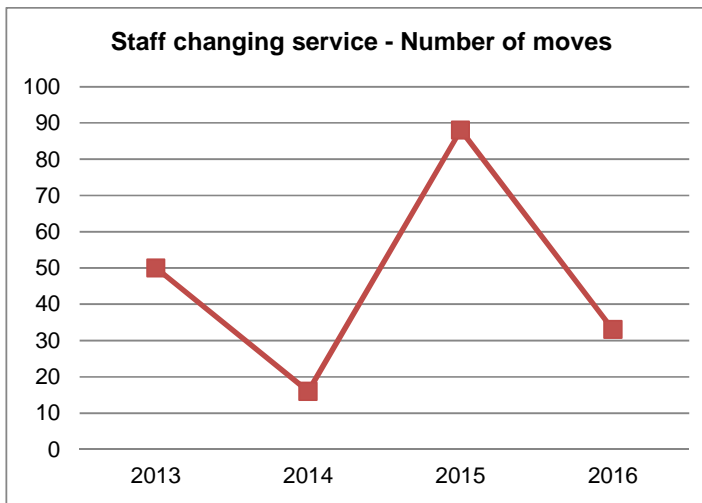
Staff leaving the EESC				
	Change of employer	End of career	Total	% of total staff
2016	7	18	25	3.7
2015	40	14	54	7.6
2014	14	15	29	4.0
2013	18	27	45	6.2



**Internal mobility**

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

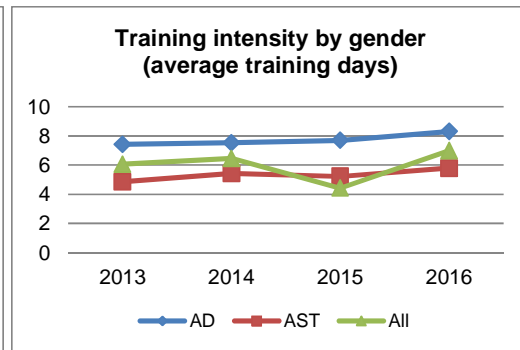
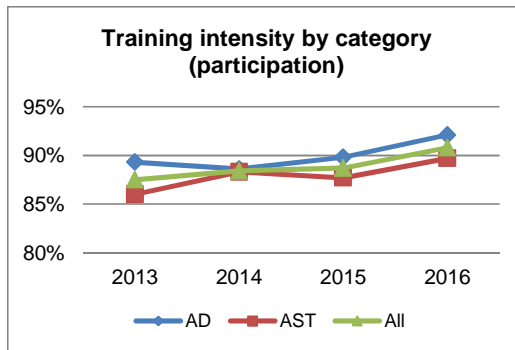
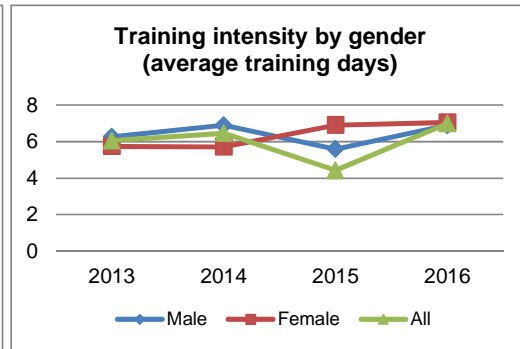
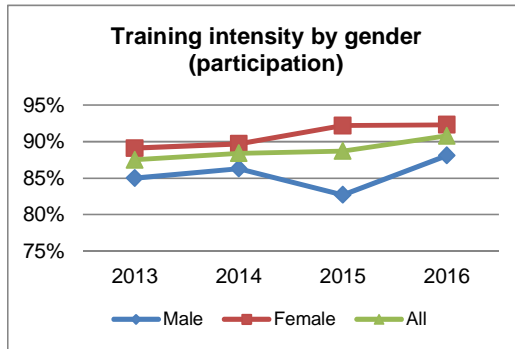
	Staff changing service	
	Number of moves	% of total permanent officials
2016	33	5.6
2015	88	12.3
2014	16	2.2
2013	50	6.9



**Training intensity**

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

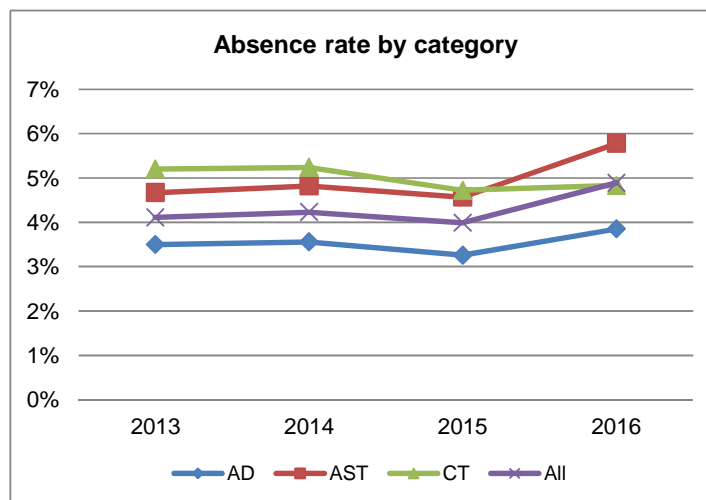
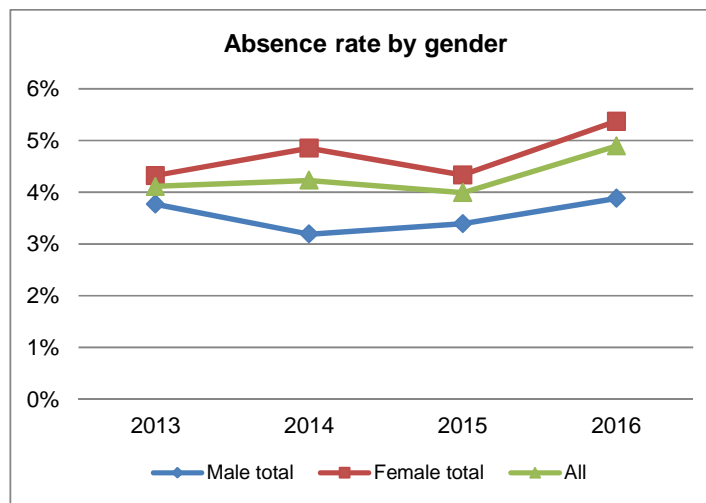
	By gender				By category				All	
	M		F		AD		AST			
	Participation rate (%)	Average training days	Participation rate (%)	Average training days	Participation rate (%)	Average training days	Participation rate (%)	Average training days	Participation rate (%)	Average training days
2016	88	6.9	92	7.1	92	8.3	90	5.8	91	7.0
2015	83	5.6	92	6.9	90	7.7	88	5.2	89	4.4
2014	86	6.9	90	5.7	89	7.5	88	5.4	88	6.5
2013	85	6.3	89	5.7	89	7.4	86	4.9	88	6.1



**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).

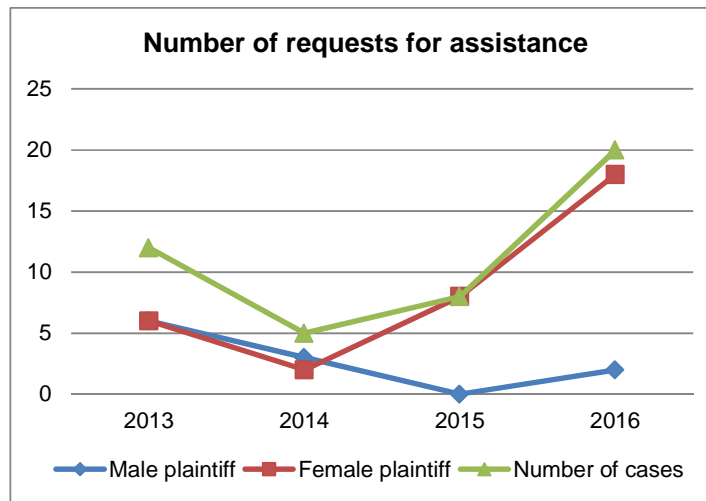
	Male (%)				Female (%)				All (%)			
	AD	AST	CT	Total	AD	AST	CT	Total	AD	AST	CT	Total
2016	2.7	5.4	4.5	3.9	4.7	6.0	5.1	5.4	3.9	5.8	4.8	4.9
2015	2.3	4.5	5.1	3.4	4.0	4.6	4.4	4.3	3.3	4.6	4.7	4.0
2014	2.4	4.1	4.4	3.2	4.4	5.2	6.8	4.9	3.6	4.8	5.2	4.2
2013	3.0	4.8	4.2	3.8	3.9	4.6	7.0	4.3	3.5	4.7	5.2	4.1



**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.

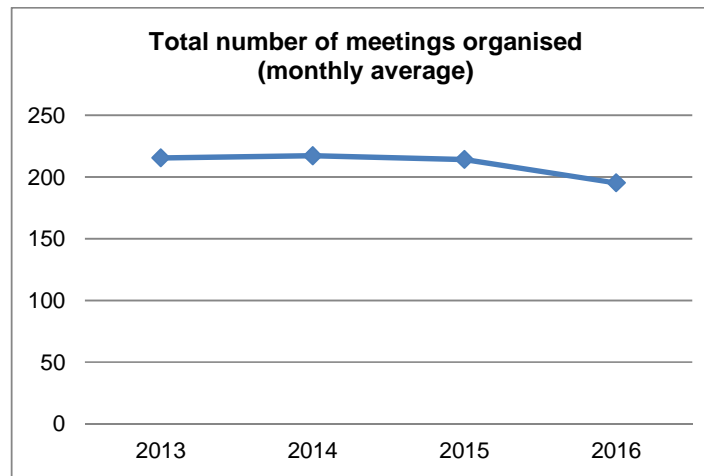
	Number of cases	By gender	
		Male plaintiff	Female plaintiff
2016	20	2	18
2015	8	0	8
2014	5	3	2
2013	12	6	6



**Meetings organised**

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

	EESC		CoR		JS		Total	FTE Meeting Services	Meetings / FTE
	Number	%	Number	%	Number	%			
<b>2016</b>	<b>1,233</b>	<b>52.6</b>	<b>1,072</b>	<b>43.5</b>	<b>37</b>	<b>1.6</b>	<b>2,342</b>	<b>21.8</b>	<b>108</b>
2015	1,344	52.3	1,132	44.0	94	3.7	2,570	15.6	165
2014	1,466	56.3	1,085	41.6	55	2.1	2,606	14.1	185
2013	1,443	55.8	1,096	42.4	47	1.8	2,586	15.6	166

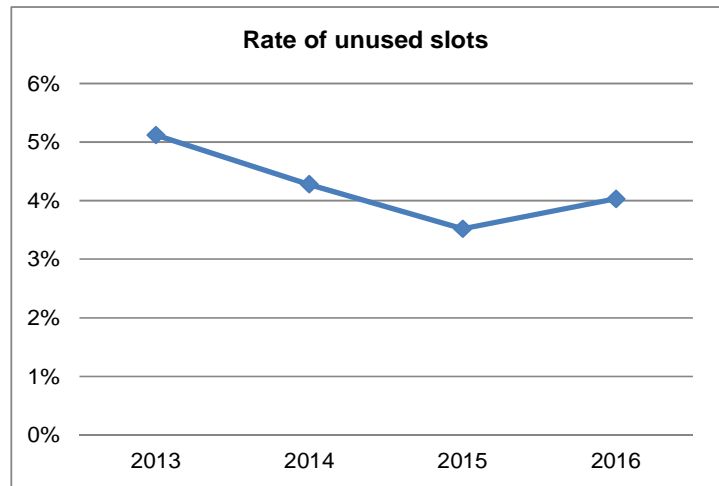
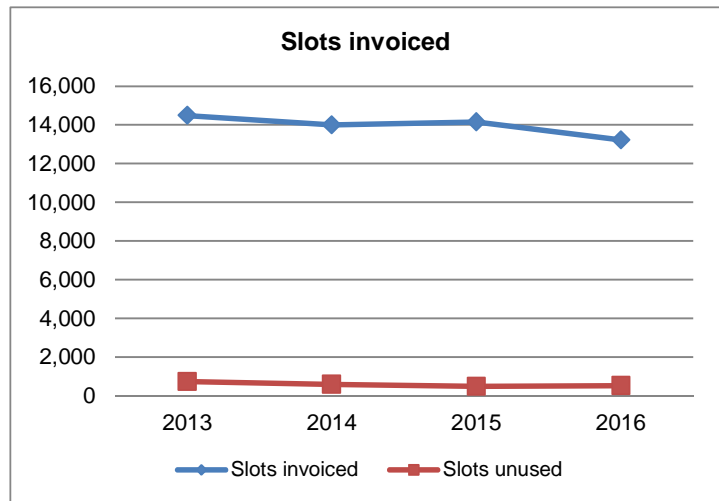


\* All occupations of rooms (meetings, visits, conferences, etc.).

**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). The indicator shows the level of interpretation activity at the EESC, as well as the level of DG Interpretation services paid but not rendered.

	Slots invoiced		Slots unused		
	Number	Amount (€)	Number	Amount (€)	Rate of unused slots (%)
2016	13,214	5,880,230	533	237,185	4.0
2015	14,140	6,314,914	498	222,108	3.5
2014	13,990	6,211,560	598	265,512	4.3
2013	14,474	6,432,860	748	329,140	5.1



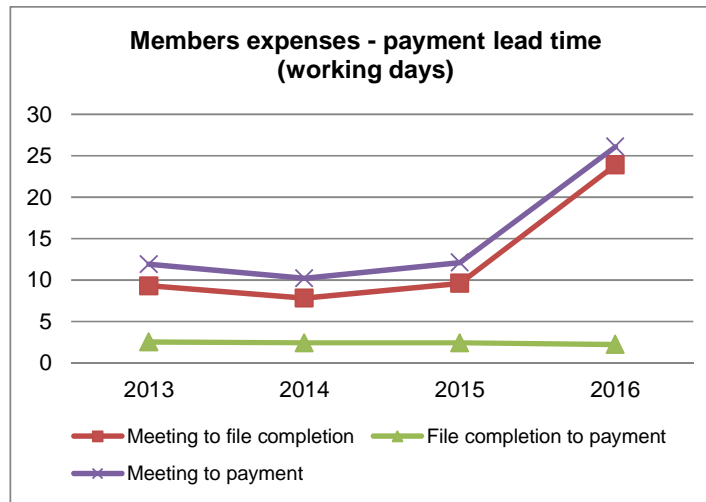


4.6 DIRECTORATE FOR BUDGET AND FINANCE

Members' expenses – payment lead time

EESC members receive a compensation for 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.

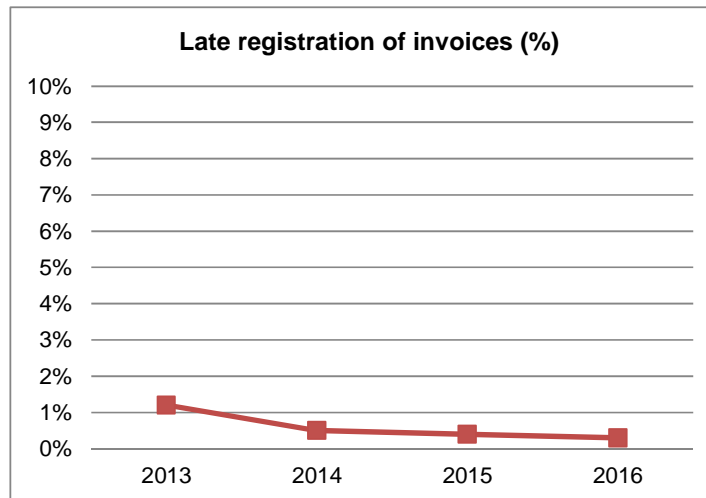
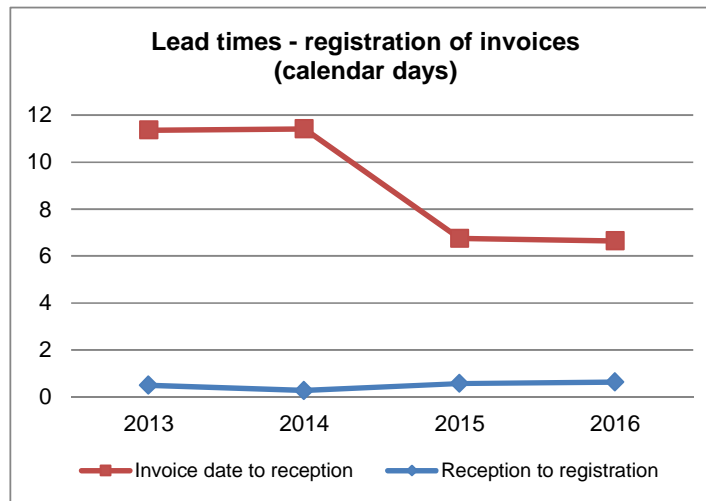
	Lead times (working days)												
	Meeting to file completion					File completion to payment					Meeting to payment		Files created - monthly average (workload)
	Average (days)	For 80 %	1 step average	Multiple steps		Average	For 80 %	Verifi- cation	Author. Officer	Account./ Bank	Average	For 80 %	
				Average	%								
2016	23.9	22	16.8	63.8	14.9	2.2	1	1.1	0.4	0.7	26.1	23	
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
2013	9.3	6	5.4	23.4	9.3	2.5	3	1.4	0.5	0.7	11.9	9	1,722



**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.

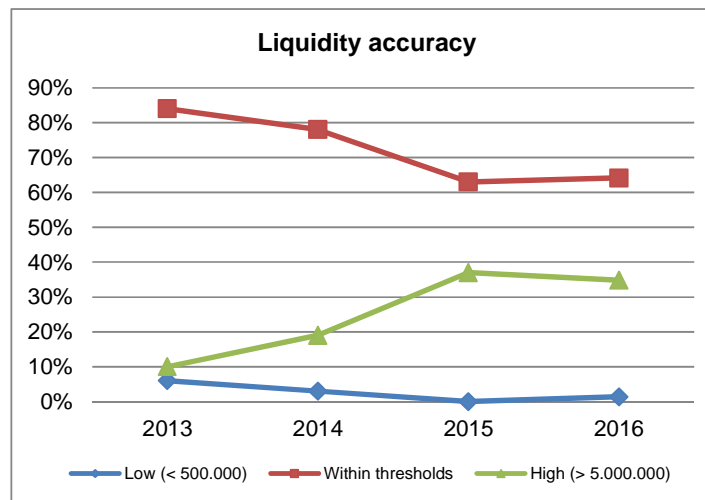
	Average lead times (calendar days)		Late registration (7+ calendar days)	
	Invoice date to reception	Reception to registration	Number late registration	% of total
2016	6.7	0.6	36	0.3
2015	6.7	0.6	19	0.4
2014	11.4	0.3	16	0.5
2013	11.4	0.5	27	1.2



### Liquidity accuracy

The Committee's bank account should hold enough funds to make payments in time. At the same time, the amount of these funds 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) or 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	%
2016	5	1	234	64	127	35
2015	0	0	231	61	134	36
2014	12	3	285	78	68	19
2013	21	6	306	84	38	10

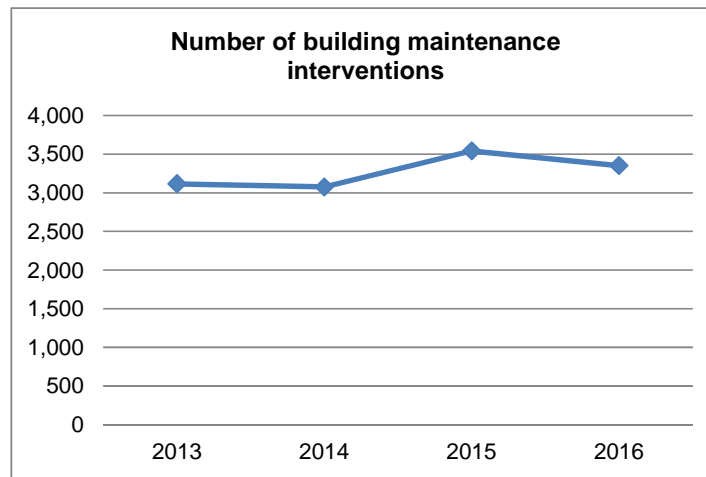


#### 4.7 DIRECTORATE FOR LOGISTICS

##### Number of building maintenance interventions

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

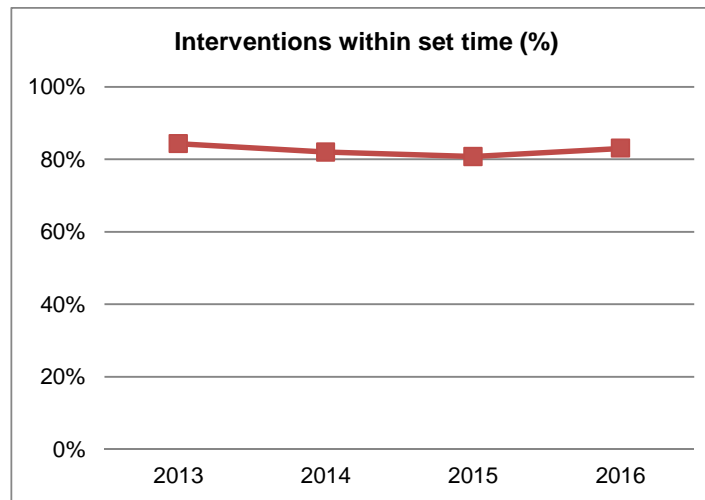
	Number of interventions
2016	3,351
2015	3,541
2014	3,075
2013	3,117



**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).

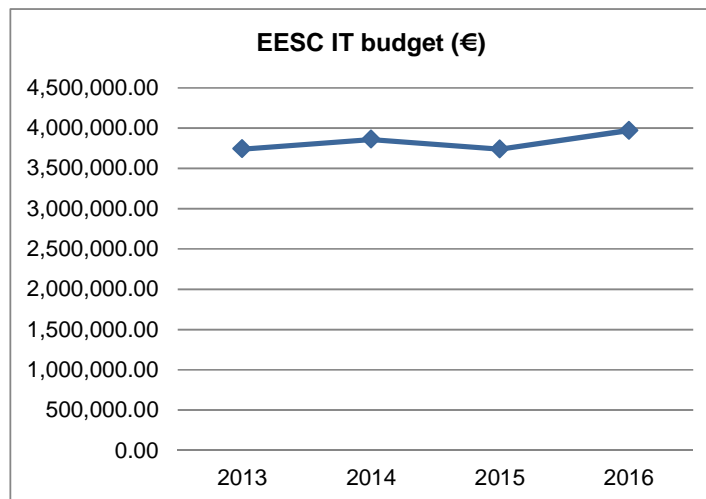
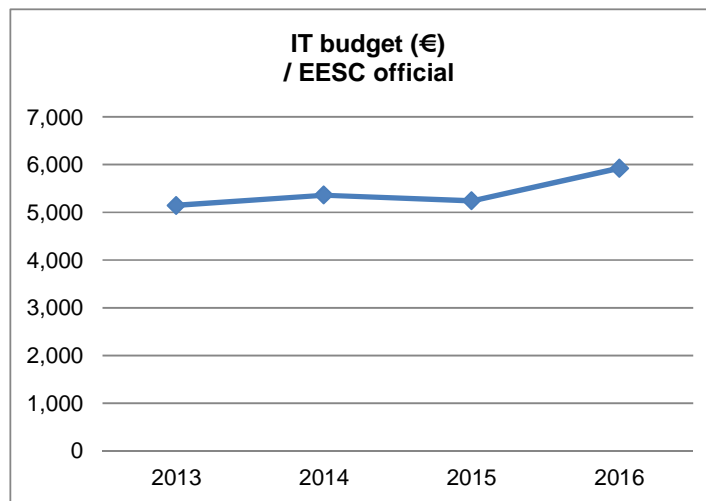
	Interventions within set time (%)
2016	83.0
2015	80.8
2014	82.0
2013	84.3



**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.

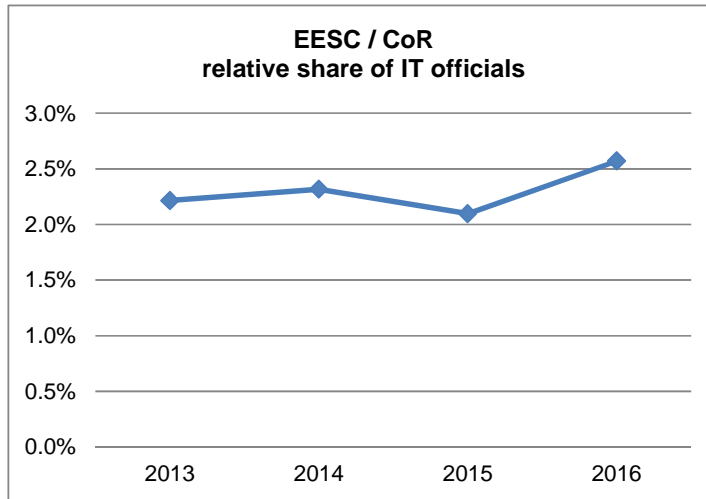
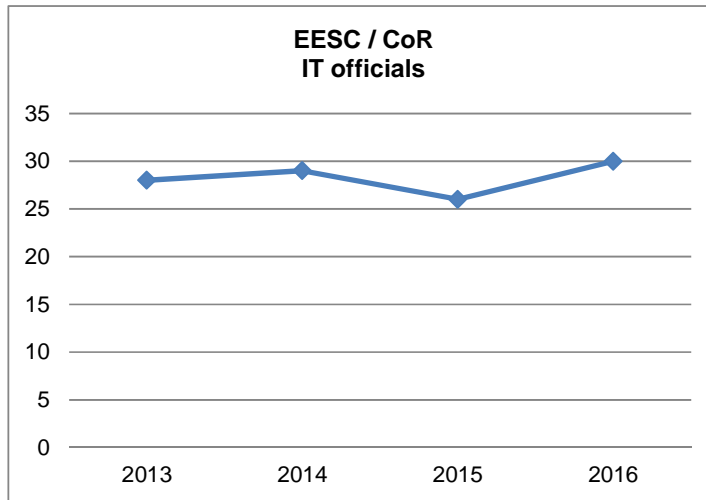
	EESC IT budget (€)	EESC officials	EESC IT budget (€) / EESC official	EESC budget (€)	% IT budget / Total budget
2016	3,968,833	670	5,924	130,171,475	3.05
2015	3,737,341	713	5,242	130,479,720	2.86
2014	3,858,987	720	5,360	128,559,380	3.00
2013	3,738,433	727	5,142	130,104,400	2.87



**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.

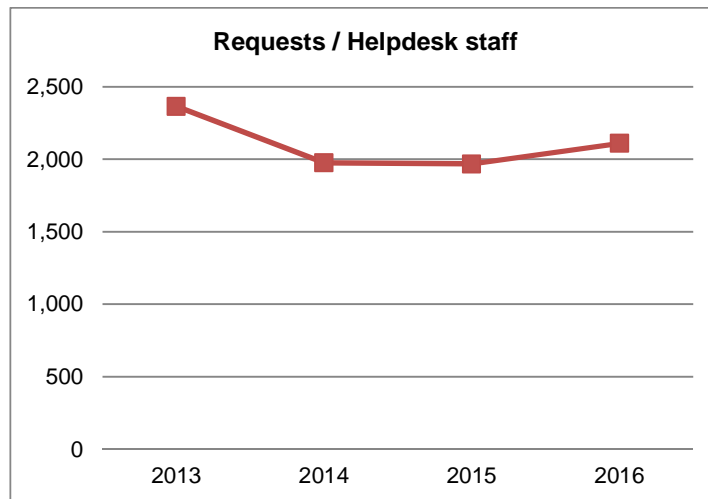
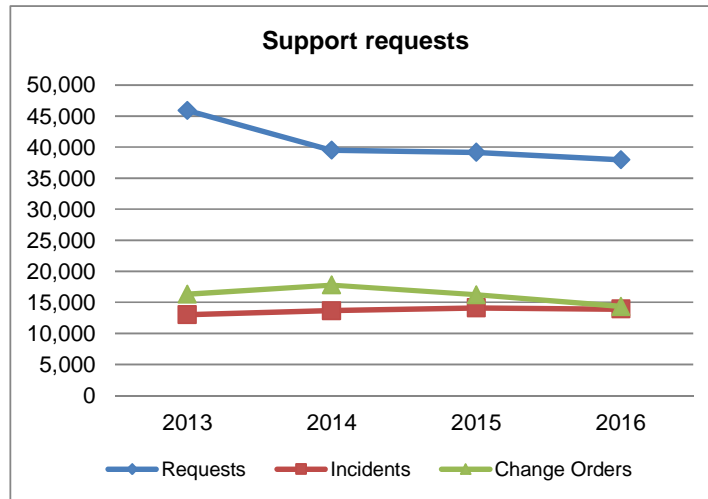
	<b>EESC / CoR IT officials</b>	<b>EESC / CoR officials</b>	<b>EESC / CoR IT officials / officials</b>
<b>2016</b>	<b>30</b>	<b>1,166</b>	<b>2,57%</b>
2015	26	1,240	2.10%
2014	29	1,252	2.30%
2013	28	1,264	2.20%



**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
2016	37,951	13,928	14,324	18.0	2,108
2015	39,167	14,105	16,209	20.0	1,967
2014	39,498	13,652	17,800	20.0	1,975
2013	45,908	13,004	16,315	19.4	2,364

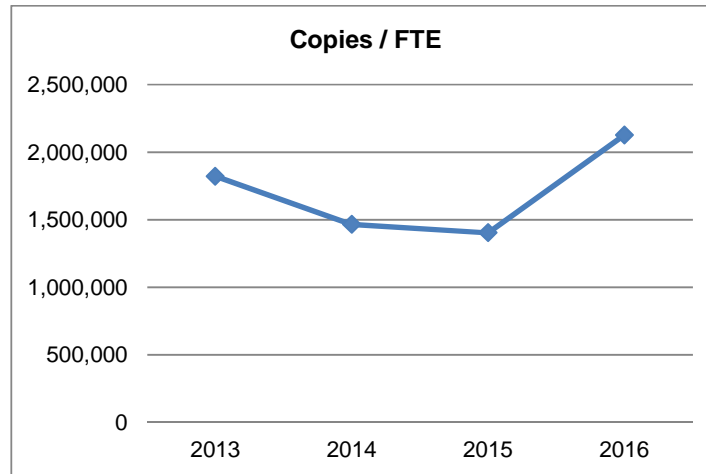




**Copy shop productivity**

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.

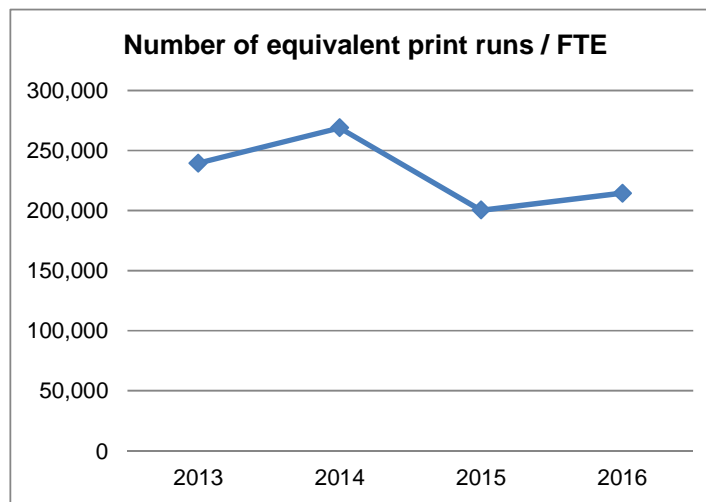
	EESC		CoR		Total	FTE	Copies / FTE
	Copies	%	Copies	%			
2016	6,480,428	49.7	6,560,634	50.3	13,041,062	6.2	2,125,366
2015	6,317,255	50.3	6,240,110	49.7	12,557,365	9.0	1,409,060
2014	8,034,217	58.0	5,808,908	42.0	13,843,125	9.5	1,464,660
2013	9,752,930	55.9	7,693,083	44.1	17,446,013	9.6	1,814,420



**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.

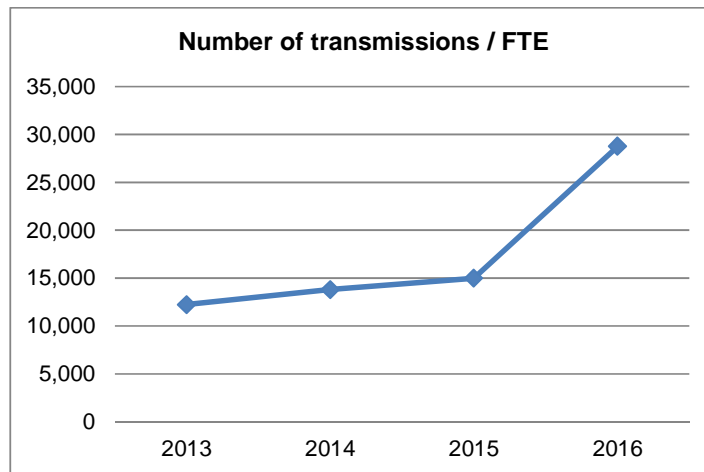
	EESC		CoR		Total	FTE	Print runs (equiv.) / FTE
	Print runs (equiv.)	%	Print runs (equiv.)	%			
<b>2016</b>	<b>3,398,670</b>	<b>46,6</b>	<b>3,894,750</b>	<b>53,4</b>	<b>7,293,420</b>	<b>2,8</b>	<b>2,664,840</b>
2015	4,160,300	57.7	3,051,125	42.3	7,211,425	3,0	2,403,808
2014	4,322,840	48.7	4,551,480	51.3	8,874,320	3,0	3,342,107
2013	3,677,770	47.3	4,103,785	52.7	7,781,555	3,0	3,018,623



**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.

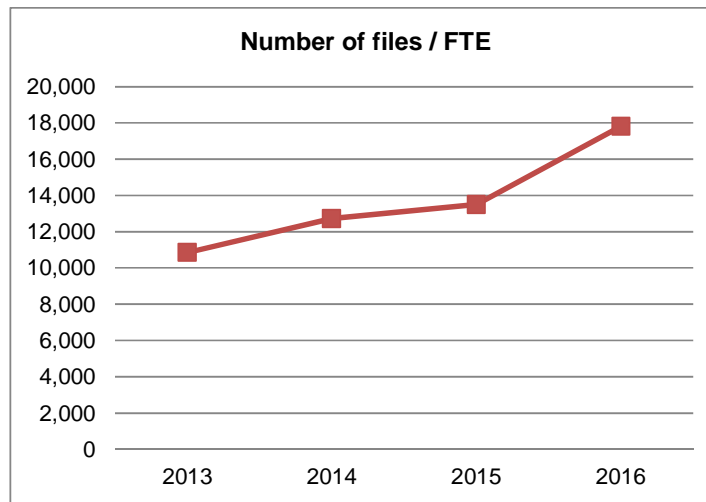
	EESC		CoR		Total	FTE	Transmissions / FTE
	Transmissions	%	Transmissions	%			
2016	33,451	77.6	9,673	22.4	43,124	1.5	28,749
2015	38,418	78.9	10,296	21.1	48,714	3.0	14,945
2014	50,658	81.6	11,417	18.4	62,075	5.0	13,647
2013	50,516	78.7	13,687	21.3	64,203	5.0	12,624



**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	%			
2016	51,479	75.3	16,889	24.7	68,368	4	17,807
2015	46,673	69.1	20,830	30.9	67,503	5	13,501
2014	46,617	72.1	18,057	27.9	64,674	5	12,794
2013	44,136	67.8	20,975	32.2	65,111	6	10,852

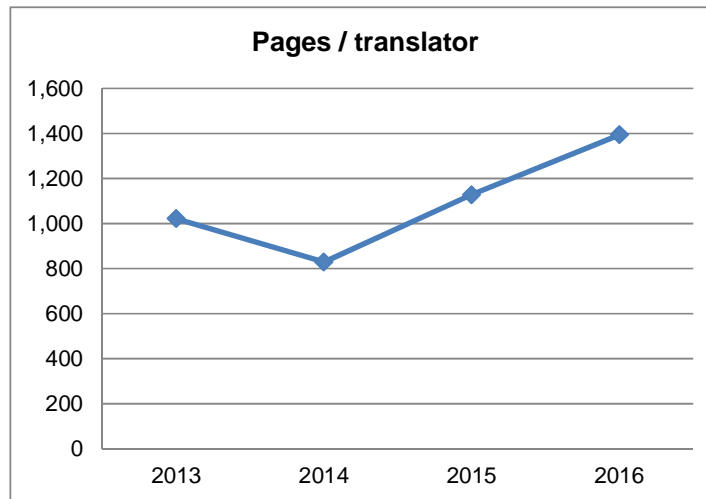
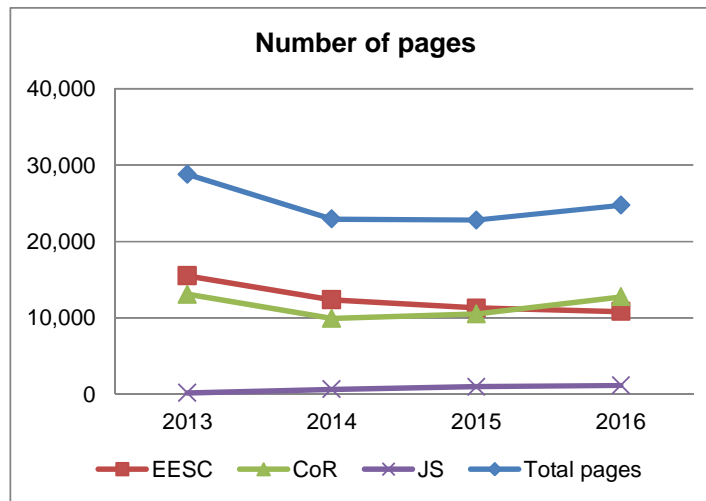


4.8 DIRECTORATE FOR TRANSLATION

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.

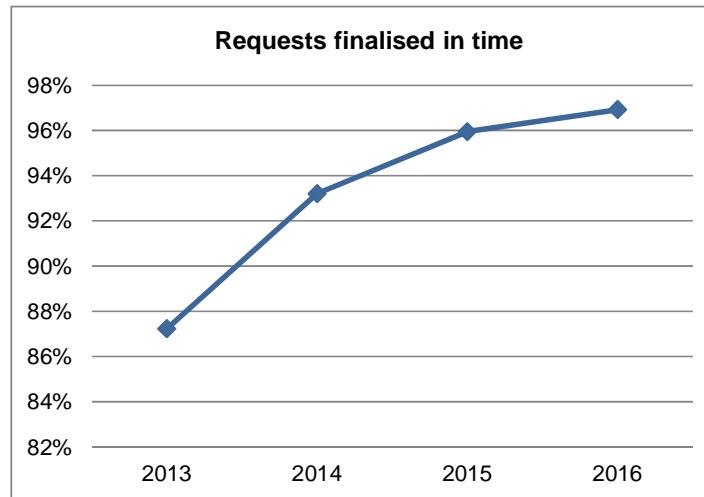
	EESC		CoR		JS		Total pages	Translator posts	Pages / translator
	Pages	%	Pages	%	Pages	%			
2016	130,037	43.8	153,124	51.5	13,959	4.7	297,160	213	1,394
2015	135,601	49.5	126,368	46.1	11,912	4.4	273,881	243	1,128
2014	148,436	53.9	119,207	43.3	7,826	2.8	275,469	332	829
2013	186,142	53.9	157,294	45.5	2,179	0.6	345,615	338	1,022



**Translation deadline compliance rate**

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

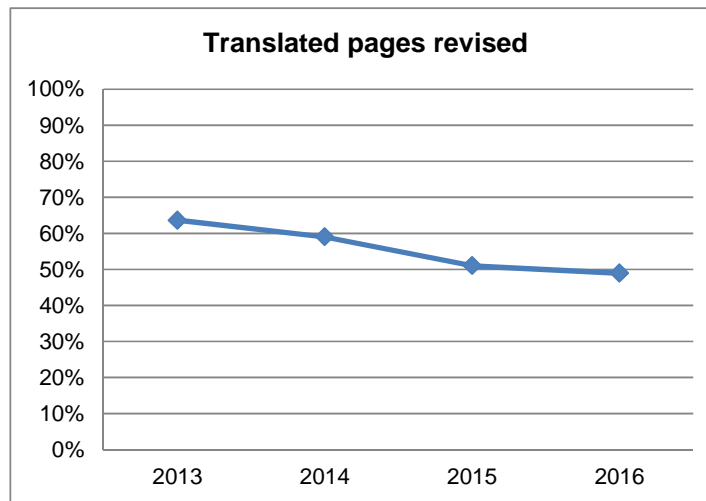
	Requests finalised in time (%)
2016	96.9
2015	96.0
2014	93.2
2013	87.2



**Translation revision rate**

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

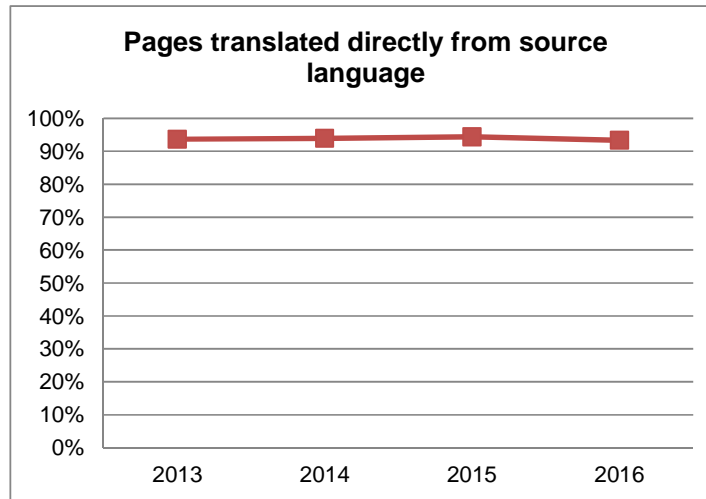
	Translated pages revised (%)
2016	49.0
2015	51.1
2014	59.0
2013	63.7



**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 (%)
2016	93.3
2015	94.4
2014	93.9
2013	93.7

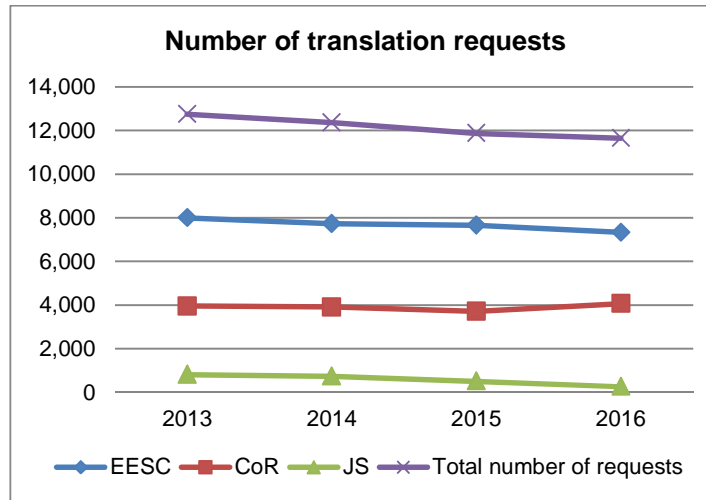




**Number of translation requests**

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

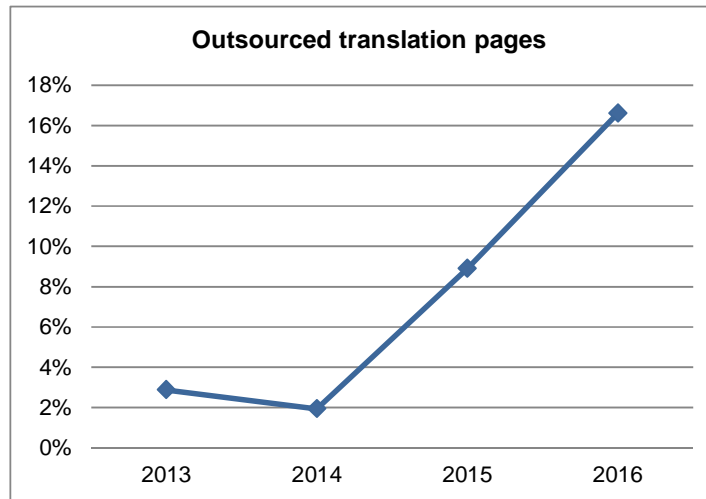
	EESC		CoR		JS		Total number of requests
	Requests	%	Requests	%	Requests	%	
2016	7,989	62.7	3,951	31.0	809	6.3	12,749
2015	7,725	62.5	3,909	31.6	730	5.9	12,364
2014	7,652	64.5	3,713	31.3	507	4.2	11,872
2013	7,321	62.9	4,070	34.9	255	2.2	11,646



**External translation rate**

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

	Outsourced translations (%)
2016	16.6
2015	9.7
2014	1.9
2013	2.9



5. **Appendix E:  
RESULTS OF EX POST CONTROLS 2016**

**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**

Following the 2014 assessment that major improvements were needed in the handling of public procurement procedures, a new service was created in 2015 with two full time equivalent experts. Since then, the Public Procurement service has been developing full sets of procurement documents templates for every type of procedure, enriched with instructions and detailed explanation, and has been providing guidance and advice to all financial actors. In 2016, use of such templates by operational services, and access to such expert guidance, have produced a material qualitative improvement of procurement procedures, and sensibly reduced the relevant margin of error detected through ex ante controls.

The major task within the control system chain - verification of financial transactions in the meaning of 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, and taking into account the level of risk involved, ex ante verification may also be done by authorising officers, notably in case of low value transactions.

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

As can be seen from point 5.2, the 2016 ex post controls confirmed that the EESC's internal control system works satisfactory. Only a few minor issues of a formal nature required follow-up. All outstanding questions were thoroughly examined by the services concerned and appropriate action was taken to address 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 A, which describes the internal control environment of the EESC.

## IV.

### APPENDIX E

Type of expenditure	Ex post control undertaken	Verifier's observations	Conclusions/ main actions taken by AOS
Payment of salaries 2016	Re-examination of a monthly sample of at least 25 payslips of EESC staff. The sample is chosen among payslips whose amounts have changed compared to the previous month, and among those of persons working part-time.	As reported already last year, the sample of payslips analysed showed that a limited number of errors occurred in data recorded in the staff management system (Sysper2), with a very limited financial impact.	The service concerned has taken due note of the remarks made by the verifier. A check list for validation of parental leave and part-time work was established in 2017 to avoid errors when validating data submitted by staff.
Infrastructures - Service Level Agreement with EC: VMA rental and charges	Following request from AOS, ex post control conducted by CoR verification service on transactions which had undergone ex ante verification by EESC.	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.
Infrastructures - Feasibility Study	Following request from AOS, ex post control conducted by CoR verification service on transactions which had undergone ex ante verification by EESC.	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.
IT - Sale, rental or leasing of hardware	Following request from AOS, ex post control conducted by EESC verification service on transactions which had undergone ex ante verification by CoR.	No remarks	No remarks
IT - Development and maintenance of production information systems	Following request from AOS, ex post control conducted by EESC verification service on transactions which had undergone ex ante verification by CoR.	No remarks	No remarks
IT - Carrier Services Infrastructures and IT communication and Informatics Services	Following request from AOS, ex post control conducted by EESC verification service on transactions which had undergone ex ante verification by 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.

# IV.

## APPENDIX E

Type of expenditure	Ex post control undertaken	Verifier's observations	Conclusions/ main actions taken by AOS
Printshop - Maintenance of digital printers	Following request from AOS, ex post control conducted by EESC verification service on transactions which had undergone ex ante verification by 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.
Printshop - Maintenance of printers	Following request from AOS, ex post control conducted by EESC verification service on transactions which had undergone ex ante verification by CoR.	Formal aspects of procurement procedure to be improved.	The service concerned provided the verifier with a satisfactory explanation, which gave rise to no further inquiries.
Printshop - Maintenance of compressor	Following request from AOS, ex post control conducted by EESC verification service on transactions which had undergone ex ante verification by CoR.	Formal aspects of procurement procedure to be improved.	The service concerned provided the verifier with a satisfactory explanation, which gave rise to no further inquiries.
Security - Guard services	Following request from AOS, ex post control conducted by EESC verification service on transactions which had undergone ex ante verification by CoR.	No remarks	No remarks
Security - Speed gate	Following request from AOS, ex post control conducted by EESC verification service on transactions which had undergone ex ante verification by CoR.	No remarks	No remarks





**6. Appendix F:  
REPORT ON BUILDING CONTRACTS 2016 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 2016**

No building contracts were awarded in 2016.

## 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**

The information about the office premises of the European Economic and Social Committee and the European Committee the Regions can be found in the attached table.

### **6.2.2 Part 2: The expected evolution of the global programming**

The European Economic and Social Committee and the European Committee the Regions are investigating options for replacement of the van Maerlant 2 building (VMA), located at Rue van Maerlant 2 – 1040 Brussels, and rented from the EC, which the EC intends to redevelop after expiry of the rental contract at the end of March 2019.

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

The property prospectation 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.

The evaluation process to replace the VMA-building is on-going. The replacement is likely to have an impact already during the 2018 budget process.

Through the letter 001071-01909 of 11<sup>th</sup> 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:

- JDE building, on Rue Belliard 99-101, 1040 Brussels
- BvS building, on Rue Montoyer 92-102, 1000, Brussels
- B68 building, on Rue Belliard 68, 1000, Brussels
- TRE building, on Rue de Trèves 74, 1000, Brussels
- 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 currently on-going.

### **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 2016.

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\* For the REM building, subject to the formal assurance that the land under the building is no longer polluted (delivery of certificate by Belgian authorities).

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)
<b>2001</b> (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
<b>Total item</b>			<b>72,665</b>		<b>21,296,517</b>
<b>2000</b> (Rent)	<i>Office space</i>	VMA	8,243	Rent	2,238,517
	<i>Non-office space</i>	VMA	3,162		858,731
	<b>Total item</b>				<b>11,406</b>
<b>GRAND TOTALS</b>			<b>84,071</b>		<b>24,393,765</b>

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. **Appendix G:  
INSTRUCTIONS GIVEN REGARDING DECISIONS WHICH ARE IRREGULAR  
OR CONTRARY TO THE PRINCIPLES OF SOUND FINANCIAL  
MANAGEMENT DURING 2016**

**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 2016**

The delegating authority has not issued any such instructions in 2016.



**8. Appendix H:  
WAIVING OF RECOVERY OF AMOUNTS RECEIVABLE INVOLVING EUR  
100 000 OR MORE IN 2016**

**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 2016**

The European Economic and Social Committee made no waivers of recovery of amounts receivable involving EUR 100 000 or more in 2016.





9. **Appendix I:**  
**REPORT ON ORDERS/CONTRACTS AND NEGOTIATED PROCEDURES 2016**

9.1 **ORDERS/CONTRACTS AND NEGOTIATED PROCEDURES**

**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;*
- (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.*

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

Contractor *	Subject	Start date of contract	Last possible end date of contract	Estimated value in EUR	Type of legal procedure	Type of legal commitment
Boon Edam BV BA	Supply of two entry locks for the security access for the JDE building	22/12/2016	21/06/2017	134,750.00	Negotiated Procedure	Interinstitutional framework contract
European Security Concept	Upgrade and replacement of safety installations	12/12/2016	11/12/2018	300,105.00	Negotiated Procedure	Interinstitutional framework contract
IPSO	Technical assistance for supervision of cleaning and other hygiene services in administrative buildings	15/11/2016	14/11/2020	72,500.00	Negotiated Procedure	Interinstitutional framework contract
				507,355.00		

- Of the contracts presented in point 9.3, 3 contracts with a value greater than EUR 60 000 out of 137 (2.19%) were handled as negotiated procedures in 2016 for a total amount of EUR 507 355.00 out of EUR 21 296 579.66 (2.38%).
- Under the cooperation agreement between the European Economic and Social Committee and the European Committee of the Regions, 3 contracts were awarded to the two Committees; therefore the estimated amount for the duration of the contract reflects the expenditure of the two Committees together.

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\* In alphabetical order.

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

The list below of contractors gives details on contracts awarded with a value greater than EUR 15 000 in accordance with to 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
ACCENTURE	Expert team in the field of human resources (1st contractor)	14/04/2016	13/04/2020	92 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional Framework Contract
Ad Verbum <sup>(1)</sup>	Translation services LV	01/01/2016	31/12/2019	240 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
Agencja Maart <sup>(1)</sup>	Translation services PL	01/01/2016	31/12/2019	185 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
AIG Europe Ltd - Marsh	Travel assistance and life/disability insurance policy for members, Consultative Commission on Industrial Change delegates, alternates and experts of the European Economic and Social Committee	30/06/2016	29/06/2020	140 097,00	Open Procedure	Service Contract
AIG EUROPE LTD - VANBREDA RISK AND BENEFITS <sup>(1)</sup>	Building and contents insurance	17/08/2016	16/08/2020	285 351,14	Open Procedure	Interinstitutional direct services contract
Alumnus UAB <sup>(1)</sup>	Translation services LT	01/01/2016	31/12/2019	216 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
AMPLEXOR <sup>(1)</sup>	Translation services HU	01/01/2016	31/12/2019	202 800,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
AMPLEXOR <sup>(1)</sup>	Translation services PT	10/03/2016	09/03/2020	392 400,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
AMPLEXOR <sup>(1)</sup>	Translation services SK	26/01/2016	31/12/2019	227 888,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
AMPLEXOR Polska <sup>(1)</sup>	Translation services PL	01/01/2016	31/12/2019	185 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
AMPLEXOR Portugal <sup>(1)</sup>	Translation services ES	01/01/2016	31/12/2019	309 400,00 <sup>2)</sup>	Open Procedure	Interinstitutional 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
Arte.doc <sup>(1)</sup>	Translation services BG	17/02/2016	16/02/2020	204 000,00	Open Procedure	Interinstitutional framework contract
Artlingua <sup>(1)</sup>	Translation services CS	01/01/2016	31/12/2019	276 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
Attimedia <sup>(1)</sup>	Translation services EL	01/01/2016	31/12/2019	250 700,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
AXA	Accident and accidental death insurance for staff not covered by the Staff Regulations	28/11/2016	27/11/2021	14 080,00	Open Procedure	Specific Contract
BEEODIVERSITY	Provision of two beehives and related services concerning management of beehives	23/08/2016	22/08/2020	40 000,00	Negotiated Procedure	Framework Contract
Boon Edam BV BA <sup>(1)</sup>	Supply of two entry locks for the security access for the JDE building	22/12/2016	21/06/2017	134 750,00	Negotiated Procedure	Interinstitutional framework contract
BT Ltd <sup>(1)</sup>	Web and audio conferencing services	01/12/2016	30/11/2020	64 510,66	Open Procedure	Interinstitutional framework contract
CIKLOPEA <sup>(1)</sup>	Translation services HR	01/01/2016	31/12/2019	285 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
CIRIEC International	Study on recent evolutions in the social economy in the EU	22/12/2016	21/09/2017	24 990,00	Negotiated Procedure with publication	Service Contract
COMPAREX <sup>(1)</sup>	Licensing Solution Provider (LSP) services for the acquisition of Microsoft software products and licenses	22/02/2016	21/02/2020	693 148,98	Open Procedure	Interinstitutional framework contract
Confort Glass <sup>(1)</sup>	Reinforcement of 3 glass façades of the JDE building against explosions, with the help of an anti-shatter film (ASF)	22/12/2016	21/12/2020	165 170,00	Restricted Procedure	Interinstitutional framework contract
Culture Action Europe	Study on culture, cities and identity in Europe	16/04/2016	15/08/2016	23 200,00	Open Procedure	Service Contract
Deloitte Consulting	Delivery of training on financial IT systems	08/03/2016	07/03/2020	75 000,00	Open Procedure	Interinstitutional Framework Contract
Deloitte Consulting	Impact assessments, evaluations (i.e. ex-ante, interim, ex-post evaluations, fitness checks and meta-evaluations) and other evaluation-related studies in the field of communication activities (1st contractor)	20/12/2016	19/12/2020	120 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional multiple framework contract with reopening of competition
Deloitte Consulting	Development and implementation of monitoring and evaluation tools and systems (1st contractor)	20/12/2016	19/12/2020	80 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional multiple framework contract with reopening of competition

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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
DEMOS	Expert team in the field of human resources (2nd contractor)	14/04/2016	13/04/2020	92 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional Framework Contract
ECOBEL <sup>(1)</sup>	Completion and update of environmental compliance registration and monitoring, and provision of specialised advice in the field of environmental regulation and management in the Brussels Capital region	06/06/2016	05/06/2020	52 184,44	Negotiated Procedure	Interinstitutional framework contract
Ecorys Brussels	Impact assessments, evaluations (i.e. ex-ante, interim, ex-post evaluations, fitness checks and meta-evaluations) and other evaluation-related studies in the field of communication activities (2nd contractor)	20/12/2016	19/12/2020	120 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional multiple framework contract with reopening of competition
Ecorys Brussels	Development and implementation of monitoring and evaluation tools and systems (2nd contractor)	20/12/2016	19/12/2020	80 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional multiple framework contract with reopening of competition
EDF LUMINUS <sup>(1)</sup>	Supply of green electricity	01/01/2016	31/12/2018	2 955 786,44	Restricted Procedure	Interinstitutional framework Contract
EIPA	Expert team in the field of European and international affairs, EU governance and law	09/03/2016	08/03/2020	37 500,00	Open Procedure	Interinstitutional Framework Contract
EKSPERT-S d.o.o <sup>(1)</sup>	Translation services SL	11/01/2016	31/12/2019	299 760,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
ENTRANCE SERVICES <sup>(1)</sup>	Services to maintain locks, metal fittings and minor specific alterations	04/07/2016	03/07/2020	1 100 000,00	Open Procedure	Interinstitutional Framework Contract
Ernst & Young Special Business Services	Impact assessments, evaluations (i.e. ex-ante, interim, ex-post evaluations, fitness checks and meta-evaluations) and other evaluation-related studies in the field of communication activities (3rd contractor)	20/12/2016	19/12/2020	120 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional multiple framework contract with reopening of competition
Ernst & Young Special Business Services	Development and implementation of monitoring and evaluation tools and systems (3rd contractor)	20/12/2016	19/12/2020	80 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional multiple framework contract with reopening of competition
ESTAT Ltd, Sofia, Bulgaria	Study on the assessment of the effectiveness of the EU SMEs policies 2007-2015	03/10/2016	02/04/2017	18 000,00	Open Procedure	Service Contract
European Citizen Action Service (ECAS)	Improving the social media outreach of civil society organisations and the EESC: the EU consultation in a digital age	05/12/2016	05/10/2017	15 000,00	Open Procedure	Service Contract
EUROSCRIPT BALTIC SIA <sup>(1)</sup>	Translation services ET	01/01/2016	31/12/2019	288 000,00 <sup>(2)</sup>	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
EUROSCRIPT BALTIC SIA <sup>(1)</sup>	Translation services FI	01/01/2016	31/12/2019	547 200,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
EUROSCRIPT BALTIC SIA <sup>(1)</sup>	Translation services LT	01/01/2016	31/12/2019	216 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
EUROSCRIPT BALTIC SIA <sup>(1)</sup>	Translation services LV	01/01/2016	31/12/2019	240 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
EUROSCRIPT BALTIC SIA <sup>(1)</sup>	Translation services SV	01/01/2016	31/12/2019	510 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
EUROSCRIPT CERTITUDE <sup>(1)</sup>	Translation services RO	01/01/2016	31/12/2019	168 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
EUROSCRIPT DEUTSCHLAND <sup>(1)</sup>	Translation services DA	01/01/2016	31/12/2019	558 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
EUROSCRIPT DEUTSCHLAND <sup>(1)</sup>	Translation services DE	01/01/2016	31/12/2019	604 500,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
EUROSCRIPT LUXEMBOURG <sup>(1)</sup>	Translation services IT	01/01/2016	31/12/2019	297 500,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
EUROSCRIPT LUXEMBOURG <sup>(1)</sup>	Translation services NL	01/01/2016	31/12/2019	460 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
EUROSCRIPT SERVICES <sup>(1)</sup>	Translation services FR	01/01/2016	31/12/2019	600 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
European Security Concept <sup>(1)</sup>	Upgrade and replacement of safety installations	12/12/2016	11/12/2018	300 105,00	Negotiated Procedure	Interinstitutional framework contract
EVODEVO srl	Study on the ethics of Big Data	04/07/2016	03/01/2017	24 000,00	Open Procedure	Service Contract
EX LIBRIS Germany <sup>(1)</sup>	Continuation of services of the Integrated Library Management System (ILMS)	21/11/2016	20/11/2018	56 879,04	Open Procedure	Interinstitutional framework contract
EXE <sup>(1)</sup>	Translation services CS	01/01/2016	31/12/2019	276 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
G4S Training services <sup>(1)</sup>	Training and annual retraining for members of the fire service	18/07/2016	17/07/2020	118 716,47	Open Procedure	Interinstitutional Framework Contract
Global Translation Solutions <sup>(1)</sup>	Translation services MT	04/01/2016	31/12/2019	313 500,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
Gomez Acebo et Pombo Abogados	European Union Civil Service Tribunal case F-20/14	21/12/2016	N.A.	13 000,00	Restricted Procedure	Service Contract
Gomez Acebo et Pombo Abogados	European Union Civil Service Tribunal case F-33/15	21/12/2016	N.A.	13 000,00	Restricted Procedure	Service 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
Gomez Acebo et Pombo Abogados	Legal report on Swedish taxation of EESC Members' allowances	21/12/2016	N.A.	4 000,00	Restricted Procedure	Service Contract
HAVLIN <sup>(1)</sup>	Translation services CS	01/01/2016	31/12/2019	276 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
High Technologies Detection Systems <sup>(1)</sup>	Baggage and parcel x-ray machines	17/11/2016	16/03/2017	23 375,00	Negotiated Procedure	Interinstitutional framework contract
IBEVE <sup>(1)</sup>	Sampling and analysis of substances/gas/products present in the buildings of the Committees	15/11/2016	14/11/2020	51 150,00	Negotiated Procedure	Interinstitutional framework contract
IDEST COMMUNICATION <sup>(1)</sup>	Translation services FR	01/01/2016	25/08/2016	600 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
Indurope Handy Tools <sup>(1)</sup>	Maintenance of line cradles and façade access equipment	16/08/2016	15/02/2019	57 662,50	Restricted Procedure with publication	Interinstitutional Framework Contract
Indurope Handy Tools <sup>(1)</sup>	Overhauling of façade and roof access systems of the Committees' buildings	14/12/2016	13/12/2020	355 390,25	Open Procedure	Interinstitutional framework contract
Instituto per la ricerca sociale soc.coop	Study on the investment plan and the social pillar: a step towards a new strategy for Europe	26/09/2016	25/01/2017	25 000,00	Restricted Procedure with publication	Service Contract
Interlang EOOD <sup>(1)</sup>	Translation services BG	17/02/2016	31/08/2016	204 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
Intertranslations translations sole proprietor <sup>(1)</sup>	Translation services CS	01/01/2016	31/12/2019	276 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
Intertranslations translations sole proprietor <sup>(1)</sup>	Translation services EL	01/01/2016	31/12/2019	250 700,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
Intertranslations translations sole proprietor <sup>(1)</sup>	Translation services IT	01/01/2016	31/12/2019	297 500,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
Intertranslations translations sole proprietor <sup>(1)</sup>	Translation services NL	01/01/2016	31/12/2019	460 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
Intertranslations translations sole proprietor <sup>(1)</sup>	Translation services RO	01/01/2016	31/12/2019	168 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
Intertranslations translations sole proprietor <sup>(1)</sup>	Translation services EN	01/01/2016	31/12/2019	484 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
Intertranslations translations Sole proprietor <sup>(1)</sup>	Translation services ES	01/01/2016	31/12/2019	309 400,00 <sup>(2)</sup>	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
Intertranslations translations sole proprietor <sup>(1)</sup>	Translation services FR	01/01/2016	26/05/2016	600 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
Intertranslations translations sole proprietor <sup>(1)</sup>	Translation services PT	04/03/2016	03/03/2020	392 400,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
Intertranslations translations Sole proprietor <sup>(1)</sup>	Translation services SK	01/01/2016	31/12/2019	227 880,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
Intertranslations translations Sole proprietor <sup>(1)</sup>	Translation services SV	01/01/2016	31/12/2019	510 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
IOLAR <sup>(1)</sup>	Translation services BG	18/02/2016	17/06/2016	204 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
IOLAR <sup>(1)</sup>	Translation services HR	01/01/2016	31/12/2019	285 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
IOLAR <sup>(1)</sup>	Translation services SL	01/01/2016	31/12/2019	299 760,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
IPSO <sup>(1)</sup>	Technical assistance for supervision of cleaning and other hygiene services in administrative buildings	15/11/2016	14/11/2020	72 500,00	Negotiated Procedure	Interinstitutional framework contract
La Poudrière asbl <sup>(1)</sup>	Removal and recycling, for humanitarian purposes, of goods for which the Committees no longer have use — furniture and miscellaneous equipment	15/06/2016	14/06/2020	18 135,00	Negotiated Procedure with publication	Interinstitutional framework contract
La Poudrière asbl <sup>(1)</sup>	Removal and recycling, for humanitarian purposes, of goods for which the Committees no longer have use — furniture and miscellaneous equipment	15/06/2016	14/06/2020	2 040,00	Negotiated Procedure with publication	Interinstitutional framework contract
Lingsoft language services Oy <sup>(1)</sup>	Translation services FI	01/01/2016	31/12/2019	547 200,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
Lingsoft language services Oy <sup>(1)</sup>	Translation services SV	01/01/2016	31/12/2019	510 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
Lionbridge Denmark <sup>(1)</sup>	Translation services DA	01/01/2016	31/12/2019	558 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
Louvers Belgium SA <sup>(1)</sup>	Provision of perfective maintenance services for external mobile sun protection installations in the buildings of the European institutions in Brussels and the surrounding area	22/02/2016	21/02/2020	180 149,50	Open Procedure	Interinstitutional Framework Contract
Metropolio vertimai UAB <sup>(1)</sup>	Translation services LT	01/01/2016	31/12/2019	216 000,00 <sup>(2)</sup>	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
Milan Havlin PRESTO <sup>(1)</sup>	Translation services SK	01/01/2016	31/12/2019	227 880,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
Noyez NV <sup>(1)</sup>	Supply of a security portal	04/07/2016	23/10/2016	23 036,74	Negotiated Procedure	Interinstitutional framework contract
Orco SA <sup>(1)</sup>	Translation services EL	04/01/2016	31/12/2019	250 700,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
Orco SA <sup>(1)</sup>	Translation services HR	04/01/2016	31/12/2019	285 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
Orco SA <sup>(1)</sup>	Translation services LV	01/01/2016	31/12/2019	240 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
P. & K.Barbopoulos <sup>(1)</sup>	Translation services RO	05/01/2016	31/12/2019	168 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
PPMI group	Impact assessments, evaluations (i.e. ex-ante, interim, ex-post evaluations, fitness checks and meta-evaluations) and other evaluation-related studies in the field of communication activities (4th contractor)	20/12/2016	19/12/2020	120 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional multiple framework contract with reopening of competition
PPMI group	Development and implementation of monitoring and evaluation tools and systems (4th contractor)	20/12/2016	19/12/2020	80 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional multiple framework contract with reopening of competition
PRESTO <sup>(1)</sup>	Translation services DA	01/01/2016	31/12/2019	558 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
PRESTO <sup>(1)</sup>	Translation services ES	01/01/2016	31/12/2019	309 400,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
PRESTO <sup>(1)</sup>	Translation services ET	01/01/2016	31/12/2019	288 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
PRESTO <sup>(1)</sup>	Translation services EL	01/01/2016	31/12/2019	250 700,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
PRESTO <sup>(1)</sup>	Translation services FI	01/01/2016	31/12/2019	547 200,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
PRESTO <sup>(1)</sup>	Translation services HR	01/01/2016	31/12/2019	285 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
PRESTO <sup>(1)</sup>	Translation services IT	01/01/2016	04/08/2016	297 500,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
PRESTO <sup>(1)</sup>	Translation services PT	16/03/2016	15/03/2020	392 400,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
PRESTO <sup>(1)</sup>	Translation services NL	01/01/2016	31/12/2019	460 000,00 <sup>(2)</sup>	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
PRESTO <sup>(1)</sup>	Translation services PL	01/01/2016	31/12/2019	185 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
PRESTO <sup>(1)</sup>	Translation services HU	01/01/2016	31/12/2019	202 800,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
PROXIMUS <sup>(1)</sup>	Mobile telephony and communication services (lot1)	09/12/2016	08/12/2020	583 304,25	Open Procedure	Interinstitutional framework contract
PROXIMUS <sup>(1)</sup>	Mobile telephony and communication services (lot2)	09/12/2016	08/12/2020	583 304,25	Open Procedure	Interinstitutional framework contract
Relaitron SA <sup>(1)</sup>	Supply and installation of manual releases for emergency exits	25/07/2016	13/11/2016	20 473,00	Negotiated Procedure	Interinstitutional framework contract
RINALDI <sup>(1)</sup>	Building completion work	22/12/2016	21/12/2020	3 675 200,00	Restricted Procedure	Interinstitutional framework contract
RWS Translations <sup>(1)</sup>	Translation services EN	01/01/2016	31/12/2019	484 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
SC International Translations <sup>(1)</sup>	Translation services RO	04/01/2016	31/12/2019	168 000,00 ,00	Open Procedure	Interinstitutional framework contract
SCOPE <sup>(1)</sup>	Translation services HU	01/01/2016	31/12/2019	202 800,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
SCRIVANEK <sup>(1)</sup>	Translation services ET	01/01/2016	31/12/2019	288 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
SDL Belgium <sup>(1)</sup>	Translation services EN	01/01/2016	31/12/2019	484 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
SDL Slovenia <sup>(1)</sup>	Translation services SL	01/01/2016	31/12/2019	299 760,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
SDL Sweden <sup>(1)</sup>	Translation services SV	18/02/2016	17/02/2020	510 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
Septotec Multilingual solutions <sup>(1)</sup>	Translation services ES	04/01/2016	31/12/2019	309 400,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
SHIMERA	Provision of photography services	28/07/2016	27/02/2018	21 750,00	Negotiated Procedure	Framework Contract
Skrivanek <sup>(1)</sup>	Translation services LV	01/01/2016	31/12/2019	240 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
Skrivanek <sup>(1)</sup>	Translation services LT	01/01/2016	31/12/2019	216 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
Summa Linguae <sup>(1)</sup>	Translation services PL	01/01/2016	31/12/2019	185 000,00 <sup>(2)</sup>	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
Tänketanken Europe	Study on investigation of informal trilogue negotiations	29/11/2016	28/09/2017	15 000,00	Open Procedure	Service Contract
TEAMWORK	Provision of services related to the organisation of corporate communication events	09/11/2016	08/11/2020	1 000 000,00	Open Procedure	Interinstitutional framework contract
Technopolis Consulting Group Belgium	Impact assessments, evaluations (i.e. ex-ante, interim, ex-post evaluations, fitness checks and meta-evaluations) and other evaluation-related studies in the field of communication activities (5th contractor)	20/12/2016	19/12/2020	120 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional multiple framework contract with reopening of competition
Technopolis Consulting Group Belgium	Development and implementation of monitoring and evaluation tools and systems (5th contractor)	20/12/2016	19/12/2020	80 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional multiple framework contract with reopening of competition
Tolkenburoo Pangloss <sup>(1)</sup>	Translation services ET	01/01/2016	31/12/2019	288 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
Traducta <sup>(1)</sup>	Translation services PT	07/04/2016	06/04/2020	392 400,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
Transcripta Translation Services <sup>(1)</sup>	Translation services MT	01/01/2016	31/12/2019	313 500,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
TranzPress <sup>(1)</sup>	Translation services HU	12/01/2016	31/12/2019	202 800,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
VDE LEGAL	Assistance in defending the interests of EESC officials before the tribunal, granted by the Appointing Authority under Article 24 of the Staff Regulations	15/11/2016	N.A.	9 000,00	Restricted Procedure	Service Contract
Veris <sup>(1)</sup>	Translation services SL	01/01/2016	31/12/2019	299 760,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
Wessex Translations Ltd <sup>(1)</sup>	Translation services EN	01/01/2016	31/12/2019	484 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
XPLANATION LANGUAGE SERVICES <sup>(1)</sup>	Translation services DA	01/01/2016	31/12/2019	558 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
XPLANATION LANGUAGE SERVICES <sup>(1)</sup>	Translation services DE	01/01/2016	31/12/2019	604 500,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
XPLANATION LANGUAGE SERVICES <sup>(1)</sup>	Translation services NL	01/01/2016	31/12/2019	460 000,00 <sup>(2)</sup>	Open Procedure	Interinstitutional framework contract
				21 296 579,66		

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- <sup>(1)</sup> 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.
- <sup>(2)</sup> 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. Appendix J:  
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.*



### 10.1 FIGURES ON AVERAGE PAYMENT TIMES – PAYMENT DELAY SUSPENSION IN 2016

#### Payment times

	All payments 2016			Payments within time limit 2016			Late payments 2016		
Maximum payment time (days)	Number of payments	%	Average payment time (days)	Number of payments	%	Average payment time (days)	Number of payments	%	Average payment time (days)
30	13,963	100.00	25.05	11,145	79.82	20.71	2,818	20.18	42.24
60	10	100.00	27.70	10	100.00	27.70	0	0	-
90	2	100.00	9.00	2	100.00	9.00	0	0	-
30-60-90	<b>13 975</b>	<b>100.00</b>	<b>25.05</b>	<b>11 157</b>	<b>79.84</b>	<b>20.71</b>	<b>2 818</b>	<b>20.16</b>	<b>42.24</b>

#### Suspensions

Average payment suspension (days)	Number of suspended payments	% of total number	Total number of payments
39	205	1.47 %	13 975

There was an increase in the number of late payments due to the introduction of the new rules of reimbursement of members' expenditure and the resulting steep increase in the quantity of invoices and credit notes issued by the travel agency (11 476 for 2016 compared to 4 351 for 2015). This situation will improve with the introduction of electronic invoicing for travel agency services which is foreseen for 2017.

**11. Appendix K:  
FOLLOW-UP TO OBSERVATIONS IN THE PARLIAMENT'S 2015  
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 27 APRIL 2017 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 2015,  
SECTION VI – EUROPEAN ECONOMIC AND SOCIAL COMMITTEE  
(2016/2156(DEC))**

*The European Parliament,*

1. *Welcomes the conclusion of the Court of Auditors (the “Court”), according to which the payments as a whole for the year ended on 31 December 2015 for administrative and other expenditure of the European Economic and Social Committee (the “Committee”) were free from material error;*

No follow-up required.

2. *Notes with satisfaction that, in its annual report for 2015, the Court identified no significant weaknesses in respect of the audited topics relating to human resources and procurement for the Committee;*

No follow-up required.

3. *Notes that in 2015 the Committee's budget amounted to EUR 129 100 000 (compared to EUR 128 559 380 in 2014), with a utilisation rate of 95,9 %; points out that there was a slight increase of the utilisation rate in 2015, when compared to 2014;*

No follow-up required.

4. *Notes that the Committee's budget is mostly administrative, with a large amount being used for expenditure concerning persons working within the institution and the remaining amount relating to buildings, furniture, equipment and miscellaneous running costs; stresses, however, that introducing PBB should not apply only to the Committee's budget as a whole but should also include the setting of specific, measurable, attainable, realistic and time-based (SMART) targets to individual departments, units and the annual plans of members of staff; in this respect, calls on the Committee to introduce the PBB principle more widely in its daily operations;*

The Committee fully agrees that PBB has a crucial role to play in public administration, and PBB principles are already broadly applied at the EESC. It must be stressed that for an advisory body such as the EESC, whose activities are primarily based on requests from the outside, overall goals and objectives are largely predefined.

Efficiency and effectiveness of spending are strong guiding principles for the EESC in its preparation and execution of the budget. This is clearly reflected in the fact that since 2011, the Committee has kept its activities at a consistent level, despite a budget reduction of around 5% in real terms.

In the framework of the administration's annual work programme, SMART targets are established for each entity and are translated into individual objectives for staff members. A thorough update of the key activity performance indicators (KAPIs) currently in use is planned for 2017, to ensure that they continue to allow for the best possible measurement of progress on achieving the set targets.

5. *Notes the Committee's follow-up observations to Parliament's 2014 discharge resolution, attached to its annual activity report; welcomes the setting up of a support service for public procurement in 2015;*

No follow-up required.

6. *Notes that 2015 was the starting year of a new term in office of the Committee, which may have affected the achievements, particularly of the legislative directorates, including interpretation and the communication and human resources directorates;*

No follow-up required.

7. *Notes that the report on the implementation of the Cooperation Agreement between Parliament and the Committee (the “Agreement”) assesses the cooperation between both institutions in a timely and positive manner;*

No follow-up required.

8. *Notes that, according to the Committee, the nature of the ‘intensified’ cooperation referred to in the Agreement needs to be better clarified and that some elements remain to be fully implemented and require sustained engagement from both institutions; is convinced that further efforts for full implementation of the Agreement and the development of synergies will bring positive results to both parties;*

This observation is a reference to the EESC's report from December 2016 on the implementation of the Cooperation Agreement. See comment to observation 10.

9. *Reiterates its request for a joint assessment of the budgetary savings resulting from the Agreement to be included in its mid-term review or in the next follow-up report of the Agreement;*

The EESC is ready to fully cooperate with the EP in such an exercise.

10. *Notes that the opinions of the Committee are not well integrated in Parliament's work and calls on the Committee to develop proposals together with Parliament's Secretary-General to streamline the procedures of the Committee and Parliament in this respect;*

The Committee will further develop actions started in 2016, with the aim of ensuring that its opinions are more consistently reflected in Parliament's work. An important element is a strong engagement among members, with direct contacts and invitations to key MEPs to take part in EESC activities in their main areas of interest. At the same time, through close contacts at the administrative level, EP committee staff are encouraged to ensure that relevant EESC opinions are always brought to the attention of EP rapporteurs and that EESC rapporteurs are invited to present the views of the EESC in EP Committee hearings and other relevant forums in the EP.

The Committee would like to see a further strengthening of the formal contacts between the EESC and the EP, as set out in the cooperation agreement. More regular exchange of views between the EESC President and both the Chair of the Conference of Committee Chairs (CCC) and the CCC as such, would enable the two parties to identify joint priority topics and establish where the EP could make best use of active input from the EESC.

See also comment to observation 29.

- 11. Notes the conclusion of a new administrative bilateral cooperation agreement between the Committee and the Committee of the Regions, signed in 2015; trusts that that agreement ensures further efficiency in the performance of both committees; takes the view that similar administrative functions should be merged in order to avoid a pointless duplication of activities;**

The current cooperation agreement between EESC and CoR entered into force on 1 January 2016 and runs for a period of four years. It is the closest interinstitutional cooperation presently in place and is often quoted as an example of good administration.

In the current budgetary context, the EESC is very much determined to continue and even extend this cooperation, both within the joint services and between the own services of the two Committees. Cooperation must be developed where the mid-term assessment, which will be carried out by the beginning of 2018, identifies scope for further rationalisation and new synergies.

- 12. Notes that the direct access between the RMD and the REM buildings was closed by Parliament due to security concerns after the November 2015 Paris terrorist attacks; trusts that Parliament will re-assess the security concerns, as reopening of the passage would be beneficial to the three institutions;**

No follow-up required.

- 13. Welcomes the administrative changes applied in 2015, in particular the full implementation of a cost-based system for reimbursement of members' travel expenses and the full revamp of the members' portal; calls on the Committee to provide a comparative annual overview of members' travel expenses for 2014, 2015 and 2016;**

A cost-based system for reimbursement of members' travel expenses, inspired by the EP's system, was indeed fully implemented in October 2015. Up until then, members could choose a flat-rate reimbursement. The new system is a clear improvement in terms of transparency but has implied an increase in travel costs in its initial phase of implementation. In 2016, the first year with cost-based reimbursement only, the increase in expenditure was 8.9% compared to 2015.

**Total travel expenses and allowances of EESC members in 2014, 2015 and 2016**

Year	Budget after transfers* (EUR)	Total expenditure (EUR)	Take-up rate
2014	18 834 194	17 550 674	93.19%
2015	19 381 194	17 835 003	92.02%
2016	19 561 194	19 422 272	99.29%

\* Transfers in 2014 and 2015 to item 1008 (CCMI delegates) of EUR 67 000 and EUR 70 000 respectively.

Each year by 30 April, the Committee submits to the EP and the Council a detailed report on the reimbursement of travel expenses and allowances paid in the preceding year.

The situation is being closely monitored and analysed with a view to making savings over time. In 2016, the increase in ticket costs was to a certain extent mitigated by the use of an interinstitutional framework contract with the EP for travel agency services.

***14. Notes that, according to the Committee's rules of procedure, its members are completely independent in the performance of their duties, in the general interest of the Union; notes that the declarations of interests of the members are available on the Committee's website; calls on the Committee to join the future Inter-Institutional Agreement on a Mandatory Transparency Register;***

According to Article 300(2) TFEU, the Economic and Social Committee consists of "representatives of organisations of employers, of the employed, and of other parties representative of civil society, notably in the socio-economic, civic, professional and cultural areas". EESC members are therefore by definition representatives of certain interests, acting in an advisory capacity, based on their experience and expertise. Moreover, each member is required to make an individual declaration of interests, which is then made available to the general public on the Committee's website.

It is essential that, in the performance of their duties, EESC members interact with a variety of stakeholders at both national and European levels, in particular those not represented in the Committee, in order to ensure the best possible representativeness and validity of the EESC's work, not least its opinions. Also, as the institutional representative of organised civil society at EU level, the EESC as such has a particular responsibility for the development of participatory democracy and civil dialogue. Interacting with civil society organisations, i.e. interest groups, is part and parcel of the EESC's mission.

The Committee closely follows developments on the interinstitutional agreement on a mandatory Transparency Register.

***15. Is concerned about the high number of vacant permanent posts in 2015 and encourages the Committee to implement the necessary measures to improve its recruitment procedures;***

The high number of vacant posts by the end of 2015 was a reflection of a deliberate policy aimed at enabling the Committee to meet the following two obligations:

- A cut of 7 posts on 1 January 2016 in the framework of the interinstitutional agreement on a 1% annual reduction of staff for 2013-2017.
- The transfer of 36 EESC posts to Parliament on 1 January 2016 in the context of the cooperation agreements between the EP and EESC/CoR. Translation staff volunteering for a possible transfer were first seconded to the EP for a period of six months, with a

right to return to their post before making a final decision on whether or not to move. In the meantime, these posts had to be kept vacant in the EESC establishment plan. Also, as fewer than 36 staff members volunteered for a transfer, additional posts had to be kept vacant in case it became necessary to transfer vacant posts (in the end, 11 vacant posts were transferred).

- 16. Notes with concern the continued gender imbalance in senior and middle management posts (30 % / 70 % in the case of senior management); regrets also the geographic imbalance in senior and middle management posts, in particular the shortage of staff from the Eastern countries; calls on the Committee to take action to correct those imbalances and to report back to the discharge authority on the measures taken and on the results achieved;***

The Committee currently has one of the highest percentages of female managers in the EU institutions. The proportion of women in management positions has increased considerably over the last years, from 28% in 2010 to 43% in May 2017. A 40% representation of the underrepresented gender is commonly seen as the minimum target.

The EESC recently introduced an action plan for equal opportunities and diversity (2017-2020) aimed in particular at further improving gender and geographical balance in management posts. The explicit aim of the plan is to create an inclusive working environment that harnesses the many benefits that derive from the coming-together of different experiences, opinions and cultural origins. It includes 25 concrete measures in the main HR areas such as recruitment, training, career development and working conditions, with a particular focus on communication and awareness-raising.

Reaching an acceptable geographical and gender balance is a process that takes time. Only vacant posts can be used to correct imbalances. Both the Staff Regulations and the jurisprudence of the Court of Justice must be fully respected.

- 17. Notes the Committee's plan to comply with the inter-institutional agreement to reduce staff by 5 % over a period of five years; asks to be informed as to how this reduction matches the situation in 2016 that includes three new posts; suggests that the Committee report back to Parliament on any alternative savings achieved to compensate the possible delay in the reduction of staff;***

The EESC did not receive additional posts in 2016. In accordance with the interinstitutional agreement on a 5% reduction in staff for 2013-2017, the Committee returned 7 posts to the budgetary authority on 1 January 2016 and another 6 posts on 1 January 2017, thereby fully complying with the 5% target.

In the context of developing Irish language capacity in the joint services of the two Committees, the EESC received 1 AD post in the 2017 establishment plan (the CoR received 1 AD and 1 AST post for the same purpose). The intention is to recruit an Irish

translator on this post as soon as the EPSO reserve list has been published. For 2018, the EESC has requested three additional posts (2 ADs and 1 AST) to further develop Irish language capacity.

**18. Welcomes the fact that the internal whistleblowing rules entered into force in early 2016;**

No follow-up required.

**19. Fully supports the creation of ethics counsellors' posts to help with possible harassment-related situations and specific training for the hierarchy to improve the knowledge and management of whistleblowing cases; regrets that three cases linked to harassment had to go through legal action;**

The EESC has developed a new approach to combat harassment, which has already proved to be effective. Since new anti-harassment measures were put in place in 2014, the EESC has not been found to fail to address any claim of harassment.

The three legal actions with a component of harassment in 2015 had the following outcomes:

- in the first case, the EESC agreed that moral harassment may have taken place and came to an agreement with the complainant about compensatory measures to be taken;
- in the second case, the EESC reached a friendly settlement with the two parties concerned aiming at establishing a functional relation between the two;
- in the third case, lodged in 2015 with ruling in 2016, the Civil Service Tribunal dismissed the complainant's claim of being morally harassed by their superior.

The purpose of the new approach is to create a culture of awareness and prevention. Notwithstanding, legal action before the Court remains one of the means available to members of staff who feel they have been subject to harassment.

**20. Is unable to opine on the level of the staff absenteeism due to sick-leave because of the poor report provided by the Committee on that matter; calls on the Committee to report on its staff's sick leave divided by the number of working days on sick leave per individual member of staff;**

The method used by the EESC to measure staff's absence on grounds of sickness is established in an interinstitutional agreement of 31 May 2001 and utilised by most European Institutions.

This method calculates the absence rate based on the total number of staff and calendar days, and generates the following result for the EESC in 2015:



$$\frac{10.386,50 \text{ (total absence in calendar days)}}{365 \text{ (days in a year)} \times 704 \text{ (total staff)}} \times 100 = 4,04\%$$

In 2015, 143 persons or 20% of staff had no sick leave at all. The average number of days on sick leave per staff member was 14.8 days.

- 21. Notes that the Committee decreased the average costs of its ‘away days’ for 35 % per participant compared to 2014 and that only 218 staff took part in the event, compared to 415 in 2014; calls on the Committee to target its well-being activities to include as many members of staff as possible to help further improve its staff’s well-being;**

The EESC very much agrees with this observation. The importance of an open, friendly and inclusive working environment cannot be overestimated.

Well-being activities are normally open to all staff and cross-sectoral, also involving the socio-medical service and the EMAS<sup>1</sup> team. As a general rule, well-being activities rely on internal resources only but activities of a larger scale are often organised in cooperation with the CoR.

Thematically, there has been a tendency to link well-being activities to "The European Week for Safety and Health at Work" organised each year in October by EU-OSHA. A staff survey was carried out recently to identify psycho-social risk factors, and the results of this survey will also be used to plan targeted actions in the near future.

In 2016, the Committee organised 12 away-days, involving a total of 255 staff members. All away-days are designed to serve specific organisational needs.

- 22. Notes with satisfaction the downward trend of the unused rate of interpretation services requested from 4,3 % in 2014 to 3,5 % in 2015;**

No follow-up required.

- 23. Welcomes the provision of translation data according to the harmonised methodology settled by the inter-institutional committee for translation and interpretation; notes f the undergoing revision of the Code of Conduct for Translation to be made jointly with the Committee of the Regions;**

No follow-up required.

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<sup>1</sup> Eco-Management and Audit Scheme.

- 24. Notes that the outsourcing rate for translation increased to nearly 10 % in 2015 due to the transfer of staff to Parliament under the Agreement; calls on the Committee for an assessment of the cost-effectiveness of the arrangement now in practice;**

From 2015 to 2016, the share of the total translation output that was outsourced went up from 9.7% to 16.6%. The EESC-CoR cooperation agreement sets a target of 20%, which is expected to be reached in 2017. In 2016, translation staff-numbers were reduced by 9.4%. A calculation of costs based on the Key Interinstitutional Activity and Performance Indicators (KIAPIs) shows that the average cost per page for in-house translations went down by 17% from 2015 to 2016 (from EUR 200 to EUR 166), whilst the average cost per page for outsourced translations went down by 24% (from EUR 128 to EUR 97). As both quality and other indicators, such as deadline compliance, have remained at the same level, the increase in cost-effectiveness has demonstrably been very significant over the last few years.

- 25. Welcomes the Committee's strategic framework for learning and development, in particular the new focus on learning from colleague to colleague; asks the Committee to provide a follow up of that particular method in its next annual activity report;**

The main element in the EESC's learning from colleague to colleague is the much-appreciated job-shadowing, which took place twice in 2016 and will be repeated in 2017.

This exercise aims to break down barriers and create a more open working environment. A person job-shadowing spends a few days following and observing one or more colleagues working in another service. While improving their overall understanding of the institution, participants also extend their professional network for the benefit of better collaboration between services and perhaps pick up new ideas and working methods. Job-shadowing gives staff members an opportunity to explore new areas of activity and, very importantly, allows them to get a flavour of a different function before deciding whether or not to make a career move.

- 26. Notes with great satisfaction the efforts and the results so far achieved in improving the environmental footprint of the Committee and the renewal of the Eco-Management and Audit Scheme (EMAS) certification;**

No follow-up required.

- 27. Notes the administrative arrangements between the Committee and the European Anti-Fraud Office with a view to establishing a structured framework for cooperation and facilitating the rapid exchange of information;**

No follow-up required.

- 28. Welcomes the information on the Committee's building policy in its annual activity report, especially given that it is important that the costs of such policy are properly rationalised and are not excessive;***

No follow-up required.

- 29. Notes the Committee's efforts and achievements in stepping up its information and communication policy; stresses, however, that it is more important that the effectiveness of its opinions on Union decision-making be improved than its general publicity.***

As the representative of organised civil society in European decision-making, the EESC has a particular obligation to carry out its work in a transparent manner. The EESC's information and communication activities give European citizens a direct insight into how the Committee fulfils its institutional role.

Concerning the effectiveness of the Committee's opinions, this depends to a large extent on the good will and cooperation of the EU institutions. There is, for instance, no automatic inclusion of EESC opinions in the preparatory work of the EP, even when these are based on an obligatory referral from the EP itself. As a result, there is a risk that the views of European organised civil society are not fully integrated in the legislative process. The Committee sees it as a priority to improve this situation.

See also comment to observation 10.

**12. Appendix L:  
RESULTS AND CONSEQUENCES OF CLOSED EUROPEAN ANTI-FRAUD  
OFFICE (OLAF) CASES 2016**

**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 2016 no OLAF cases concerning the EESC were closed.

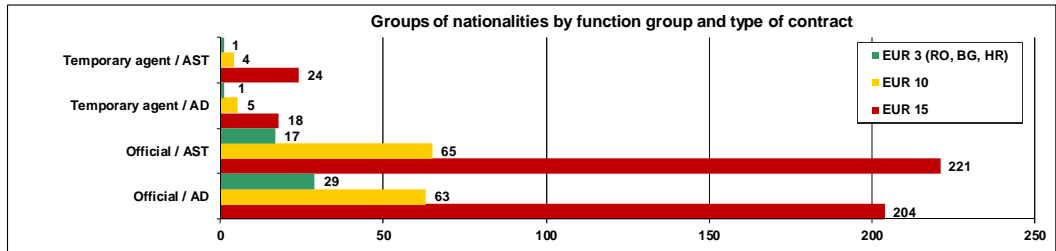
- 13. Appendix M:  
DISTRIBUTION OF STAFF BY NATIONALITY, FUNCTION GROUP AND  
GENDER (INCLUDING FOR MANAGEMENT)**

Table as of

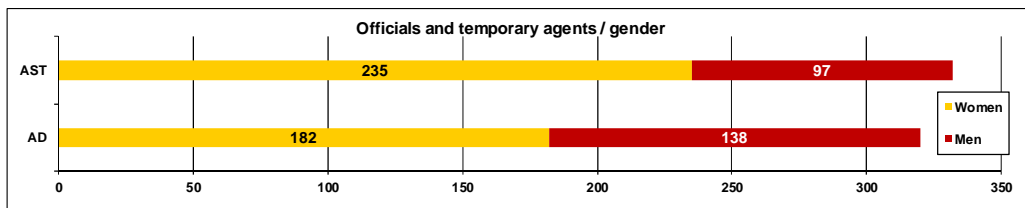
01/02/2017

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
	Adminis-trators	Assistants	Adminis-trators	Assistants	Adminis-trators	Assistants	SNE	SA	
Austria	9	1					1		11
Belgium	28	86					1		131
Bulgaria	8	8			1				18
Croatia	6	2				1			10
Cyprus						1			1
Czech Republic	7	6	1		2				16
Denmark	14	6							20
Estonia	8	4							12
Finland	9	7	2						18
France	14	23	3	2	1	2		1	46
Germany	26	9		1		1	1		38
Greece	15	8	2	5	1	4			35
Hungary	9	10	1				2		22
Ireland	3	4		1					8
Italy	27	24	4	5	1	8	2		71
Latvia	5	3		1					9
Lithuania	9	6		1					16
Luxembourg			1						1
Malta	4	3	1	1					9
Netherlands	9	5	1		1				16
Poland	9	15	2			1			27
Portugal	10	12		3	1	3			29
Romania	15	7	1		1	2			26
Slovakia	7	10							17
Slovenia	5	8		1		1			15
Spain	19	27	1	2	1	7			57
Sweden	8	3		2					13
United Kingdom	13	6	2						21
	296	303	24	29	12	41	7	1	713
	Offic.AD	Offic./AST	TA/AD	TA/AST	CA/IV	CAI-II-III	SNE	SA	
EUR 15	204	221	18	24	7	35	5	1	515
EUR 10	63	65	5	4	2	3	2		144
EUR 3 (RO, BG, HR)	29	17	1	1	3	3			54



Gender	Officials		Temporary agents		Contract agents		Seconded national experts and special advisors		Total
	Adminis-trators	Assistants	Adminis-trators	Assistants	Adminis-trators	Assistants	SNE	SA	
Women	167	214	15	21	9	23	5	1	455
Men	129	89	9	8	3	18	2		258
	296	303	24	29	12	41	7	1	713



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	
Germany	2	1
Greece	2	
Hungary		
Ireland	1	
Italy	4	2
Latvia		1
Lithuania	1	
Luxembourg		
Malta		
Netherlands	1	
Poland		
Portugal	1	1
Romania		1
Slovakia		1
Slovenia		
Spain	1	3
Sweden		1
United Kingdom	4	
<b>TOTAL</b>	<b>25</b>	<b>17</b>
<b>Share</b>	<b>60%</b>	<b>40%</b>

