

2014 Discharge to the Commission

ADDITIONAL WRITTEN QUESTIONS TO COMMISSIONER GEORGIEVA Hearing on 25 January 2016

1. Follow-up to question 7: "*... joint studies carried out confirm the risk associated with the presence of asbestos in the JMO building in Luxembourg*" Could the Commission please inform us about the reason why this was only detected in 2014? What are the estimated costs for the renovation/ demolition of this building? Could the Commission please keep the Parliament updated who will bear the costs? Could the Commission please provide Parliament with a detailed breakdown of the reallocation costs of 200 EUR for the period 2014-2020?

Commission's answer:

Could the Commission please inform us about the reason why this was only detected in 2014?

Like most buildings of the 1970s, the JMO1 contains a number of asbestos applications, which did not present identified risks until recently. The first asbestos inventory was made in 1997, at the request of the owner of the building (FUAK - Fonds d'Urbanisation et d'Aménagement du Kirchberg) and by the Commission in 1998 and followed by regular updates. Thus although asbestos audits are not mandatory in the Grand Duchy of Luxembourg, the Commission continuously went beyond its statutory obligations. As an additional precautionary measure air quality monitoring had also been in operation since 2005.

The updating of the asbestos audit at the end of 2013 revealed a deterioration in the PICAL components and increased risk owing to the fact that they had become friable (i.e. asbestos which can be crumbled, pulverized, or reduced to powder by pressure and inhaled). An initial expert's report concluded that the only realistic way of reducing the risk of exposure to asbestos was to leave the building. Fresh studies carried out jointly with the owner of the JMO in the first half of 2014 showed that remaining in the building until delivery of the future JMO2 would require consolidation works and very rigorous management of the asbestos issue, with no guarantee of zero risk for staff in the building. To avoid any such risk the decision was taken by the Commission and the Luxembourgish authorities to leave the building, with the Commission College confirming the evacuation of the JMO1 in July 2014.

What are the estimated costs for the renovation/ demolition of this building?

There is no intention to renovate the JMO as the building is progressively evacuated and is to be demolished and replaced by the future JMO-2.

The costs therefore relate to the temporary relocation of staff until the occupation of the new building JMO-2 as well as accommodating in alternative premises one of the Commission's data centres as well as other facilities at present in the JMO.

Could the Commission please keep the Parliament updated who will bear the costs?

The note to the budgetary authority included the estimated costs (please also refer to the tables below). The real evolution of the costs will be communicated/updated in the working document VII of the Draft Budget (title: Commission buildings). This document includes each year the update of the situation of the projects presented to the budgetary authority.

Could the Commission please provide Parliament with a detailed breakdown of the reallocation costs of 200 EUR for the period 2014-2020?

The amount of EUR 200 million corresponds to the relocation extra costs estimated in November 2014. Between November 2014 and March 2015 final offers for the offices buildings were received. Therefore, in the note to the Budgetary Authority presented by the Commission to the Parliament on the 24/03/2015, extra costs were evaluated at EUR 182 million (EUR 255 million of costs – EUR 73 million of appropriations needed were the Commission to have remained in the JMO until delivery of the JMO-2).

Please find below the table with estimated costs as presented to the Budgetary authority on the 24/03/2015 (Ref. Ares(2015)1288640).

:

Removal from the JMO building Costs and sources of finance (2015/2021)	
	<i>2015/2021 EUR million current</i>
Total cost of requirements	255
JMO building until completely vacated (mid-2016)	14
Buildings: Ariane, Laccolith, temporary building	150
Data centre	75
Workshops	9
Conference Centre	4
Meeting rooms	3
Sources of finance	120
Planned appropriations for JMO operator (*)	73
Redeployed appropriations (transfer DEC 55/2014 and others)	47
Luxembourg contribution in kind (**)	87
Temporary building	37
Data centre (2015/2021)	46
Conference Centre	4
Additional cost to be covered by Commission budget	49

(*) Appropriations needed were the Commission to have remained in the JMO until delivery of the JMO2 building

(**) Luxembourg will contribute an additional €10 m between 2021 and 2023 by making the data centre available for a total of 7 years and 8 months (2015-2023). Luxembourg's total contribution is thus €97 m

The Commission credit needs presented in the building file were as follows:

	<i>EUR million courant</i>							
	2015	2016	2017	2018	2019	2020	2021	TOTAL
DÉPENSES COMMISSION	37.584.692	25.154.706	23.756.247	21.338.095	23.604.559	22.117.947	14.923.074	168.479.321
Immeuble JMO jusqu'à abandon complet	9.754.000	3.767.000						13.521.000
Immeubles et locaux de substitution	27.830.692	21.387.706	23.756.247	21.338.095	23.604.559	22.117.947	14.923.074	154.958.321
<i>dont: Ariane et Laccolith</i>	<i>15.673.309</i>	<i>13.193.683</i>	<i>14.383.877</i>	<i>14.653.685</i>	<i>14.928.620</i>	<i>15.208.779</i>	<i>11.204.167</i>	<i>99.246.121</i>
<i>autres locaux</i>	<i>12.157.383</i>	<i>8.194.023</i>	<i>9.372.370</i>	<i>6.684.410</i>	<i>8.675.939</i>	<i>6.909.168</i>	<i>3.718.907</i>	<i>55.712.200</i>
COUVERTURE DES DÉPENSES	37.584.692	25.154.706	23.756.247	21.338.095	23.604.559	22.117.947	14.923.074	168.479.321
Crédits JMO 2015	11.715.240	-	-	-	-	-	-	11.715.240
Crédits redéployés (DEC 55/2014 et autres)	25.869.452	21.107.548	-	-	-	-	-	46.977.000
Crédits à demander	-	4.047.158	23.756.247	21.338.095	23.604.559	22.117.947	14.923.074	109.787.081
<i>dont: Ariane et Laccolith</i>	<i>0</i>	<i>4.047.158</i>	<i>14.383.877</i>	<i>14.653.685</i>	<i>14.928.620</i>	<i>15.208.779</i>	<i>11.204.167</i>	<i>74.426.287</i>
<i>autres locaux</i>	<i>0</i>	<i>0</i>	<i>9.372.370</i>	<i>6.684.410</i>	<i>8.675.939</i>	<i>6.909.168</i>	<i>3.718.907</i>	<i>35.360.794</i>

After the presentation of the file to the budgetary authority, additional costs of EUR 4.4 million (related to the data centre and the temporary building and therefore not related to the two buildings presented in the note referred to above) have been identified. It was agreed they will be shared equally between the Commission and the Luxembourg authorities.

Further details are available in the note to the Budgetary Authority according to Art. 203(5) of the FR (so called building file) presented by the Commission to the

Parliament on the 24/03/2015 (Ref. Ares(2015)1288640).

2. Follow-up to question 16: *"Irregularity Management System (whereby Member States report irregularities to the Commission), between 2010 and 2014, 37 cases have been reported concerning breaches in relation to 'Ethics and Integrity'"*
Could the Commission please inform us about how many EU-staff has been concerned by the above mentioned 37 cases and to which Directorate-General are they belonging, respectively? Could you please provide Parliament with the state of play of these 37 cases?

Commission's answer:

The 37 cases mentioned in reply to question 16 have been extracted from the Irregularity Management System whereby the Member States report (fraudulent and non-fraudulent) irregularities to the Commission. All concern Member States' national officials, and not EU staff. Concerning their state of play, for 2 of them Members States have indicated that the crimes had been "established" by national courts, while for the remaining 35, criminal proceedings are on-going.

3. Follow-up to question 20: "How much EU-funding did non-governmental organisations receive in 2014 from the following DGs? Could the Commission please list the respective NGOs linked to the amount of EU-funding and DG?"

Thanks a lot for providing the requested information to that question. Could the Commission please provide the same information also for DG ELARG, DG DEVCO, DG ECHO?

Commission's answer:

DG ECHO

As far as Humanitarian Aid is concerned, during 2014 the Commission allocated 561M€ to different NGOs. The information is public, and the full list of NGOs which received funding from the Commission is available on http://ec.europa.eu/echo/files/partners/humanitarian_aid/fpa_partners.pdf.

For DGs DEVCO and NEAR

See annex 1) to this questionnaire

4. Follow-up to question 38:

- a. In 2014 staff was on sick leave for 451 000 calendar days which corresponds to approximately 2050 staff posts. Could you please provide us with us with the consequences and further steps the Commission intends to take following this finding?

Commission's answer:

In 2014 the EC staff was on sick leave for 451 000 calendar days (therefore including Saturdays and Sundays) which in reality corresponds to 1,235 staff posts and to an absence rate of 4,1%. If compared to previous years the numbers stay quite stable: 4% in 2013 and 2012 and 3,9% in 2011.

The EC absence rate corresponds approximately to the situation in other international organisations and Members states, even though the comparison is difficult due to different calculation methods used. Also the analysis of sickness absence data shows similar results and trends as the international research in that area (see e.g. Chartered Institute of Personnel and Development (CIPD) *Absence Management 2015, Annual Survey Report*).

Moreover 22% of staff were never absent in 2014 and similar numbers apply to previous years.

The Commission is well aware of its duty of care towards its staff and of the importance of having a coordinated and proactive sickness absence policy. Therefore it has as recently implemented several major initiatives to deal with sickness absences in terms of:

- Concrete actions: a set of managerial guidelines on sickness absence management was launched and presented and discussed in most of the DGs and practical training on sickness absence management was developed for line managers;
- Tougher control: the Medical control service was enlarged in 2013 enabling so to significantly increase the number of medical controls (4284 controls in 2014 compared to 2725 done in year 2012). The medical controls are performed for both short term and long term absences, including absences with or without medical certificate. The medical checks can be conducted at home as well as in holiday locations;
- Prevention: a set of guidelines on prevention and management of psychosocial risks was issued on a basis of an assessment done and around 500 managers were trained in the matter until now.

b. How many staff members were on sick leave for:

- i. 12 months or more
ii. 6 - 12 months?

Commission's answer:

- i. 12 months or more : 39 in 2014
ii. 6 - 12 months? : 374 in 2014

- c. How many days of sick leave were taken in 2014:
- i. covered by a medical certificate issued by a doctor
 - ii. without a medical certificate issued by a doctor?

Commission's answer:

The percentage of absence with and without certificate in the EC stays relatively stable over the years. In 2014 there were:

- i. 87% of sick leave days covered by a medical certificate issued by a doctor (392 000 days)
- ii. 13 % of sick leave days without a certificate (59 000 days).

It should be noted that a medical certificate is required for absence on health grounds exceeding 3 calendar days. Thus weekends are considered in the calculation of the 3 days referred to in the Commission's rules.

5. Follow-up to question 24: The Commission stated that *"This 'n+3' rule of automatic decommitment ...This should limit the risk of automatic decommitment."* Could you please provide us with an assessment on how the Commission will face the delays through N+3?

Commission's answer:

As the Commission explained in its reply to previous question 24, the automatic decommitment in year n+3 of any unused amounts of commitments made in year n will apply for the first time at the end of 2017. This new rule provides an additional year for execution on the ground compared to what was foreseen in the previous programming period in which the automatic decommitment was applied in year n+2. That is the reason why the Commission considers that the extension of the period allowed to use amounts committed in year n should limit the risk of automatic decommitment.

However the 'n+3' rule is not a tool designed to avoid delays, its application is a consequence of the occurrence of delays. In the context of the 2007-2013 programming period, the Commission had already taken some measures to facilitate the implementation of programmes and then avoid the risk of automatic decommitment.

For cohesion policy, the Honourable Member is referred to the replies provided to questions 24 to 26 of the additional questionnaire to Commissioner Cretu as well as question 19 of the additional questionnaire to Commissioner Thyssen, in which the Commission explains why the Task Force for Better Implementation was set up and how it actually helped some Member States facing some difficulties in that respect. This innovative approach allowed providing concrete and country-targeted solutions to overcome decommitment risks identified in those Member States through the assessment of individual situations, the identification of bottlenecks and the establishment of specific action plans towards better

implementation. It also ensured an exchange of experience and good practices among participants.

Given the positive outcome of the taskforce in enhancing the implementation of the 2007-2013 programmes, the Commission intends to build on the approach, methods of operating and lessons learned of the experience gained in order to continue to provide a flexible and targeted response to problems that Member States could face in the implementation of the current programming period.

6. Follow-up to question 25:

- a. *"... the Commission issues annually around 18.000 recovery orders."* Could the Commission please provide us with further information on how many recovery orders (approximately) were paid by or addressed to the final beneficiaries?

Commission's answer:

In 2014, around 13 000 recovery orders were issued in respect of external debtors; among these, approximately 300 remain open to date. These figures do not take into account the recovery orders addressed to Member States for the own resources, nor those issued in respect of other European Institutions and bodies or regarding internal invoicing between Commission services.

- b. *"Among the open entitlements, ... while the remaining half (10% of all recovery orders issued) corresponds to problematic debtors and ends up swelling the backlog."* Could you please further define what are "problematic debtors" and give examples? Which amounts are concerned, respectively?

Commission's answer:

Recovery orders are issued in respect of many types of organizations with a variety of legal forms, ranging from Member States or assimilated bodies, third countries, international organizations, to commercial companies, non-profit organizations, etc.

"Problematic debtors" can be defined as those not paying within the time allocated for the pre-litigation procedure. This can be the case for contested debts, insolvencies/bankruptcies/liquidations, cases referred to the Legal Service for enforced recovery, or whenever a debtor does not react to the Commission's requests for payment. Other reasons for non-payment can be linked to the debtor's location outside the EU or to the absence of possibilities to offset a claim.

Concerning a few examples of problematic debts contained in the backlog, the amounts at 31 December 2014 were EUR 28.7 million for insolvencies and EUR 11.6 million for cases at the stage of enforced recovery with the Legal Service.

- c. *"... another 198 (12.7%) recovery orders corresponded to entities in liquidation or in a situation of bankruptcy"* Could you please provide us with respective amounts of the 198 recovery orders?

Commission's answer:

Among the 198 recovery orders issued in 2014 which fall under the category of liquidations or bankruptcies, 126 (63.6%, amounting to EUR 4 million) are of an individual amount below EUR 100 000, 62 (31.3%, amounting to 13.8 million) are above EUR 100 000 and below EUR 500 000, while the a remaining 10 recovery orders (5%, amounting to 10.9 million) are of an amount superior or equal to EUR 500 000, the average amount being EUR 144 978.

d. *"In terms of amounts at stake, the total open amount at 31 December 2014 was EUR 175 432 416 and at 31 December 2015 EUR 210 569 903"* What are the reasons for the increased amount on the 31 December 2015 in comparison to 31 December 2014?

Commission's answer:

The reasons for the increased amount of open entitlements are the following:

- intense activity in terms of recovery actions by the Commission DGs, services and executive agencies;
- a considerable number of recovery orders issued by the authorizing services in November and December, meaning that the entitlements reached their deadline toward the end of the year;
- a deterioration of the quality of some debtors leading to larger numbers of unpaid recovery orders, especially as regards the number of new insolvency cases recorded between the end of 2014 and 2015.

7. Follow-up to question 26: *"The Court of Justice considered that the Commission had failed in its obligation to organise a hearing with the Member State and to approve a financial correction decision within a given time-limit following the hearing (6 months)."* Could the Commission please explain why it wasn't possible to approve the financial correction decisions within six months?

Commission's answer:

At the outset, it has to be noted that time-limits for adopting financial correction decisions were only introduced since the programming period 2000-2006. For the programming period 1994-1999, there were no time-limits.

Consequently, as regards the programming period 1994-1999, based on the transitional rules, the Commission applied the 1994-1999 regulatory framework which does not provide for any time-limit for financial corrections. It should be added that, for the programming period 1994-1999, the rules did not even require a hearing procedure.

As regards the programming period 2000-2006, the Commission based itself in the case-law and considered that the time-limit was only indicative. This entails that failure to respect the time-limit does not lead to an annulment of the underlying financial decision. The Commission found its view confirmed not only

by several judgements of the General Court, but also by the Court of Justice when failure to respect the time-limits was already raised by a Member State without success (See the Order of the Court of Justice of 22 January 2010, Case C-43/09 P, *Hellenic Republic v European Commission*, points 31 to 38)

On that basis, the Commission focused on the substance of the decisions on financial corrections. The Commission deemed it more important to respect the right of defence of the Member States concerned, a general principle to which the Court of Justice pays particular attention. The Commission hence allowed the concerned Member States to send additional information even after the hearing. This additional information had to be assessed by the Commission and to be addressed in the motivation of the decision on the financial corrections, which made it impossible to respect the time-limits set.

This practice of the Commission, to give more importance to the right of defence and to ensure a correct decision than to prioritise a strict respect of the time-limits, found its end with the Court's judgements of 4 September 2014 which stated, for the first time, that the failure to comply with the time-limits constitutes a reason to annul decisions on financial corrections.

The Commission has taken several initiatives following those judgments. On the one hand, in view of other pending cases, the Commission has insisted on its views with regard to the indicative nature of the time-limits, namely by asking a hearing to be held before the Grand Chamber and by appealing subsequent judgements of the General Court which apply the new case-law. On the other hand, the Commission has re-organised its hearing procedures in order to be in a better position to respect the time-limits while still gathering the Member State's views and the necessary information.

8. Follow-up to question 28: *"... In the recent years, the EIB called under the guarantee of the External Lending Mandate only for loans granted to borrowers in Syria, where the reason for default lies in the disastrous situation in the country. The total amount of Syrian calls registered until January 2016 was 227,178,495.31 EUR. Out of this amount 2,149,345.59 EUR were already recovered. Out of the 225,029,149.72 EUR (amount of calls after deducting the recovered amount) an amount of 202,893,785.12 EUR was already paid to EIB. The difference of 22,135,364.60 EUR was called but not yet paid. It will be paid during the next months."*

- a. how many cases are concerned and how old are these cases, respectively?

Commission's answer:

The first Syrian payment default was registered in November 2011 and it was followed by the first call payment on 10/08/2012. Until January 2016 a number of 29 calls were registered. They correspond to 11 contracts.

- b. *"2,149,345.59 EUR were already recovered"* Could you please provide further information about who paid that amount?

Commission's answer:

The amount of 2,149,345.59 EUR corresponds to a delayed payment received from Syria shortly after the payment of the call corresponding to this amount.

- c. *"an amount of 202,893,785.12 EUR was already paid to EIB"* Could the Commission please provide further information from which budgetary line this amount was taken? What was the year of the payment?

Commission's answer:

The different payments of the calls are done by the Guarantee Fund for External Action. The first payments took place in August 2012 and are ongoing in line with the schedule of the calls.

9. Follow-up to question 33: *"... would generate revenue for an amount estimated in EUR 25 million"* Does the amount of EUR 25 million refer to one month or 12 months?

Commission's answer:

The specified amount refers to a 12 month period.

10. Follow-up to question 34: Could the Commission please provide us with the number of posts of senior experts and senior assistants, respectively for

- a) 1 January 2014

Commission's answer:

There were no senior expert and senior assistant posts in the Commission on the 1st of January 2014. These types of posts were established following a Decision by the Commission implementing the rules set in the modified Staff Regulations (C(2013) 8979 of 16.12.2013 on types of post and post titles).

- b) 1 January 2015?

Commission's answer:

On the 1st of January 2015 there were a total of 180 senior experts and 59 senior assistants in the Commission. The appointments on senior expert and senior assistant posts are made following a selection procedure based on the publication of vacancy notices.

11. Follow-up to question 40: How many of the Temporary agents 2c have successfully participated in a formal selection procedure and were integrated in the Commission services until the 1 January 2015?

Commission's answer:

Out of 249 staff who were 2c Temporary Agents on 01.01.14, 42 passed a competition and were subsequently appointed as officials by 01.01.15. A further 23 passed the selection to become Contract Staff with limited duration contracts.

12. Follow-up to question 44:

- a. How many days have each of the 5 former officials, who received remuneration, worked in 2014? Could you please link the days to the respective amount per day received by each of the official?

Commission's answer:

The information is provided under the provisions of Annex II, 2.1 of the Framework Agreement.

- b. *"The number of former MEP, Commissioners and officials above AD14 working as contract staff, temporary agents or officials is not centrally registered."* We would be grateful to receive the number of the above mentioned staff and are willing to wait until the Commission has collected the data which is not centrally registered?

Commission's answer:

The recruitment of officials, temporary and contract agents is based on competitions or selections. Positions of the kind referred to in the question and held within the Commission or in other Institutions are not registered as they do not constitute specific selection criteria. Consequently, the requested information and statistics are not available.

13. Follow-up to question 45: Is there staff with the nationality of one of the pre-accession countries employed in the Commissions services in Brussels or Luxemburg?

Commission's answer:

On 01/01/2016 no staff members with the nationality of one of the pre-accession countries and without the nationality of one Member State are employed by the Commission's services in Brussels or Luxembourg.

14. Follow-up to question 46: The granted working days in 2014 for years of service correspond to 42 staff posts. Does the Commission intend to cut down the number of those working days?

Commission's answer:

The leave granted to staff who have dedicated so many years of their careers to serve the Institutions is a tool for motivation and recognition. This leave corresponds to a one-time 5 day special leave when reaching 20 years or 30 years of service within the Institutions. This is a non-monetary incentive that contributes to the cohesion of the institution and thus Commission does not intend to cut down the number of days granted for years of service.

15. Follow-up to question 62: The table shows two different figures for male Austrian Head of Units (23 and 10) the same for the French ones. Could you please provide us with a correct/ better readable table?

Commission's answer:

The figures for Austrian and French male Heads of Unit are 23 and 96 respectively as specified in the Table.

One column of the table was slightly too narrow to accommodate the "3-figure" numbers associated with the Belgian and German male Unit Heads thus the relative numbers (109 and 100) were split over 2 lines.

The table, this time in .pdf format, is presented again here:

Data on 31/12/2014										
Nationality	Director-General or equivalent			Director or equivalent			Head of Unit			Total
	F	M	Total	F	M	Total	F	M	Total	
Austrian	0	3	3	1	7	8	12	23	35	46
Belgian	0	4	4	3	13	16	28	109	137	157
British	2	7	9	6	18	24	13	50	72	105
Bulgarian	1	0	1	2	2	4	11	7	18	23
Croatian	0	0	0	0	0	0	3	1	4	4
Cypriot	0	1	1	3	0	3	3	3	6	10
Czech	0	1	1	1	0	1	3	10	19	21
Danish	0	2	2	5	2	7	6	22	28	37
Dutch	0	5	5	1	9	10	11	41	52	67
Estonian	0	1	1	3	1	4	2	3	5	10
Finnish	0	2	2	1	1	2	11	8	19	23
French	1	6	7	7	27	34	46	95	142	183
German	1	9	10	12	22	34	27	100	127	171
Greek	1	2	3	3	8	11	6	34	40	54
Hungarian	0	2	2	0	7	7	5	10	15	24
Irish	1	0	1	4	7	11	6	22	28	40
Italian	0	5	5	7	18	25	36	80	116	146
Latvian	0	1	1	1	2	3	11	3	14	18
Lithuanian	0	1	1	3	1	4	2	5	7	12
Luxembourgish	1	0	1	1	3	4	0	5	5	10
Maltese	0	1	1	1	0	1	3	6	9	11
Polish	0	1	1	5	7	12	11	22	33	46
Portuguese	0	2	2	2	8	10	24	19	43	55
Romanian	0	1	1	2	4	6	15	17	32	39
Slovak	0	1	1	1	1	2	2	8	10	13
Slovenian	0	1	1	2	1	3	5	4	9	13
Spanish	1	5	6	8	17	25	33	49	82	113
Swedish	0	1	1	3	0	3	13	6	19	23
	9	55	74	88	186	274	348	778	1126	1474

16. Follow-up to Written question E-006917/2014 and P-010912/2014 to the Commission concerning the CII conference organised in Riva del Garda by OLAF - In the answer to the first written question the Commission explained that *"The committed costs for the organisation of CII by the external contractor are EUR 30 000. Final costs are expected to be lower."* In the follow-up written question the Commission corrected the amount paid to the contractor upwards to EUR 118012,51. We suppose that there have been estimations of costs beforehand? Could the Commission please explain - in this regard - the deviated figures provided by the previous Commissioner?

Commission's answer:

The figures provided by the Commission in response to the two Parliamentary questions are different because they reply to different questions.

The first written question E-006917/2014 asked "*What is the cost of having the event organised by the external contractor MCI Benelux SA?*" The Commission's reply of EUR 30 000 covered "*the committed costs for the organisation of CII (8-10 October 2014) by the external contractor*", in other words, it provided the estimated costs of using an external contractor for organising the conference.

The second written question P-010912/2014 asked "*What was the total cost funded from the EU budget, and what single items comprised the total?*" As explained in the Commission's reply and its annex 1, the EUR 118 012 included, in addition to the costs of having the event organised by the external contractor, all other costs paid by OLAF for the organisation of the conference, such as costs for meeting rooms, catering, travel and accommodation for the speakers. Furthermore, the EUR 118 012 included the organisation of a training seminar at the same location on 6 and 7 October by the same contractor, which was included in the final invoice.

17. In its 2014 annual activity report, DG BUDG indicates that on 31.12.2014 it had 113 outstanding recovery orders, with the open amount totalling EUR 5 439 326 857,33 (see annex 3, p. 18). This marks a sharp 8000 % increase over the balance at end 2013 (EUR 65 986 990,20). What are the reasons behind this surge?

Commission's answer:

There is one single reason. Due to exceptional circumstances the adjustments calculated in 2014 for the VAT and GNI balances exercise resulted in very high amounts (totalling +9.5 EUR billion). In principle this amount should have been paid on 1 December 2014.

The Commission, on request of the Council, proposed to change the rules so that in these exceptional circumstances the Member States could have flexibility in meeting their obligation to transfer the amounts due at any point between 1 December 2014 and 1 September 2015 without interest.

The Council adopted on 18 December 2014 Regulation (EU, Euratom) No 1377/2014 amending Regulation No 1150/2000 which allows retroactively Member States, under certain conditions, to defer making available the amounts of VAT and GNI balances until the first working day of September 2015.

According to that Regulation six Member States opted for deferring the payment to 2015 (totalling EUR 5 407 239 543.89).

Thus without this single effect the outstanding amount would have been EUR 32 087 313.44 which can be considered a normal amount and less than half of the 2013 end of year balance.

18. What were the average costs for "SCIC interpreters" per language?

Commission's answer:

To serve the requests for interpretation, DG SCIC uses two groups of interpreters

- staff interpreters
- accredited conference interpreters or 'ACIs'

The salary of interpreting staff and ACIs are defined respectively by their grade and level of seniority, and not per language.

In attachment you will find the total salary cost of staff, based on the observed average paid salary per grade and the total salary cost of ACIs in 2014, split per language.

To be noted that DG SCIC does not only serve interpretation requests from the Commission, but also from a number of other EU Institutions and bodies, in particular the Council. The conditions for the provision of interpretation services to other Institutions and bodies are set out in service level agreements concluded with DG SCIC.

The Commission pays the salaries of all staff interpreters and ACIs, and then charges back the part of its interpretation costs related to the output provided to outside users. In 2014, SCIC delivered 32,5% of its interpretation output to Commission services.

As a result, from the total cost of staff and ACIs mentioned in the attached table, 2/3 have been refunded by the external users and are booked as Commission's assigned revenue.

2014	Language	Total staff interpreters	Total ACIs	Grand total
FR	FRENCH	5.585.921,23	5.198.345,30	10.784.266,53
DE	GERMAN	6.662.107,89	4.052.174,49	10.714.282,38
EN	ENGLISH	8.091.305,91	4.731.330,48	12.822.636,39
IT	ITALIAN	6.032.740,45	3.757.352,45	9.790.092,89
ES	SPANISH	7.162.092,33	2.774.115,14	9.936.207,47
NL	DUTCH	4.117.130,92	1.384.125,34	5.501.256,26
PT	PORTUGUESE	4.303.289,17	1.537.356,93	5.840.646,10
EL	GREEK	3.002.074,63	1.955.183,01	4.957.257,64
DA	DANISH	2.111.047,52	463.701,59	2.574.749,11
FI	FINNISH	2.501.728,86	644.881,44	3.146.610,30
SV	SWEDISH	1.815.540,37	1.032.607,81	2.848.148,18
CS	CZECH	1.023.872,40	1.322.265,20	2.346.137,60
ET	ESTONIAN	897.982,84	1.906.000,69	2.803.983,53
LV	LATVIAN	1.274.370,87	1.512.674,00	2.787.044,87
LT	LITHUANIAN	1.240.941,76	1.556.430,81	2.797.372,57
HU	HUNGARIAN	1.102.631,82	934.021,84	2.036.653,65
MT	MALTESE	263.976,82	2.613.629,03	2.877.605,85
PL	POLISH	2.211.943,72	1.187.088,55	3.399.032,28
SK	SLOVAK	955.778,15	1.921.444,64	2.877.222,80
SL	SLOVENE	1.074.112,59	1.621.086,63	2.695.199,22
BG	BULGARIAN	1.046.804,64	1.694.864,99	2.741.669,63
RO	ROMANIAN	1.274.370,87	1.119.898,98	2.394.269,85
HR	CROATIAN	472.556,49	2.210.962,04	2.683.518,53
OTH	Others	0,00	2.266.387,22	2.266.387,22
	<u>TOTAL</u>	<u>64.224.322,26</u>	<u>49.397.928,62</u>	<u>113.622.250,88</u>

	Language	Total staff interpreters	FTEs	Average per FTE	Average grade
FR	FRENCH	5.585.921,23	43,60	128.117,46	AD10
DE	GERMAN	6.662.107,89	52,00	128.117,46	AD10
EN	ENGLISH	8.091.305,91	56,60	142.955,93	AD11
IT	ITALIAN	6.032.740,45	42,20	142.955,93	AD11
ES	SPANISH	7.162.092,33	50,10	142.955,93	AD11
NL	DUTCH	4.117.130,92	28,80	142.955,93	AD11
PT	PORTUGUESE	4.303.289,17	26,50	162.388,27	AD12
EL	GREEK	3.002.074,63	21,00	142.955,93	AD11
DA	DANISH	2.111.047,52	13,00	162.388,27	AD12
FI	FINNISH	2.501.728,86	17,50	142.955,93	AD11
SV	SWEDISH	1.815.540,37	12,70	142.955,93	AD11
CS	CZECH	1.023.872,40	13,00	78.759,42	AD6
ET	ESTONIAN	897.982,84	9,00	99.775,87	AD8
LV	LATVIAN	1.274.370,87	14,00	91.026,49	AD7
LT	LITHUANIAN	1.240.941,76	14,00	88.638,70	AD7
HU	HUNGARIAN	1.102.631,82	14,00	78.759,42	AD6
MT	MALTESE	263.976,82	2,90	91.026,49	AD7
PL	POLISH	2.211.943,72	24,30	91.026,49	AD7
SK	SLOVAK	955.778,15	10,50	91.026,49	AD7
SL	SLOVENE	1.074.112,59	11,80	91.026,49	AD7
BG	BULGARIAN	1.046.804,64	11,50	91.026,49	AD7
RO	ROMANIAN	1.274.370,87	14,00	91.026,49	AD7
HR	CROATIAN	472.556,49	6,00	78.759,42	AD6
	TOTAL	64.224.322,26	509,00	110.149,22	

Differences in the average per FTE is due to the differences in the distribution of grades per language

	Language	Total AICs	Contract days	Average per contract day
FR	FRENCH	5.198.345,30	7.877,00	659,94
DE	GERMAN	4.052.174,49	5.916,00	684,95
EN	ENGLISH	4.731.330,48	6.881,00	687,59
IT	ITALIAN	3.757.352,45	5.546,00	677,49
ES	SPANISH	2.774.115,14	4.063,00	682,78
NL	DUTCH	1.384.125,34	2.128,00	650,43
PT	PORTUGUESE	1.537.356,93	2.321,00	662,37
EL	GREEK	1.955.183,01	2.788,00	701,29
DA	DANISH	463.701,59	655,00	707,94
FI	FINNISH	644.881,44	946,00	681,69
SV	SWEDISH	1.032.607,81	1.533,00	673,59
CS	CZECH	1.322.265,20	1.693,00	781,02
ET	ESTONIAN	1.906.000,69	2.077,00	917,67
LV	LATVIAN	1.512.674,00	2.307,00	655,69
LT	LITHUANIAN	1.556.430,81	2.258,00	689,30
HU	HUNGARIAN	934.021,84	1.342,00	695,99
MT	MALTESE	2.613.629,03	2.735,00	955,62
PL	POLISH	1.187.088,55	1.782,00	666,16
SK	SLOVAK	1.921.444,64	2.386,00	805,30
SL	SLOVENE	1.621.086,63	2.086,00	777,13
BG	BULGARIAN	1.694.864,99	2.479,00	683,69
RO	ROMANIAN	1.119.898,98	1.623,00	690,02
HR	CROATIAN	2.210.962,04	2.139,00	1.033,64
OTH	Other languages	2.266.387,22	2.243,00	1.010,43
	TOTAL	49.397.928,62	67.804,00	742,99

Differences in the average per contract day are due to the distribution of the seniority levels per language, and to travel costs.

19. According to recent press reports, since the beginning of 2015 OLAF has been conducting an investigation into state contracts in Hungary for public street lighting projects that were been awarded under suspicious circumstances to Hungarian energy company Elios Innovativ, which at the time of the award was co-owned by the prime minister's son-in-law. The Hungarian street lighting programme is part of the Environment and Energy Programme, which is mainly funded by the EU. Out of a total amount of 19 billion forints (EUR 61 million) paid out for public lighting developments, Elios Innovativ won the tenders in more than two dozen cities, acquiring contracts worth 10 billion forints (EUR 32 million), allegedly in most cases without facing any competition. Later on, suspicions were raised by the inexplicably high prices the company charged for some of its products. Besides the OLAF investigation, the Commission has apparently launched an audit of these contracts and has already asked the Hungarian authorities to take corrective actions. The contracts are being

investigated by the Hungarian police as well. However, nothing has been communicated so far about the outcome of their activities in this case.

- a. Have the initial suspicions been confirmed by the OLAF investigation and/or the Commission audit? What is the state of the investigation/ audit?

Commission's answer:

OLAF can confirm that its investigation in this matter is on-going in cooperation with the competent Hungarian authorities. It is expected to be completed in the course of this year and, when finalised, the outcome will be communicated to the Directorate General for Regional and Urban Policy of the European Commission (DG REGIO) and the competent authorities in Hungary. The nature of any findings in the case will determine when such results might be published. Any findings of a judicial nature, and the possible publication of these, will then be subject to the judicial rules that govern such matters in Hungary. Similarly, any findings of a financial nature, as may be communicated to DG REGIO, and the possible publication of these, will then be subject to the administrative rules governing such matters between DG REGIO and Hungary.

As regards the on-going audit by the Directorate General for Regional and Urban Policy, it was launched in 2015 and the related audit report was sent to the national authorities in September 2015. The audit focused on potential public procurement irregularities linked to these projects. As some irregularities were identified, appropriate financial corrections were proposed.

The audit is still in the contradictory phase. No further information can be disclosed to third parties at this stage as this information is covered by the exceptions provided for by Article 4(2) of the Regulation No 1049/2001 on the policy relating to access to documents.

- b. When will the final results of the OLAF investigation and the Commission audit be published? Could the Commission please provide us with the audit report, if necessary on a confidential basis?

Commission's answer:

See reply to question 19 a.

20. Un rapport publié en octobre 2015 par l'ONG Corporate Europe Observatory dénonce le fait que 9 des 27 commissaires de la Commission Barroso II occupent actuellement des postes dans des entreprises privées et autres organismes liés à des multinationales.

Les code de conduite des commissaires européens prévoit que pendant les 18 mois suivant la fin de leur mandat les commissaires sont tenus de déclarer à la CE toutes fonctions dans le privé. Tout poste en lien direct avec leur portefeuille de commissaire, doit être approuvé par un comité d'éthique. Hors la Commission Barroso II a cessé ses fonctions le 31 octobre 2014. Ainsi les 18 mois sont toujours en cours et le comité d'éthique a donné le feu vert à la reconversion entre

autres: d'un ancien commissaire au commerce dans le secteur numérique, d'un ancien commissaire à l'environnement dans l'agrochimie, d'une autre ancienne commissaire dans une banque américaine, ou encore dans un des plus grand groupe médias. On peut également souligner que ce sont les principaux secteurs qui mènent les négociations du TTIP. Il convient de rappeler dans ce contexte que c'est la Commission Barroso II et les commissaires en question qui ont initié les négociations du Traité Transatlantique.

Comment expliquez et justifiez-vous l'approbation par le comité d'éthique des dits postes? Que comptez-vous faire par la suite afin que de telles situations de conflits d'intérêt ne se reproduisent pas?

Commission's answer:

CEO criticisms on the above-mentioned individual decisions are not supported by findings or facts demonstrating the existence of an actual conflict of interests with the former Commissioners' portfolios and/or with broader EU interests.

After the end of their mandate former Commissioners have the right to pursue a professional career. When no conflicts of interests with the former portfolio or with the interests of the Institution is at stake, banning an activity on the mere fact that they might have a link with a sector concerned by the TTPI negotiations would be disproportionate.

The ad hoc Ethical Committee adopts its opinions after due consideration of the portfolio of the former Commissioner, the nature, scope and sector of the activity envisaged. In addition, Commission's decisions on post-mandate activities contain appropriate restrictions in particular the prohibition to lobby or advocate with members of the Commission and with the Commission Services for which they have been responsible during their mandate.

Commissioners are aware of their obligation to behave with integrity and discretion as regards the acceptance of certain appointments and benefits, even after they have ceased to hold office. They know that, in case of breach of their obligations, the issue may be referred to the Court of Justice and generally avoid themselves considering activities presenting risks.

The Commission never authorised any post-mandate activity which might entail a risk of conflict of interests with the former Commissioner portfolio or with the interests of the UE.