

ANNUAL ACTIVITY REPORT



Directorate-General for Internal Policies

20
19

TABLE OF CONTENTS

1.	EXECUTIVE SUMMARY	4
2.	ENVIRONMENT OF THE DIRECTORATE-GENERAL, OBJECTIVES AND RESULTS	6
2.1.	The Directorate-General (mission statement, operational context)	6
2.2.	Key results and progress towards achieving objectives	8
3.	RESOURCES MANAGEMENT	20
3.1.	Human resources	20
3.2.	Financial and budgetary management	21
4.	EVALUATION AND EFFECTIVENESS OF INTERNAL CONTROL, INCLUDING OVERALL ASSESSMENT OF COST-EFFECTIVENESS	24
4.1	Assessment of the effectiveness and efficiency of internal control	24
4.2	Assessment of the costs and benefits of the controls	26
4.3	Summary of internal and external audits	27
5.	STATEMENT OF ASSURANCE	30
6.	ANNEXES	32
a.	Budgetary implementation overview	33
b.	2019 Budget implementation statement	34
c.	List of exceptions - derogations from the rules	38
d.	Results of assessments	41
e.	Assessment of the implementation of the minimum internal control standards	42

EXECUTIVE SUMMARY



1. Executive summary

Overall, the DG saw intensified legislative work before the end of the legislative term, with a large number of legislative files submitted end 2018 or early 2019. This increased activity is demonstrated in the numbers of files on the negotiating table and, consequently, also in the number of trilogues and other meetings, with the very difficult logistical challenges of finding sufficient meeting slots and interpretation facilities.

Due to the abovementioned reasons, in 2019 legislative work had to be accomplished under strong time pressure to finalise dossiers before the end of the legislative term.

Core business thus increased, from an already high level in 2018, whilst the additional intensified focus on parliamentary oversight and scrutiny continued.

The Brexit process had clear implications for IPOL's work in 2019 with substantial support and expertise from IPOL committees, policy departments and horizontal services, feeding into the Parliament's overall preparations and work, including the provision of sector analyses.

The setting-up and running of temporary committees and their secretariats again proved to be an organisational challenge for the DG (staffing, meeting slots, quick planning of hearings and missions, consultation of confidential documents, offices) which was mastered successfully, in close cooperation with other DGs concerned.

The human resources of DG IPOL were generally appropriate for tackling the 2019 workload. However, staffing of the temporary committee secretariats proved again to be a very difficult exercise. It is an illustration of the recurring challenge of staffing secretariats, in a context of cuts in human and budgetary resources, without additional Contract agent funding for the units of origin concerned.

The new legislature started with the smooth constitution of the new committees and of the Conference of Committee Chairs. The last quarter was marked by the hearings of the Commissioners-designate, another major multi-dimensional project involving many units of IPOL as well as several other DGs.

ENVIRONMENT OF THE DIRECTORATE-GENERAL, OBJECTIVES AND RESULTS



2. Environment of the Directorate-General, objectives and results

2.1. The Directorate-General (mission statement, operational context)

MISSION STATEMENT

Empowering Members in policy-making

DG Internal Policies (IPOL) is a modern service provider for committee Members, organising and putting in place all necessary administrative elements to allow for fruitful and smoothly running of committee meetings, missions, hearings and workshops, and providing committee Members with advice, information, expertise and tools during the entire legislative and non-legislative process in committees, be it in the agenda-setting, the consultation, the legislation or the scrutiny phase.

With our committee secretariats, our Policy Departments/Economic Governance Support unit, our horizontal units and our resource units we strive to consistently provide high quality, valuable and timely service to committees.

Core elements of our mission comprise on the one hand the smooth preparation and running of committee meetings, coordinators meetings and trilogues, on the other hand tailor-made assistance to Committee Chairs and rapporteurs according to their specific needs in each situation.

We serve as primary points of contact for committee Members and as facilitators, helping them to obtain complementary assistance from other DGs to ensure optimum confluence of all efforts and secure the best support for their parliamentary activities in committees.

OPERATIONAL CONTEXT

IPOL's work in 2019 was characterised by the transition from one legislative term to the other: In the first part of 2019, the priorities of the legislative work were the finalisation of the files that committees still wanted to see adopted during the 8th term.

The work of the Special Committee on Financial Crimes, Tax Evasion and Tax Avoidance (TAXE) ended with the plenary vote on their report in March.

In May, DG IPOL organised its Innovation Day with focus on updating the DG's Strategic Execution Framework (SEF) and presenting new strategic projects.

The Training & Assistance Service, in close cooperation with IPOL and EXPO units, organised the 2019 Election Break Training (EBT) between 29 April and 22 May. 70 sessions and workshops took place, covering a wide range of topics from procedural and inter-institutional issues and policy developments, through novelties on IT applications, administrative and financial matters, to well-being at work.

July saw a smooth constitution of the new committees and of the Conference of Committee Chairs.

September, October and November stood under the sign of the hearings of the Commissioners-designate, another major multi-dimensional project involving many units of IPOL as well as several other DGs. This complex exercise had tight deadlines, but was well prepared and run so that the new European Commission could start its term on 1 December. The rejection of three proposed candidates resulted in the organisation of additional hearings for the new Commissioners-designate.

The Policy Departments of DG IPOL and of DG EXPO have produced a series of briefings on salient points and essential commitments made by the candidates at the hearings. These briefings have been compiled in one document, which is meant to provide Members with a practical and concise tool to monitor the efforts and the actions of the future Commission working for a European Union that strives for more.

DG IPOL's units, committee secretariats, as well as policy departments and horizontal services supported Members throughout the year on a broad spectrum of questions relating to the different aspects of the ongoing Brexit negotiations.

In the process of contributing to the Parliament's Strategic Execution Framework and Parliamentary Project Portfolio (PPP), DG IPOL has updated its SEF and elaborated a new set of strategic projects for the PPP 2019 - 2021.

In 2019 IPOL's business continuity plan was finalised and sent to the Secretary General (SG).

Under the guidance of the cabinet of the SG, work on new key indicators/metrics for DG IPOL started in the summer in order to be ready for an implementation as of January 2020.

2.2. Key results and progress towards achieving objectives

OBJECTIVES OF DG IPOL FOR 2019

IPOL's objectives for 2019 aimed to support the European Parliament's capacity to achieve its legislative, budgetary and political priorities.

These objectives were in detail:

1. Despite the high workload due to many legislative proposals on the table, deliver high-level support, both at committee stage and during inter-institutional negotiations, for all legislative priority files which should be finalised during the 8th legislative term; make sure that all legislative dossiers, as well as discharge for the financial year 2017, can smoothly proceed to plenary in due time before the end of the term.
2. Start, and if possible conclude, negotiations with Council on the post 2020 MFF and the own resources files on the basis of the EP position as defined in the MFF / OR Interim Report as well as on the MFF-related legislative files.
3. Prepare the screening exercise on unfinished business according to Rule 229 of the Rules of Procedure for the beginning of the new parliamentary term.
4. Support DG COMM's activities in the framework of the communication campaign on the European elections 2019; in this context disseminate the recently updated Fact Sheets on the European Union and ensure DG IPOL contribution to the Open Days event in Brussels and Strasbourg.
5. Compile a "welcome pack" for Members of parliamentary committees with DG EXPO, which contains information on the relevant committee, support provided by the committee secretariats, Policy Departments and horizontal services and which is to be distributed to Members at the beginning of the new term.
6. Organise the committees' constituent meetings as well as the constituent meeting of the Conference of Committee Chairs.
7. Organise the hearings of the Commissioners-designate in close cooperation with other DGs concerned as well as with the relevant services of the European Commission and of the Council and contribute to the design and managing of the dedicated section in the Elections website.
8. On the basis of the regularly updated Political Work Programme provide Members with information on pending parliamentary demands to the European Commission made during the preceding term in the relevant policy area; compile and follow up on the commitments made by Commissioners-designate during the hearings. Continue to follow-up on the Ombudsman's proposals made in the context of her strategic inquiry on the transparency of trilogues; efficiently coordinate work with other DGs and other Institutions¹ and in compliance with the Secretary-General's approach on the

¹ Related Parliamentary Project: Enhancing the transparency of the legislative process

coordination of relations with the Ombudsman, taking also into account the jurisprudence of the Court of Justice.

9. Organise the hearings of the candidates for European Ombudsman and contribute to the design and management of the dedicated website.
10. Organise the selection of the Chief Public Prosecutor in order to guarantee his / her timely appointment to assure that the EPPO can work effectively as of autumn 2020.
11. Use the transition phase to the new legislative term to collect relevant statistics on the 8th term and to update IPOL information material and publish the new Activity report on the OLP procedure.
12. Continue to provide the best possible assistance to parliamentary committees, Committee Chairs and bodies, to the Institution, to its President and Members.
13. Continue to support the Conference of committee Chairs (CCC) as a cooperation platform between committees and a decision making body providing political input from the committees, such as, for example, on agenda setting and multiannual programming and on the implementation of inter-institutional agreements.
14. Building on the experience of inter-institutional programming exercises, such as the Joint Declaration on the EU's legislative priorities or multi-annual programming; continue to explore other efficient and constructive ways of reinforcing Parliament's role in the programming cycle. The aim should be to achieve a Joint inter-institutional programming, which is more focused and transparent in line with article 17 (1) of the Treaty of the EU, with the provisions of the Framework Agreement with the European Commission and the Inter-institutional Agreement on Better Law-Making.
15. Continue to actively contribute to the Inter-DG steering groups, which have proved to be efficient tools to monitor the implementation of the Joint Declaration on the EU legislative priorities progress for the hierarchy (or SG) as well as for all the EP services involved in the exercise.
16. Deliver high quality expertise for parliamentary committees and other political bodies and ensure good visibility and accessibility of the services and products offered by Policy Departments and the Economic Governance Support Unit. Review the well-established and close cooperation with DG EPRS with a view to enhancing it.
17. Continue promoting a scrutiny-oriented culture within the parliamentary committees in the next parliamentary term. Inform Members about the possibility to use well-established political, budgetary and legislative scrutiny tools of the executive decisions taken at the EU-level at all stages of legislative cycle, including the application, implementation and enforcement of EU law in cooperation with all interested DGs. Assess how to optimise the Inter-Institutional Agreements on relations between the European Parliament and other European Institutions with a view to enshrining a genuine scrutiny culture of the executive decision-making.

18. Continue to assist EP negotiation teams during legislative negotiations to maintain a coordinated approach on horizontal issues, notably on delegated and implementing acts and coordinate Parliament's approach on delegated and implementing acts on the inter-institutional level. Continue to disseminate best practices through the DIA network.
19. Finalise inter-institutional negotiations foreseen by the IIA on Better Law-making, notably delineation criteria for delegated and implementing acts with the Commission and Council and practical arrangements on cooperation and information sharing on international agreements with the Commission, Council and EEAS. Complete the legislation dealing with the alignment of RPS measures with the Commission and Council.
20. Streamline best practices of committee secretariats when dealing with requests for access to documents and develop best practices in the use of trilogue tables.
21. Contribute to the smooth implementation of the revised Regulation on data protection in the EU Institutions and Bodies.
22. Continue implementing the new document management policy and prepare for the transition to the new Electronic Records Management System (ERMS).
23. Foster cooperation between units and problem-solving of common challenges by sharing best practices of secretariats in IPOL via the appropriate channels, as for example IPOL's horizontal services, IPOL networks, and the future use of the Committee Secretariats good practices Handbook or other means.
24. Maintain efficient inter-DG cooperation on communication, notably through the Unit for Coordination of Editorial and Communication Activities; continue work on the EP internet website in order to make it more coherent comprehensive, understandable and accessible; continue coordinating the Network of Committee Communicators, especially in terms of supporting the PPP Legislation as Communication and the communication campaign on the European elections 2019.
25. Take stock of the PPP and reflect on the potential strategic goals and possible projects for the 9th parliamentary term in view of Innovation days organised by the Secretary General in 2019.
26. Continue to ensure the efficient management of Human Resources in line with the DG IPOL transformation plan in the light of the reduction of posts, following the decision of the Budgetary Authority in 2016.
27. In particular, contribute to the modernisation and acceleration of the recruitment of high-level profiles including EPSO candidates in the various fields of expertise covered by IPOL services.
28. Further focus on the optimisation of the use of staff resources in particular with a view to the frequent redeployments due to the set-up of special committees; the cyclical workload in committee secretariats, part-time and parental leaves and AD/AST mobility.
29. Initiate a screening of resources' needs, which shall respond to the new political

priorities established for the next parliamentary term as well as an assessment of the implications that the digitalisation might have on parliamentary work, provided that the e-Parliament programme is executed as planned, before the start of the 9th legislature.

30. Accomplish and have approved an extra-time compensation mechanism, taking into account the specific constraints and implications for staff working overtime in committee secretariats.
31. Continuously adapt the internal training offer to new needs of the DG; enlarge the choice of tailor-made courses in particular for AD staff for specialised topic of interest and in this context, also explore the possibility for new ways of cooperation with the European University Institute (EUI), on the base of May 2018 Renewed Partnership Agreement EP-EUI; provide an Election Break Training cycle during the April/May 2019 election period, and liaise with DG PERS Learning & Development Unit in order to ensure a need-based and complementary catalogue training offer.
32. Actively take part, in the creation of a pool of EP colleagues who will become welcome guides of the newly arrived Members after the next elections. Those colleagues could also become later L&D partners, i.e. colleagues who could act as speakers or facilitators in various in-house learning events.
33. Organise the move of all DG IPOL services in Strasbourg with a particular focus on practical and organisational aspects ensuring the continuous provision of high-quality services to Members.

34. Efficiently allocate and use the DG's finance resources, particularly in the context of an election year with reduced appropriations, and new procedures and working methods following on from the upcoming Financial Regulation; prepare effective transition to the new financial management system (FMS).

35. As one of the major business DGs, continue on all relevant levels to be substantially involved in the on-going work of several key programmes such as eParliament while ensuring their alignment with the DG's business requirements, including improved efficiency.

36. Contribute with DG ITEC to launch the Trilogue Table Editor, notably through the use of pilots and by training relevant AD and AST colleagues, with a view to covering the full legislative chain, including inter-institutional negotiations. Contribute to the full implementation of existing committee-dedicated IT applications such as AT4AM once all current technical issues have been resolved and the application supports annexes in the form of tables, extend the use of the AT4LEX xml editor to COD files.

The objectives were not changed during the year.

Most of DG IPOL's objectives, as described above, are closely linked to and intertwined with political processes and decisions: How a Commission proposal is dealt with in committee, how it is approached in general, how it is timed over several months, how it is amended and how it is accompanied by, for

example, expertise products, is decided politically. This can entail that suggestions made by the secretariat are not taken up by Members or that preparatory work is only partly used, or used in a different way than proposed by the secretariats.

Therefore, the degree of achievement of many objectives of the DG is very much dependent on such political decisions.

IPOL considers its objectives for 2019 as achieved and no incidents are to be reported. IPOL staff has done its utmost to provide high-quality, fast and flexible support to committees and to always find solutions to upcoming issues; it has maintained this service-culture and its standards also under very challenging conditions, such as an important number of night trilogues.

Work on the above objectives contributed to the achievement of the strategic goals of Parliament's renewed Strategic Execution Framework (SEF), in particular on "completing the legislative cycle – reloaded", "linking the levels" and "succeeding 2019", as well as to the Parliamentary Project Portfolio 2017-2019.

As regards the PPP, DG IPOL continued work on 11 projects as well as 10 subprojects to the "committee handbook" from the set of strategic projects for the PPP 2017 - 2019:

-) Rules of Procedure - committee-related follow-up to the AFCO report
-) Brexit - committee contributions
-) Enhancing the transparency of the legislative process
-) Petitions and citizens' enquiries
-) Follow-up to the Better Law Making Agreement

-) Political Work Programme
-) Legislation as Communication
-) Expertise support for the scrutiny of the Eurozone
-) Committee Best Practice Handbook
-) MFF and Mid-term review/revision: follow-up of related programmes and next steps
-) More systematic use of Implementation Reports

IPOL also worked on a series of subprojects, related to the Committee Best Practice Handbook project:

-) S1 Legislative project teams as standard methodology
-) S2 Accelerated delivery of Legislative Own-Initiative reports
-) S3 Improving attendance and follow-up of Committee Hearings
-) S4 PolDep. workshops
-) S5 Enhanced Scrutiny on Delegated Acts
-) S6 Enhanced Scrutiny on Transposition
-) S7 Committee Scrutiny
-) S8 Social partners in committee hearings
-) S9 Committee field visits
-) S10 Committee to Committee Videoconferencing

The IPOL PPP projects were concluded successfully. One project, the Political Work Programme (PWP), was, however, not finished, as the PWP table had grown

massively and regular updates had become very time-consuming while at the end of the term finalising legislation had clear priority for committees over open requests.

A lot of work was invested into a first series of sheets of the Committee Handbook and the project phase was successfully concluded in November 2019 when the project managers handed over to a new (permanent) governance structure.

In the process of contributing to the new SEF and PPP 2019 - 2021, DG IPOL has elaborated a new set of strategic projects, namely:

1. Artificial Intelligence and design of future policies
2. From e-Parliament to e-Legislate (inter-DG project, project management in ITEC)
3. iVote - Intelligent Voting List
4. Game changer: Take the initiative – early mover on programming
5. Euro-robustness - EMU scrutiny
6. Scrutiny of agencies
7. Scrutiny on international agreements
8. Hub with national parliaments for Economic Governance
9. Hub with national parliaments on Budget
10. DG IPOL Metrics Collection
11. Expertise Structural and cohesion policies
12. Upgrade Management of petitions
13. New forms of communication with scientists
14. Communicating the Budget

15. Safe Borders

OBTAINED RESULTS

Work on the MFF was carried forth and a lot of work was invested into the coordination among committees. Due to the fact that Council had not been ready, the bulk of negotiations will, however, only be done in 2020.

Directorate E prepared the usual exercise for unfinished business before the summer recess and the Conference of Presidents approved the outcome of the committees' screening in October 2019.

As usual, an election year marks the publication of the Fact Sheets compilation. After a new version of the Fact Sheets website successfully launched last year, two editions were distributed to Members in 2019. The Spring edition allowed the outgoing Members to take stock of their achievements over their five-year term in office, while an updated October edition presented the state of play at the beginning of the new Legislature on literally every policy area that European Parliament is involved in.

The 2019 edition of the Committee Welcome Pack came to a successful completion in July. Its broad production was supervised by the Coordination of Editorial and Communication Activities Unit (EDCO) and through an inter-DG working group. The drafting of the actual texts was provided by committee secretariats, policy departments and horizontal units within DG IPOL and DG EXPO. The printed copies of the Welcome Pack were delivered to the Members at the first committee meetings of the new

legislature. Its online version is available on EP Intranet.

IPOL successfully organised the constitution of the new committees as well as of the Conference of Committee Chairs in July.

The hearings of Commissioners-designate was a complex project for the DG, spanning several weeks and successfully concluded in November. The Policy Departments in DG IPOL and DG EXPO, and the Economic Governance Support Unit, produced a series of briefings on salient points and essential commitments made by the candidates at their respective hearings.

The Committee on Petitions successfully organised the hearings of the candidates for the European Ombudsman in November and the procedure was concluded at the December session of the EP. Also the appointment of the Chief Public Prosecutor was brought to a successful conclusion: In September 2019, the European Parliament and the Council agreed to appoint Ms Laura Codruta Kövesi as the first European Chief Prosecutor.

The LEGI activity report on the OLP procedure with a series of statistics on legislative work in the 8th term was compiled and published.

IPOL – Directors and horizontal units - has invested further work in consolidating the Inter-DG Steering Groups role throughout 2019 as an important structural element in the coordination of work of the DG and of other DGs around committee dossiers.

IPOL has set up an internal Working group on data protection under the chairmanship of its Directorate for Citizens' rights and

Constitutional Affairs. The Working group will start to establish an action plan for IPOL, identifying practical solutions already available and issues to be further discussed with the EP Data Protection Officer.

The networks on the MFF, on Delegated and Implementing Acts, on Legislative Procedures/Trilogues as well as of Committee Communicators are well established and have been very active throughout 2019.

The Trilogue Table Editor has entered into the pilot test phase and is used on a small number of files under negotiations. Provided these tests are successful, the TTE could be put into production in the first half of 2020 so that it could increasingly be used in trilogues instead of MS Word.

Feasibility and Risk Assessment

Most of DG IPOL's objectives, as described above, are closely linked to political processes and decisions and it is difficult to attach any specific linked financial and non-financial risks which might adversely affect them.

Similarly, assistance and expertise for the parliamentary committees, as well as many horizontal issues - in the legislative and budgetary fields particularly but also increasingly other "scrutiny measures" - are thus part and parcel of the DG's daily work but remain linked to political decisions (for example decisions on the timetable for a legislative file, or whether to request a study or a workshop to accompany such a file, or whether to draw up

a non-legislative report, etc.) both inside and outside the Parliament.

Therefore, the achievement of the main objectives of the DG is very much dependent on such political decisions and it is difficult to assess its real cost and put a price on such political developments within the framework of this overview.

However, as far as ‘administrative risks’ are concerned, which may of course also have a knock-on effect on the objectives described, the DG’s risk register and risk assessments are monitored and regularly updated.

Again, in 2019, the main administrative risks were the following:

- Risks related to the optimal functioning of parliamentary committees;
- Risks related to human resources;
- Risks related to the dependence on IT systems;
- Risks related to logistics, such as infrastructure, including office space.

These risks and the associated efforts to mitigate them are described in the General IPOL Risk Register, including a rating as to their likelihood and seriousness. The risk files were updated in 2019 and will be updated in 2020 in close cooperation with the Business Continuity Management Unit of the European Parliament and IPOL’s Strategic Planning Unit.

Resources

As regards IT matters, in the framework of the e-Parliament/e-Legislate multi-DG programme, DG IPOL continued its commitment in

achieving the full digitalisation of the legislative workflow according to the priorities and the KPIs agreed among all stakeholders.

The IT unit played an active role as regards the implementation of the business rules on Data protection for the data managed by IPOL applications.

During 2019, IPOL Business Analysts actively contributed to the Cost and Benefit Analysis requested by DG ITEC and aiming at optimizing the usage of IT resources as regards the new requests submitted for the IT Plan 2020.

IPOL also started to replace desktop PCs with hybrid devices in order to comply with the latest IT policies and to facilitate more flexible working arrangements (teleworking, staying connected during meetings, including committee meetings and trilogues, and in the open space in Strasbourg). The first batch of 80 devices were distributed in December.

As concerns the European Parliament’s ECO-management and audit scheme (EMAS), during the election break, the Training & Assistance Service of DG IPOL and DG EXPO organised a session on paperless working methods in committees. The session included exchange of good practices from committee secretariats with various degree of paperless work, and a discussion with DG ITEC. Colleagues from almost 15 committee secretariats were present, and engaged in a lively discussion.

With the beginning of the new legislative term, more and more committees opted for fully paperless or largely paperless working methods.

The DG IPOL EMAS network and the Environmental Management Officers of the Kohl building met on several occasions to discuss topical issues such as awareness raising about recycling, paperless approach in everyday work, possible organisation of short info sessions on eco-tips in the office. The Kohl Creative Workshops continued their weekly meetings to encourage staff to “reduce, reuse and recycle”.

DGs IPOL, EXPO and EPRS submitted a joint proposal for a walking challenge for the EMAS Eco Champion contest 2019, motivating colleagues to come to work on foot. The jury endorsed and awarded the first place to the joint proposal. The walking challenge would take place in May, parallel to the VeloMai cycling challenge.

DG IPOL leads on, or contributes to several projects under the new SEF which have an EMAS angle, e.g. the potential and implications of artificial intelligence, from e-Parliament to e-Law, and IT solutions for a modern and citizen-friendly management of petitions.

In the area of finance, DG IPOL worked on the renewal of multiple framework service contracts for the provision of expertise for the following Committees: ITRE, LIBE, JURI, IMCO, ENVI, ECON Monetary Dialogue, and ECON Banking Union, for the duration of the whole new legislative term. Subsequently, in early 2020, a new open framework service procedure for the FEMM Committee is envisaged to be launched, for the first time, via the new E-Procurement tool of the European Parliament.

Throughout the whole year IPOL's Finance Unit contributed intensively to the successful transition of the new SAP based Financial Management System (FMS), assisting in various working groups with DG Finance and liaising with its internal clients, including the preparation of tailor-made meetings and trainings for all financial actors and agents in DG IPOL.

In addition, the Finance Unit also organised tailor-made procurement trainings during the election break, on request of its operational services, in order to further enhance quality in particular in the area of the drafting of terms of reference for service contracts and tender evaluations.

In the human resources field, it is worth mentioning that the second AST mobility procedure was concluded.

In 2019, the occasional teleworking scheme within DG IPOL is being increasingly used by the staff. A pilot project on extra-time for official meetings, taking place after regular working hours, which was introduced towards the end of 2017, continued to run through 2019.

The major event in the field of learning and development has been the preparation, organisation and implementation of the 2019 Election Break Training, with 70 training sessions and workshops, 2400 participants and 150 speakers. Sessions, mainly held by internal speakers, addressed a broad selection of topics, ranging from procedural and inter-institutional issues and policy developments, through novelties on IT applications, administrative and financial matters, to well-being at work. The training and assistance

service (T&AS) also took care of a large number of individual and collective external training sessions to cater for those learning needs that could not be satisfied in-house. Moreover, DG IPOL worked in close cooperation with DG PERS's learning and development unit (L&D) on a number of corporate issues such as the introduction of the new learning platform and the MEP guides to welcome the newly elected Members.

Obtained results (data against budget items)

The below statistics measure some of the quantitative aspects of the DG's output, which also contribute to meeting the objectives of the DG. They are linked - sometimes directly and sometimes indirectly - to practically all of the objectives:

347 parliamentary committee meetings were organised in 2019, 142 during the 8th term and 205 during the 9th term (2018: 525). These, and all related work prior to them, eventually led to the treatment and vote of some 177 legislative and budgetary procedures, 115 scrutiny procedures and 54 non-legislative procedures making a total of 346 committee procedures until the end of the 8th term. During the 9th term in 2019, there were 103 committee dossiers in total that were voted, of which 8 budgetary procedures, 29 legislative procedures, and 66 non-legislative procedures. The addition of both made a total of 449 procedures for the whole year 2019 (2018: 564 procedures).

252 IPOL trilogues, under 8th term: 190 and 9th term: 62 (total 257 – including 5 EXPO trilogues).

138 open COD procedures in IPOL committees (total 146 – including 8 procedures in EXPO committees).

Activity on the legislative files was particularly intense at the end of the 8th term, in an effort to conclude most of the Joint Declaration files. However, many files remained open and were carried over into the new term. At the beginning of January 2020 there were 146 [IPOL+EXPO] open COD procedures under EP first reading/Council first reading.

Concerning budget resources managed directly by DG IPOL, the following quantitative analysis can be made:

Ŋ Concerning sub-item 1612-02 (professional training): DG IPOL organised 66 external individual courses. Also, 14 “Unit External Training Days” - ex Away Days (12 in 2018, 6 in 2017) 1 specific individual training and 6 specific collective trainings (3 in 2018, 3 in 2017) were organised.

Ŋ Concerning sub-item 3042-01 (committees' missions): In total, 21 missions were organised (117 in 2018, 96 in 2017), out of which 17 had a financial impact against this line, i.e. organisational costs such as rental of office space and local transport (81 in 2018). The number of missions thus decreased compared to last year, especially taking into account 2019 was an election year.

Ŋ Concerning sub-item 3200-01 (external expertise): The policy departments commissioned a total number of 111 items of external expertise (2018: 159, 2017: 239). Of

these, 9 were long studies between EUR 60.000 and EUR 135.000 (2018: 12, 2017: 10), 25 were medium studies between EUR 15.000 and EUR 60.000 and 77 were short studies of up to EUR 15.000. On 31 December 2019, IPOL policy departments had 6 framework contracts in force and were working on the renewal of another 7 (2018: 9, 2017: 9). The DG also disposes of 1 CEI (call for expression of interest) lists (2018 and 2017: 4), to further widen the choice of expertise in some areas.

Ŧ Importantly, some 156 publications were internally produced, not drawing on any budget funds managed by IPOL (2018: 330, 2017: 479). This again demonstrates a solid in-house expertise, which now makes up a very substantial part of activities. And, in addition to this, both committees and policy departments were as always involved in continuously updating the “EP fact sheets”, numbering in their hundreds. Finally, being 2019 an election year, DG IPOL also elaborated Welcome Pack booklets for the newly elected Members and newly constituted committees. Against a backdrop of tight human resources budgets, this development was impressive.

Ŧ The policy departments also organised 11 workshops (2018: 37, 2017: 45) in which external experts participated and discussed with committee members. A total of 9 experts were reimbursed against this item (2018: 59, 2017: 59). Further 8 experts were invited to share their economic, financial and monetary expertise in preparatory meetings of Monetary Dialogue sessions organised by ECON; 10 experts delivered 18 briefing papers prior to the sessions (2018: 41, 2017: 32).

Ŧ The parliamentary committees organised 65 hearings (2018: 121, 2017: 133). A total number of 114 guests at these hearings were reimbursed for travel costs against this item (2018: 204, 2017: 167). Also, the Petitions Committee heard 239 petitioners (187 in 2018) at different hearings and meetings, 36 of whom were reimbursed against this item.

Ŧ Sub-item 3220-13 (books and subscriptions) 18 books and 6 subscriptions were purchased to support the work of policy departments.

RESOURCES MANAGEMENT



3. Resources management

3.1. Human resources

ESTABLISHMENT PLAN

on 01/01/2019					on 01/01/2018				
	AD	AST	AST/SC	Total		AD	AST	AST/SC	Total
Permanent pc	279	229	15	523		281	235	13	529
Temporary pc	2	1	0	3		3	2	0	5
Total	281	230	15	526		284	237	13	534

STAFF NUMBERS AT 31.12.2019

	AD	AST	AST/SC	Total
Officials	264	202	15	481
Temporary staff	6	7	0	13
- in temporary posts	2	1	0	3
- in permanent posts	4	6	0	10
- offsetting staff working part time	0	0	0	0
Contract staff				30
Seconded national experts (SNE)				19
Agency staff				0
Total				543

The number of posts has decreased in 2019 for the following reasons:

- transfers of colleagues in other DGs without compensation;
- temporary secondments of colleagues with their post in political bodies;
- last contribution to the reduction of posts finalized on 31/12/18.

3.2. Financial and budgetary management

INITIAL AND FINAL APPROPRIATIONS

Final appropriations amounted to EUR 3.578 million compared to the EUR 4.398 million originally available.

FINAL APPROPRIATIONS AND APPROPRIATIONS COMMITTED

Overall implementation stood at -70% (90% in 2018), corresponding to EUR 2.5 million committed (4.8 million in 2018).

As in previous years, a certain margin also existed with regard to the budgeting of full amounts for temporary committees, as stipulated in the guidelines laid down by the Conference of Committee Chairmen, which the running temporary committees did not fully absorb.

For further details, please see annexes.

APPROPRIATIONS COMMITTED AND PAYMENTS MADE

Payments on contracted appropriations stood at 41% at year-end, at a similar level compared to last year (42 %).

This relatively modest level of payments in year n, and the consequently rather high level of carry-overs to year n+1, stems from the fact that research departments commission studies and papers on the basis of political requests, during the financial year, from the committees. Many of these, particularly the more costly

ones, are subject to time-consuming research and rarely give rise to payments in the same year. This has a major effect on executed payments against commitments.

Additionally, guests entitled to reimbursements sometimes send in their requests and receipts only after the end of the financial year, possibly when they prepare their private tax returns. This means that a significant portion of provisional commitments for travel and subsistence allowances has to be carried over as well.

The final amount carried over to 2020 (EUR 1.49 million) was lower than last year (EUR 2.79 million). As a proportion of contracted commitments, the ratio thus remained rather stable.

Amounts carried over will then be paid the following year at a rate that should approach 100% (96 % on 2018 funds carried over to 2019). Exceptions can relate to cases where the Parliament cancels a particular expertise item or considers that only part of the service has been delivered. They can also relate to carry-overs for travel and subsistence reimbursements, as the travel costs are not known at the time of the carry-over. It is therefore necessary to make an estimation erring on the safe side.

USE OF AUTOMATIC AND NON-AUTOMATIC CARRYOVERS FROM 2018 TO 2019

The use of the appropriations carried over from 2018 to 2019 was about 96 %.

For DG IPOL, which exclusively tenders for services (mainly studies and briefing papers) it is not unusual that a small part of the carry-overs is in fact cancelled, but the DG tries to minimise this portion through active follow-up and reminders from the Finance Unit.

If some amounts are not finally used it can relate to the fact that papers may occasionally be rejected once received, either outright or (more often) in view of substantial modifications that need to be made. This is sound financial management as studies of insufficient quality should not be paid for, or only paid for partially.

Also, there are some (minor) outstanding amounts, not finally used, that relate to carry-overs made on provisional commitments related to travel reimbursements. This is difficult to avoid since the final costs are not known at the time of the carry-overs procedure.

APPROPRIATIONS CORRESPONDING TO ASSIGNED REVENUE

No assigned revenue was recovered for 2019. However EUR 937,63 were recovered by EP corresponding to budget line 03200-01 expertise in the late 2018 and therefore carried over and spent in 2019.

EVALUATION AND EFFECTIVENESS OF INTERNAL CONTROL, INCLUDING OVERALL ASSESSMENT OF COST- EFFECTIVENESS



4. Evaluation and effectiveness of internal control, including overall assessment of cost-effectiveness

4.1 Assessment of the effectiveness and efficiency of internal control

The risk for administrative expenditure managed by DG IPOL is relatively low and is effectively mitigated by adequate controls and working methods put in place. The following elements support this assessment:

IPOL's financial activities include a mix of medium to low-value transactions. In terms of value, some 90 % of the budget is related to the purchase of expertise following requests from parliamentary committees. A substantial number of very low-value transactions is also handled and relate to reimbursement of experts for hearings.

The budget structure and detailed financial circuits for the DG's implementation of these funds are published and updated on its web-pages. This information is regularly updated, at the request of the Authorising Officer by Delegation (AOD), and is also done continuously by the Finance Unit.

The AOD always includes an item of budget follow-up on every agenda of the Directors' meetings (weekly). The implementation of all funds is authorised at the level of Directorates, with the respective Director as Authorising Officer by Sub-delegation (AOS), and in close cooperation with the Finance Unit in terms of

ex-ante control and advice. This cooperation between operational departments and the Finance Unit, and also with the personnel and IT units for those issues, reflect a strong culture of cooperation and communication in an essentially decentralised structure with strong central support functions. Conclusions of ex-ante control indicate no major issues with significant impact or negative knock-on effects.

The use of budget funds is transparent and under detailed scrutiny at all levels of the hierarchy. Naturally, all basic concepts, such as the segregation of duties, are fully respected.

The DG objectives are set annually, taking into account the updated Strategic Execution Framework for the period 2019 - 2021 and the projects derived from it (Parliamentary Project Portfolio) in which DG IPOL presently manages 15 projects as described under point 2.2.. The objectives are communicated to staff in writing and orally in meetings. Delegations of powers are clearly defined and always communicated in writing.

Risk management within the DG has evolved considerably over the past years and the identified risks and mitigating measures were updated each year, and will be updated again in early 2020 focussing on the impact on the SEF, IPOL's PPP's and core activities.

In addition to the above, IPOL also operates a number of other procedures and work practices to continuously monitor and improve the compliance with the minimal norms for internal control and their effective functioning.

For example, DG specific instructions on public procurement issues are also published and updated, including all relevant links to DG Finance.

Regular meetings with all financial actors have also been set up by the AO, implemented by the Finance Unit, in order to continuously monitor and improve financial and contractual procedures.

Mainly positive feedback has also received from Court of Auditors and Internal Auditor concerning various procurement procedures scrutinised in the past years.

The AO has since many years operated a training programme for newcomers, also including a module on "financial circuits" to emphasise the importance of correctly applying the existing procurement, contractual and financial rules.

Monitoring, registration and analysis of exception reporting and non-compliance events indicate a high degree of compliance with the internal control standards. As a result, in total 952 files have been submitted to ex-ante verification in 2019 out of which only one exception has been counted and listed under annex 6c below. It refers to a non-compliance event and exception for payment on request of the LIBE Committee to exceed the quota of 16 paid guests and to reimburse travel costs of

790,19 EUR for an additional expert beyond the quota.

Key conclusions on financial management and internal control

DG IPOL conducts its operations in compliance with the existing rules in force in order to meet a high level of professional and ethical standards.

It has set up an organisational structure and internal control systems tailored to the performance of its tasks to ensure the achievement of its political and operational objectives. It takes also into account the risks associated with the management environment. The authorising officer by delegation continuously assesses the effectiveness and efficiency of the internal control systems with a view to ensuring that they are functioning as expected and that any detected weaknesses in the controls are corrected.

As a result of the assessment of the implementation of the minimum internal control standards during the 2019 exercise, only one non-compliance event and exception for payment could be detected, listed in annex 6c, which proves a high degree of performance and the effectiveness of DG IPOL's robust internal control system. For a more detailed assessment please refer to annex 6e below.

Taking into account the elements above, it can be concluded that, overall, suitable controls are in place and work as intended and that the internal control system of DG IPOL provides reasonable assurance to monitor its risks

appropriately relating to the legality and regularity of the underlying transactions.

4.2 Assessment of the costs and benefits of the controls

Overall, the cost effectiveness of controls is assessed by the Resource Directorate in consultation with the Director General and his staff. This is done within the framework of the annual budget procedure and the annual report procedure.

In order to achieve efficiency of the control system, DG IPOL's scarce resources are geared towards preventing any erroneous and non-compliant expenditure in the first place, and its working methods were set up to achieve this goal.

Records of the overall results of financial controls are kept in the FINIP (IPOL Finance Unit internal database) and FINORD (replaced by FMS as from 6 January 2020), as well as in Web-contracts. In our FINIP database the records include the following mandatory information:

- ▮ identification of all transactions and operations of the DG, together with the total amount of these items,
- ▮ identification of the ex-ante verifiers who carried out the control,
- ▮ information whether the result was positive or negative, and, in case it was negative, it is reported as an exception or derogation describing i.a. whether a) it referred to internal procedures or b) to contractual or regulatory provisions;

Importantly, as from January 2012, in order to organise procurement procedures and contract management more efficiently DG IPOL has also continued to dedicate a previously existing post of an ex-ante verifier for all kinds of procurement procedures and related issues as well as for all kinds of contractual issues arising during the execution and implementation phases. This strategy has continued to give positive results during the course of the last 7 years.

The focus on giving individual assistance to operational departments "ante ex-ante" i.e. before submitting the files for the official ex-ante verification, thus continues in a successful way, preventing the risk of errors to a very high degree and thus keeping the error rate for legality and regularity extremely low.

Moreover, the decision to upgrade a previous ex-ante verifier post to an administrator post with long-standing experience in the field of procurement and contract management also allowed DG IPOL to create an official working group on Procurement and Contract Management chaired by this administrator to promote knowledge and experience within the DG and to represent it more efficiently and effectively within the Public Procurement Forum of the European Parliament. In addition, this group liaising closely with the Forum is very useful to discuss and resolve issues of concern for DG IPOL in detail, such as consequences of the new rules in legislation and their implementation (for example, the challenges brought about by Brexit and the consequences for UK tenderers wishing to participate in IPOL's procurement procedures).

In connection with the Annual Report, the existing measures are considered in the light of the year in question. So far, they have always been deemed appropriate and adequate.

Given the strong focus on ex-ante advice and checks (preparative and preventive work) as well as considering the annual budgets and staff resources available, additional ex-post controls have not been considered appropriate from the point of view of cost-benefit. However, during the annual carryovers' exercise, IPOL ex-ante verifiers may casually control transactions ex-post, which they have not verified ex-ante. Full and strong cooperation is of course afforded to any actions in this respect by the Court of Auditors and/or the Internal Auditor.

With regard to financial controls the table below reports the ratio of the estimated costs of controls over the budget managed and the total financial transactions.

Total estimated costs of controls	Budget managed*	Ratio (%)
304.472,5	6.374.511	4,77

*= final appropriations 2019 (B) + automatic carryovers 2018 to 2019 (M) + appropriations from assigned revenue in 2019 (W) + assigned revenue carried over to 2019 (X) as reported in the annex I of the AAR "Budgetary implementation overview".

The table shows a relatively moderate overall cost of control indicator of 4,77 %, comparable to other Directorates General. The cost is justified and considered reasonable and appropriate to ensure an efficient control in order to reach the expected results and objectives. The controls appear overall adequate and fulfilled the intended objectives. In addition, they helped to produce good quality deliverables.

In conclusion, it is considered that the effectiveness of controls and preventive measures is high with a large degree of transparency, good cooperation and clear procedures, while at the same time maintaining a lean establishment plan and an un-bureaucratic central structure.

4.3 Summary of internal and external audits

In the field of public procurement, DG IPOL has consistently implemented all recommended improvements, included those by the internal auditor in the previous years.

In 2019, a main assignment of the Internal Auditor continued to be the follow up of actions resulting from the audit of the Implementation of the Code of Conduct on Multilingualism for Interpretation Services. This transversal audit was under DG IPOL's and EXPO's joint responsibility, in close cooperation with DG LINC. DG IPOL was working on contributing to the completion of the remaining open action related to this audit - Agree guidelines on definition, monitoring and regular updating of sets of language profiles for each parliamentary body and type of meeting. DG IPOL and EXPO Committee secretariats established the new language profiles for Committees. DG EXPO's delegations' profile was defined and voted by the Members at the constituent meetings that took place in weeks 39 and 40.

The newly elected Members in 2019 need a transition in accommodation period before their language needs in the EP environment can be thoroughly assessed. Moreover, the Members need time to become familiar with

the EP functioning methods and rules. The necessity of raising awareness on the new Code on Multilingualism exists and both DGs communicate on the Code's provisions.

As regards the languages that need to be interpreted in "passive" mode only, it is to be expected that for certain languages, Members will oppose passive interpretation only, as it prevents their constituents from following the web streaming of committee meetings (Rule 195 of the Rules of Procedures) in their language.

It is estimated the secretariats of the bodies concerned will only be in a capacity to

determine which languages can be provided in passive mode as from beginning of 2020 at the earliest.

A couple of full committee meetings will be needed in order to be able to assess Members' linguistic skills.

This Action will be closed most likely in early 2020. The residual risk from this still open action is not considered to have a bearing on the declaration of assurance.

STATEMENT OF ASSURANCE

5

5. Statement of assurance

I, the undersigned, **Riccardo Ribera d'Alcalá**

Director-General of **Internal Policies**

hereby declare, in my capacity as authorising officer by delegation, that I have reasonable assurance that:

- 🍏 the information contained in the report presents a true and fair view;
- 🍏 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;
- 🍏 the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.

This reasonable assurance is based on my own judgement and on the information at my disposal, such as the results of self-assessment and remarks by the Internal Audit Service, as well as the lessons learned from the reports of the Court of Auditors for financial years prior to that for which this declaration is being made.

I also confirm that I am not aware of any fact not set down herein that could be prejudicial to the interests of the Institution.

Done at **Brussels**

On **03/04/2020**

Signature Riccardo Ribera d'Alcalá, Director-General for Internal Policies

ANNEXES

6

6. Annexes

a. Budgetary implementation overview

		DG IPOL	
Code	Appropriation type	EUR ou %	Formule
Appropriations of 2019			
A	Initial appropriations	4.398.000	
B	Final appropriations	3.578.000	
C	Commitments	2.506.812	
D	commitments in % of final appropriations	70%	D=C/B
E	Payments	1.021.789	
F	Payments in % of commitments	41%	F=E/C
G	Cancellations of 2019 final appropriations	1.071.188	G=B-C-K
H	Cancellations appropriations in % of final appropriations	30%	H=G/B
Appropriations carried forward from 2019 to 2020			
I	Automatic carryforwards from 2019 to 2020	1.485.023	I=C-E
J	Automatic carryforwards from 2019 to 2020 in % of commitments	59%	J=I/C
K	Non-automatic carryforwards from 2019 to 2020	0	
L	Non-automatic carryforwards from 2019 to 2020 in % of final appropriations	0%	L=K/B
Appropriations carried over from 2018 to 2019			
M	Automatic carryovers from 2018 to 2019	2.795.573	
N	Payments against automatic carryovers from 2018 to 2019	2.683.487	
O	Payments against automatic carryovers from 2018 to 2019 in % of automatic carryovers from 2018 to 2019	96%	O=N/M
P	Cancellations of automatic carryovers from 2018 to 2019	112.086	P=M-N
Q	Cancellations of automatic carryovers from 2018 to 2019 in % of automatic carryover from 2018 to 2019	4%	Q=P/M
R	Non-automatic carryovers from 2018 to 2019	0	
S	Payments of non-automatic carryovers from 2018 to 2019		
T	Payments of non-automatic carryovers from 2018 to 2019 in % of non-automatic carryovers from 2018 to 2019	-	T=S/R
U	Cancellations of non-automatic carryovers from 2018 to 2019		U= R-S
V	Cancellations of non-automatic carryovers from 2018 to 2019 in % of non-automatic carryovers from 2018 to 2019		V=U/R
Assigned revenue in 2019			
W	Appropriations from assigned revenue in 2019 (current)	0	
X	Assigned revenue carried over to 2019	938	
Y	Balance of commitments on assigned revenue carried over to 2019	0	
Z	Payments in 2019 against appropriations from assigned revenue (current and carried-over)	938	
AA	Payments in 2019 against appropriations in % of assigned revenue (current and carried-over)	100%	AA=Z/(W+X+Y)

b. 2019 Budget implementation statement

1. Current appropriations as at the end of December - Financial year 2019 (nature 0)
2. Automatic carryovers as at the end of December - Financial year 2019 (nature 2)
3. Non-automatic carryovers as at the end of December - Financial year 2019 (nature 6)
N/A
4. Specific expenditure appropriations/assigned revenue as at the end of December - Financial year 2019 (nature 7) **N/A**
5. Specific expenditure appropriations/assigned revenue carried over as at the end of December - Financial year 2019 (nature 5)
6. Specific expenditure commitments/assigned revenue carried over as at the end of December - Financial year 2019 (nature 3) **N/A**
7. Specific expenditure appropriations/external assigned revenue as at the end of December - Financial year 2019 (nature 9) **N/A**

Annex 6.b.1 - Current appropriations

Use of current appropriations as at 31 December 2019 (source: FINORD)

Situation of current appropriations							Situation of payments		
Sub-item	Initial appropriations	Transfers / Amending Budgets	Appropriations	Commitments done	Appropriations available	% Committed	Payments done	Still to be paid	% Paid
1	2	3	4	5	6=4-5	7=5/4	8	9=5-8	10=8/5
1612-02 * Formation professionnelle	99.000,00	0,00	99.000,00	65.011,93	33.988,07	65,67%	63.085,33	1.926,60	97,04%
Total chapter 16	99.000,00	0,00	99.000,00	65.011,93	33.988,07	65,67%	63.085,33	1.926,60	97,04%
03020-09 * Frais de réception et représentation comm.parlem.	74.000,00	0,00	74.000,00	49.984,46	24.015,54	67,55%	20.628,56	29.355,90	41,27%
03042-01 * Réunions des commission	152.500,00	0,00	152.500,00	107.860,58	44.639,42	70,73%	102.388,58	5.472,00	94,93%
Total chapter 30	226.500,00	0,00	226.500,00	157.845,04	68.654,96	69,69%	123.017,14	34.827,90	77,94%
03200-01 * Acquisitions d'expertise : politiques interne de l'UE	4.032.500,00	-820.000,00	3.212.500,00	2.279.596,78	932.903,22	70,96%	834.328,71	1.445.268,07	36,60%
03220-13 * Livres et inscriptions	40.000,00	0,00	40.000,00	4.358,19	35.641,81	10,90%	1.358,19	3.000,00	31,16%
Total chapter 32	4.072.500,00	-820.000,00	3.252.500,00	2.283.954,97	968.545,03	70,22%	835.686,90	1.448.268,07	36,59%
TOTAL	4.398.000,00	-820.000,00	3.578.000,00	2.506.811,94	1.071.188,06	70,06%	1.021.789,37	1.485.022,57	40,76%

Annex 6.b.2 - Appropriations carried over from 2018

Use of appropriations carried over from 2018 as at 31 December 2019 (source: FINORD)

Situation of appropriations carried over				
Sub-item	Appropriations carried over	Payments done	Still to be paid	% Paid
1	2	3	4 = 2-3	5 =
1612-02 * Formation professionnelle	8.845,00	8.750,00	95,00	98,93%
Total chapter 16	8.845,00	8.750,00	95,00	98,93%
03020-09 * Frais de réception et de représentation	15.161,87	13.111,67	2.050,20	86,48%
03042-01 * Réunions des commission	17.864,79	12.842,57	5.022,22	71,89%
Total chapter 30	33.026,66	25.954,24	7.072,42	78,59%
03200-01 * Acquisitions d'expertise : politiques interne de l'UE	2.753.701,46	2.648.782,95	104.918,51	96,19%
03220-13 * Livres et inscriptions	0,00	0,00	0,00	N.A
Total chapter 32	2.753.701,46	2.648.782,95	104.918,51	96,19%
TOTAL	2.795.573,12	2.683.487,19	112.085,93	95,99%

Annex 6.b.5 - Assigned revenue carried over from 2018

**Specific expenditure appropriations/assigned revenue carried over as at the end of December -
Financial year 2019 (nature5) (source: FINORD)**

Situation of appropriations carried over

Sub-item	Appropriations carried over	Payments done	Still to be paid	% Paid
1	2	3	4 = 2-3	5 =
03200-01 * Acquisitions d'expertise : politiques interne de l'UE	937.63	937.63	0,00	100,00%
Total chapter 32	937.63	937.63	0,00	100,00%
TOTAL	937.63	937.63	0,00	100,00%

c. List of exceptions - derogations from the rules

EXCEPTIONS TO PROCEDURE

DECISIONS TO MAKE AN EXCEPTION TO THE APPLICABLE PROCEDURES AND RULES

DOCUMENT REF.	RELEVANT AUTHORIZING OFFICER	SUBJECT	AMOUNT	VERIFIER'S OPINION	VERIFIER'S OPINION	DECISION	DECISION
OD 503/10	M. Speiser	Hearing on the Role of law situation in Poland on 201.11.18	730,19	Favourable with statement	Non-compliance event and exception for payment: Request of LIBE to exceed quota of 16 paid guests and to reimburse travel costs for additional expert beyond the quota (Note D/316897 of 22.10.18) was first denied by EP President (note D/318772 of 26.11.18). The draft answer prepared by the President of the EP on 22.11.2018 (note D/4564) to the second request from LIBE (Note D/44976 of 20.11.18) has not been signed, and the second request from LIBE was only authorized by note D/200931 of 18.4.2019.	M. Speiser	Note to the file of 07.05.2019 confirming approval of invitation and reimbursement of travel costs for expert out of quota from unused budget allocations from another committee secretariat, and not by transfer of unused quota.

WAIVERS/CANCELLATIONS OF RECEIVABLES - **Not applicable** -

RECEIVABLE WAIVER/CANCELLATION PROCEDURES

DOCUMENT REF. (FINORD REF.)	RELEVANT AUTHORISIN G OFFICER	SUBJECT	AMOUNT	AUTHORISING OFFICER'S REASONS FOR WAIVER/CANCELLATION

d. Results of assessments

There are no posts available in DG IPOL for ex-post controls in general. Considering the annual budgets and staff resources available, additional ex-post controls have not been considered appropriate from the point of view of cost-benefit.

e. Assessment of the implementation of the minimum internal control standards

SELF-ASSESSMENT SUMMARY TABLE

STANDARD	ACHIEVED	ALMOST	PARTLY	STARTED	TO BE STARTED/N.A.
Section 1: mission statement and values					
1. Duties					
2. Ethical and organisational values					
Section 2: Human resources					
3. Allocation of staff and mobility					
4. Staff assessment and development					
Section 3: Planning and risk management					
5. Objectives and performance indicators					
6. Risk management process					
Section 4: Operations and control activities					
7. Operational set-up					
8. Processes and procedures					
9. Supervision by management					

STANDARD	ACHIEVED	ALMOST	PARTLY	STARTED	TO BE STARTED/N.A.
10. Business continuity					
11. Document management					
Section 5: Information and financial reporting					
12. Information and communication					
13. Accounting and financial information					
Section 6: Evaluation and auditing					
14. Evaluation of activities					
15. Evaluation of internal control systems					
16. Audit reports					

COMMENTS ON THE OUTCOME OF THE ANNUAL SELF-ASSESSMENT OF MICS PERFORMANCE

Standards assessed as ‘achieved’ – good practices

List of examples (N° of standard(s) in brackets):

Ñ Role, objectives and mandate published on IPOLnet (1);

Ñ Regular training for newcomers (2);

Ñ Staff allocation and recruitment based on IPOL’s needs and priorities; (3);

Ñ Dialogue with line manager for annual assessment in place (3, 4);

Ñ Objectives of the DG are defined and communicated each year (5);

Ñ Compilation of both operational and strategic metrics since 01.07.2016; IPOL lead indicator (active involvement of internal actors in all stages of the legislative cycle) endorsed in 2017 (5). The progress on the IPOL PPP projects and in particular on the corporate ones is monitored regularly: Strategy and Innovation Unit is frequently in contact with the project managers (on average every 4 to 8 weeks, depending on the nature of the project) to assess the state of play on the milestones and to provide advice in case of obstacles. The same corporate milestones are also the object of the monthly meetings of the Cabinet of the Secretary-General/PMO with the advisors/Strategy and Innovation Units of the DGs. The new database on corporate projects is instrumental for these meetings and IPOL project managers have been invited to update the milestones punctually;

Ñ Weekly monitoring of main budget implementation done by the DG’s Finance Unit in cooperation with all operational departments (5);

Ñ IPOL Risk Register updated regularly in close cooperation with and assistance from the BCMU (Business Continuity Management Unit) (6);

Ñ Delegation of powers established; identification of sensitive posts and mitigation procedures in place as well as staff mobility; list of IPOL Financial Agents table published on INTRANet (7);

Ñ Financial circuits in line with Financial Regulation in place and published on IPOLnet; detailed checklists for initiation, verification and archiving continuously updated and published (8);

Ñ On-going regular update and revision of tailor-made IPOL templates and best practice in procurement. Full harmonisation of IPOL specific models for all procedures in place (8). A major check and up-date of on-line based manuals / templates of financial and contractual procedures on the new IPOL web site is being done since it has been launched in October 2014.

Ñ Follow-up a continuous implementation of recommendations (e.g. IPOL working group to improve efficiency of procurement activities). In 2019 IPOL’s framework-contract templates and ‘Negotiated Procedure’ templates have been updated to fully adapt them to the most recent changes in legislation and the new SAP based Financial Management System of the European Parliament technological improvements (8);

Ń Exceptions and Derogations are registered in the Finance Unit's data base FINIP and in WebContracts (8);

Ń Budget follow-up figures on every agenda of the Directors' (AOS) weekly meetings (9)

Ń On a political level, the Conference of Committee Chairs reviews the budget in September for potential adjustments and re-allocations in accordance with the Committees' needs (9)

Ń Elaboration of IPOL business continuity plan achieved (10);

Ń Back-up in place to ensure the continuity of operations; (10).

Ń Financial archives, of the DG centralised and managed by in the DG's Finance unit; all procedures published; in addition, destruction of all financial documents fulfilling the conditions established by DG IPOL's Retention Schedule Document (11, 12);

Ń Rules published on IPOLNET (12, 13);

Standards assessed as 'almost achieved' – further work required

Ń Annual revision of the internal control (IC) framework in connection with the annual activity report. A tailor-made "method" for IPOL still needs to be better defined, even though the control framework is continuously monitored and improved, notably through the recommendations made by the internal auditor of the European Parliament in its report 16/08 and the subsequent creation of an internal control coordinators network in 2019 in order to increase the maturity level of the IC management process. (15)

Standards assessed as 'partly achieved' or 'started' – weaknesses and practices

NA

Standards assessed as 'to be started' or 'non-applicable'

NA

Other comments

Ń From a purely political aspect, control standard 5 is, however, partially non-applicable. This is due to the fact that the most important objectives of the DG are of a political nature and mostly depend on political decisions. They do not lend themselves easily to measurement through quantitative indicators. In his recent audit report n° 16/08 on the 'Annual Activity Reporting', the Internal Auditor confirmed the specific nature of "political DGs" compared to purely "administrative DGs" and recommended that the future objective-setting framework for the annual reporting should take this difference better into account.

Ń The DG does not operate an ex-post evaluation system. Given the need to carefully weigh the benefits of such controls compared to the resources needed to implement them, it is considered much more effective to concentrate limited resources on ex-ante controls and advice in conjunction with continuous information and training. This is particularly so given the DGs relatively modest annual budget. Nevertheless, informal ex-post controls can be made when deemed pertinent.